



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

[PR/52/16/DD/114/16/DC/580/2017]

**ORDER UNDER SECTION 21B(3) OF THE CHARTERED ACCOUNTANTS ACT, 1949 READ WITH
RULE 19(1) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF INVESTIGATION OF
PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF CASES) RULES, 2007.**

File No. : [PR/52/2016/DD/114/2016/DC/580/17]

In the matter of:

Shri Mudit Maheshwari

S/o Shri Ashok Maheshwari
Gulmohar Garden, L-01, G-01,
Raj Nagar Extension,
GHAZIABAD-201 001

...Complainant

Versus

CA. Manish Agrawal (M. No. 075874)

M/s. Manish Ritu Agrawal & Associates (FRNo.014664C)
First Floor, Rainbow International Play School,
Janakpuri (Near Water Tank),
ALIGARH – 202 001.

...Respondent

MEMBERS PRESENT:

- 1. CA. Atul Kumar Gupta, Presiding Officer**
- 2. Sh. Rajeev Kher, I.A.S. (Retd.), Govt. Nominee**
- 3. CA. Amarjit Chopra, Government Nominee**
- 4. CA. Rajendra Kumar P, Member**

1. That vide findings under Rule 18 (8) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 dated 05.02.2019, the Disciplinary Committee was inter-alia of the opinion that **CA. Manish Agrawal (M. No. 075874)** (hereinafter referred to as the **Respondent**) was **GUILTY** of professional misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

2. That an action under Section 21B (3) of the Chartered Accountants Act, 1949 was contemplated against the Respondent and communication dated 29th March, 2019 was



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addressed to him thereby granting an opportunity of being heard in person and/or to make oral/written representation before the Committee on 09th April, 2019 at New Delhi.

3. Further, on 09th April, 2019, the Committee noted that the Respondent was present and he appeared before it. The Respondent submitted written representations dated 24/03/2019 and 09/04/2019 stating that *“the cited payment in financial year 2013-14 was made by Aligarh Tractors & Automobiles Pvt. Ltd. to Shri Mudit Maheshwari by way of cheque. In fact it was a payment made by the father’s Company to his own son. Since the cheque was outstanding as on the closing day of the accounting year viz. 31.03.2014 the same was shown as outstanding and pending clearance in the bank reconciliation statement. That was done in term of the standard auditing and accounting practice. The fact that there was mischief involved at the end of the father-son combine and that it was due to a deliberation and design went un-noticed. There is thus a mitigating circumstances. Yet for the fact that extra care was not taken in respect of the activities of a quarrelsome client leniency was prayed for on the solemn assurance of the undersigned for the exercise of due and adequate care in future”*.

4. The Committee noted that the Respondent pleaded guilty in terms of the provision of Rule 18 (8) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 before earlier Committee who dealt with the case in detail on the charge that Rs. 6,08,982/- were payable to the Complainant against his unsecured loan in the audited balance sheet of Company M/s. Aligarh Tractors and Automobiles (P) Ltd. for the FY 2012-13. But the same has been shown as Nil in the audited balance sheet of the Company for the FY 2013-14 (which has been audited by the Respondent) despite of the fact that nothing has been received by the Complainant from the Company during FY 2013-14 against his above said unsecured loan.



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5. The Committee perused the above facts and noted that although the Respondent has accepted said misconduct, but same has a grave effect as it attract gross negligence on the part of the Respondent and same falls within the meaning of Clause (7) Part I of Second Schedule to the Chartered Accountant Act, 1949.

In view of above and as admitted by the Respondent, the Committee was of the view that that justice would be met if a severe punishment granted to the Respondent in this case.

6. Thus, keeping in view the facts and circumstances of the case, the material on record before it, the Committee ordered that the name of the Respondent i.e. CA. Manish Agrawal (M.No.075874) be removed from the register of members for a period of 01 (one) month.

Sd/-
(CA. ATUL KUMAR GUPTA)
PRESIDING OFFICER

Sd/-
(CA. AMARJIT CHOPRA)
GOVERNMENT NOMINEE

Sd/-
(SHRI RAJEEV KHER, I.A.S. (Retd.)
GOVERNMENT NOMINEE

Sd/-
(CA. RAJENDRA KUMAR P)
MEMBER

DATE : 09/04/2019

PLACE : New Delhi



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CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – II (2018-2019)]

[Constituted under Section 21B of the Chartered Accountants (Amendment) Act, 1949]

Findings under Rule 18(8) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

File No. : [PR/52/2016/DD/114/2016/DC/580/17]

In the matter of:

Shri Mudit Maheshwari

S/o Shri Ashok Maheshwari

Gulmohar Garden, L-01, G-01,

Raj Nagar Extension,

GHAZIABAD-201 001

...Complainant

Versus

CA. Manish Agrawal (M. No. 075874)

M/s. Manish Ritu Agrawal & Associates (FRNo.014664C)

First Floor, Rainbow International Play School,

Janakpuri (Near Water Tank),

ALIGARH – 202 001.

....Respondent

MEMBERS PRESENT:

Shri Mudit Maheshwari, Ghaziabad -vs.- CA. Manish Agrawal, Aligarh (M. No. 075874)

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CA. Prafulla P. Chhajed, Presiding Officer
Shri Rajeev Kher, I.A.S. (Retd.), Govt. Nominee
CA. Amarjit Chopra, Government Nominee
CA. Mangesh P. Kinare, Member

DATE OF HEARING : 18.09.2018

PLACE OF HEARING : ICAI Bhawan, New Delhi

PARTIES PRESENT:

Respondent : CA. Manish Agrawal

Counsel for the Respondent : CA. K. Sampat alongwith CA. R. K. Gaur

Charges in Brief:-

1 The Committee noted that the Respondent was held Prima Facie Guilty in respect of only one charge, which is as under:-

1.1 That Rs. 6,08,982/- were payable to the Complainant against his unsecured loan in the audited balance sheet of Company M/s Aligarh Tractors and Automobiles (P) Ltd. for the FY 2012-13. But the same has been shown as Nil in the audited balance sheet of the Company for the FY 2013-14 (which has been audited by the Respondent) despite of the fact that nothing has been received by the Complainant from the Company during FY 2013-14 against his above said unsecured loan.



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Brief facts of the Proceeding:

2. On the day of hearing i.e. 18/09/2018, the Committee noted that the Respondent alongwith Counsel (s) were present and appeared before it. The office apprised that the notice sent to the Complainant at his available address was returned back and thereafter, the Complainant was approached over phone and the notice was sent to his new address. However, there was no intimation from Complainant regarding his appearance for this hearing.
- 2.1 However, it may be mentioned in this regard that subsequent to the conclusion of the meeting, it was noticed that an e-mail has been received from the Complainant on 18/09/2018 seeking further date of hearing in this case. However, since, the case was concluded by the Committee, therefore, the same was taken on record only without any cognizance being given to the same.
- 2.2 The Respondent was put on oath. On explaining the charges and on being asked whether the Respondent pleads guilty, he accepted the charges.
- 2.3 After recording the plea of the Respondent, the Committee concluded the hearing in the captioned case.

Finding:-

3. Since the Respondent pleaded guilty as above, the Committee recorded his plea in terms of the provision of Rule 18 (8) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 and accordingly held the Respondent **GUILTY** of professional misconduct falling within the meaning of Clause (7) of Part I of the Second Schedule to the Chartered Accountants Act, 1949.

Sd/-
(CA. PRAFULLA P. CHHAJED)



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PRESIDING OFFICER

Sd/-

(SH. RAJEEV KHER, I.A.S. (Retd.))

GOVERNMENT NOMINEE

Sd/-

(CA. AMARJIT CHOPRA)

GOVERNMENT NOMINEE

Sd/-

(CA. MANGESH P. KINARE)

MEMBER

DATE : 05th February, 2019.

PLACE : New Delhi