



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

[PR/243/16/DD/267/2016/BOD/413/2017]

**ORDER UNDER SECTION 21 A (3) OF THE CHARTERED ACCOUNTANTS ACT, 1949 READ WITH RULE 15(1) OF THE CHARTERED ACCOUNTANTS (PROCEDURE OF INVESTIGATIONS OF PROFESSIONAL AND OTHER MISCONDUCT AND CONDUCT OF CASES) RULES, 2007.**

In the matter of:-

**Shri P.V. Anudeep Chakravarthy, New Delhi**

....Complainant

-Vs-

**CA. Agam Gupta (M.No. 534504), M/s. Agam Paras & Associates, Chartered Accountants, New Delhi**

....Respondent

[PR/243/16/DD/267/2016/BOD/413/2017]

**MEMBERS PRESENT:**

**CA. Prasanna Kumar D, Presiding Officer**

**Mrs. Rani Nair, (IRS, Retd.), Government Nominee**

**CA. Durgesh Kumar Kabra, Member**

**Date of final hearing: 9<sup>th</sup> March 2020**

1. The Board of Discipline vide Report dated 6<sup>th</sup> January, 2020 was of the opinion that **CA. Agam Gupta** is guilty of "Other Misconduct" falling within the meaning of Clause (2) of Part-IV of the First Schedule to the Chartered Accountants Act, 1949 read with section 22 of the said Act.

2. An action under Section 21A (3) of the Chartered Accountants Act, 1949 was contemplated against **CA. Agam Gupta** and communication dated 26<sup>th</sup> February, 2020 was addressed to them thereby granting them an opportunity of being heard in person and/or to make written representation before the Board on 9<sup>th</sup> March, 2020.

3. **CA. Agam Gupta** appeared personally before the Board on 9<sup>th</sup> March 2020 and made his submissions thereat and also requested the Board to take a lenient view in his case for award of punishment.

4. **CA. Agam Gupta** in his written representation dated 6<sup>th</sup> March, 2020, inter-alia stated as hereunder:-

(a) The Board of Discipline has not sought explanation from the Complainant, the locus standi in the matter of bringing out the complaint against the Respondent. The onus to prove the charge lies on the Complainant and he has not submitted any evidence regarding the alleged charges.

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- (b) The Board of Discipline did not ensure/verify whether "the Complainant" has filed the complaint against the Respondent in his individual capacity or for and behalf of "the Company" (Quick Company Legal Services Private Limited earlier known as Less than Equals Three Services Private Limited). It was/is apprised that the manner in which the complaint was filed and rejoinder was submitted by "the Complainant" proves beyond doubt with evidences on record that he has acted for and on behalf "the Company". The address given by the Complainant in his complaint is the address of "the Company" (Quick Company Legal Services Private Limited earlier known as Less than Complainant and "the Company" are same. This important fact has been deliberately omitted by the Complainant and over looked by the Board of Discipline.
- (c) Though the Board of Discipline have noted that the complaint has been filed without proper board resolution, authorisation letter from the Company, but neither the Board of Discipline nor the Director(Discipline) has ensured verification of "the Complainant" identity.
- (d) The Board of Discipline has not noted that the Director( Discipline) did not invoke its powers granted under section 21C of the Chartered Accountants Act, 1949 to properly investigate the matter by examination/cross examination of the "the Complainant" at the formation of the prima facie opinion or sought information from the Complainant to furnish copies of any documents to show that the Respondent mailed to the registered clients of Quick Company Legal Services Private Limited for procuring audits as mentioned in the complaint, which was a very important information.
- (e) The Hon'ble Board of Discipline overlooked/did not consider the transcript of whatsapp communication between the Respondent and the Complainant where it is very clear that the Complainant name was used for filing this frivolous and bogus complaint as he is an employee of the company.
- (f) It is again reiterated that the Respondent was only Director Simplicitor in the company. Further, the Respondent was Promoter Director in the company for which no specific approval is required from Hon'ble ICAI. The Respondent was not involved in day to day working of the company as the same was carried out by Mr. Manmeet Singh who at that time was holding 60% of shares. It is also apprised that the Respondent did not hide any facts at the time of filing of information with MCA
- (g) The Respondent resigned as director from the Company on 06<sup>th</sup> February, 2016 and requested to accept it with immediate effect. Thereafter the resignation was placed before the meeting of Board of Directors on 06<sup>th</sup> February, 2016 itself and necessary intimation was given to the Respondent on 06<sup>th</sup> February, 2016.
- (h) The Respondent started offering Professional services to the company after resigning from the Company only on 06<sup>th</sup> February, 2016. The document placed on page no R-84 to R-86 filed by the Complainant vindicate the Respondent that the e-mail was dated 21<sup>st</sup> April, 2016

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and these bills were dated 18<sup>th</sup> April, 2016 i.e. after the Respondent resignation dated 06<sup>th</sup> February, 2016 (approx. two and half months). There is no Professional misconduct on the part of the Respondent as alleged by the Complainant.

5. The Board has carefully gone through the facts of the case and also the oral and written representation of CA. **Agam Gupta**. Considering the above representation, the Board was of the view that the said submissions are basically a reiteration of the submissions made by the Respondent at the time of hearing and have been duly considered by the Board while giving its findings. Further, necessary compliance of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases), Rules 2007 was made while registering the case against the Respondent.

6. Thus, the Board was of the view that, as per the findings of the Board as contained in its report the Respondent was actively carrying out the affairs of the Company in his capacity as Executive Director and not merely as a Director Simplicitor, and was also soliciting the professional work through various emails sent to clients of Quickcompany and sharing his credentials via Press Release and it has already been conclusively proved that the Respondent is Guilty of Other Misconduct falling within the meaning of 'Professional Misconduct' falling within the meaning of Clauses (6) and (11) of Part I of the First Schedule to the Chartered Accountants Act, 1949.

7. Upon consideration of the facts of the case, the consequent misconduct of CA. **Agam Gupta (M.No. 534504)** and keeping in view his oral and written representation before it, the Board decided to reprimand CA. **Agam Gupta (M.No. 534504)**.

Sd/-

**CA. PRASANNA KUMAR D.**  
(PRESIDING OFFICER)

Certified to be true copy

R.S. Srivastava  
Assistant Secretary,  
Disciplinary Directorate

The Institute of Chartered Accountants of India,  
ICAI Bhawan, Vishwas Nagar, Shahdra, Delhi-110032

BOARD OF DISCIPLINE(Bench I)

Constituted under Section 21A of the Chartered Accountants Act 1949

Findings under Rule 14(9) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007

File No. : PR/243/16/DD/267/2016/BOD/413/2017

QUORUM:

CA. Sushil Kumar Goyal, Presiding Officer  
Mrs. Rani Nair (IRS, Retd.), Government Nominee  
CA. Durgesh Kumar Kabra, Member

In the matter of:

Shri P V Anudeep Chakravarthy  
C/o Cercles (Building)  
T2- Backlane, Deerpark,  
Hauz Khas Village, New Delhi  
Delhi -110016

..... Complainant

**Versus**

CA. Agam Gupta (M. No. 534504)  
M/s. Agam Paras & Associates (FRN 028535N)  
H.No.-1/7718, 1st Floor,  
Street No.-2, East Gorakh Park,  
Shahdara,  
New Delhi-110032

.....Respondent

DATE OF HEARING : 04<sup>th</sup> November, 2019  
PLACE OF HEARING : New Delhi

PARTIES PRESENT:

Respondent : CA. Agam Gupta

FINDINGS:

1. The Board noted in the instant case, that the Respondent, being a chartered Accountant in practice, has worked with the Company Legal Services Private Limited

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(Earlier known as Less Than Equals Three Services Private Limited) (hereinafter referred to as 'Company') right from its date of incorporation, i.e. 10th December 2014 as full time director without special permission from the Institute. It was also alleged that Respondent, being director of the Company which deals with Company Registration all over India, took the operations of the Company as a base to expand his own CA practise by calling up and mailing each and every client registered with the Company to get himself and his partner Paras Mehra to be appointed as the auditors.

2. The Board noted that at the time of hearing held on 04<sup>th</sup> November, 2019 the Respondent was present before it. However, neither the Complainant/his authorized representative was present before it nor was there any intimation as regards his non-appearance despite the due service of the notice of hearing. Accordingly, the Board decided to proceed ahead with the hearing in the matter. On consideration of the submissions and the documents on record, the Board concluded the hearing of the case with the direction to the Respondent to file his written submissions within 15 days with a copy to the Complainant.

3. Thereafter, the Board at its meeting held on 16<sup>th</sup> December 2019 considering the further written submissions filed by the Respondent and the Complainant together with the other papers on record took a decision as regards misconduct of the Respondent.

4. The Board noted the following submissions of the Respondent:

(i) The complaint has been filed with malafide intentions and nefarious design of the Complainant and the Complainant has not produced any evidence on the scope of work of the Respondent and copies of the Board Resolutions where the delegation and division of work might have been passed.

(ii) The Respondent has not attended a single Board of Directors meeting of the company. He was only Director Simplicitor in the Company. Further, the Respondent was Promoter Director in the Company for which no specific approval is required from Hon'ble ICAI. Moreover, the Respondent was not involved in day to day working of the company as the same was carried out by Mr. Manmeet Singh who at that time was holding 60% of shares.

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(iii) He resigned as Director from the Company on 06<sup>th</sup> February, 2016 and requested to accept it with immediate effect. Thereafter the resignation was placed before the meeting of Board of Directors on 06<sup>th</sup> February, 2016 itself and necessary intimation was given to the Respondent on 06<sup>th</sup> February, 2016. Thereafter, the Respondent started offering professional services to the Company after resigning from the Company only on 06<sup>th</sup> February, 2016. The Respondent further reiterated that the e-mail id 'agam@quickcompany.in' was used / misused by Company executives as this e-mail id was created from the company domain (administered/created by Mr. Manmeet Singh the third Director), the Respondent do not have any right to create e-mail ID and was invariably used /misused in all the correspondences done by and on behalf of the Company.

(iv) In Form DIR-12 he was inadvertently shown as 'Executive Director' instead of 'Non-Executive Director'. Moreover, the Complainant has not placed any supporting documentary evidence on record such as appointment letter, salary paid/payable to the Respondent, emails for solicitation of work from clients, amount paid to the Respondent towards remuneration with in the ambit of salary, bank statement of the Company, Board Resolutions of the Company, etc. which show that the Respondent was working in whole time employment in the Company which is a necessary condition to be Executive Director.

5. The Board observed that although there is no bar on a Chartered Accountant to be a Promoter Director, however in the present case, as per Form DIR 12 filed by the Company the designation of such director was mentioned as Executive Director. It is also seen that this DIR-12 has been filed under the digital signature of the Respondent himself. However, the Respondent has disputed his digital signatures by claiming them as being misused but he could not produce any evidence in support of his claim that how and by whom his digital signatures were misused and moreover no recourse action has been taken by him against such misuse.

6. The Board also observed that the Complainant has produced on record the following:-

i. Statement made by the Respondent to rediff on ease of doing business in India available at: <http://www.rediff.com/money/report/company-registration-just-got-easier/20150622.htm>, wherein following points are noted:-

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*Experts pointed out that with a single form, it should not take more than 3-4 days to register a Company. "But that is not the case" says Agam Gupta, co-founder, Quickcompany.in.*

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*Gupta says they prefer to take the nsdl.com route to get the Company's PAN card. There are instances where as an entrepreneur who has not applied separately for PAN has had to wait for a month to receive it.*

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*According to Gupta, around 50% of the cases, he files in a month receive such a name re-submission request."*

7. The Board also noted that the Complainant has submitted that the Respondent and CA Paras Mehra had also sent a legal notice to Mr. Manmeet Singh alleging that Manmeet Singh had committed copyright violations etc. In pertinent part, the notice states as follows:

*"3. That being the co-founders, promoters, and directors of the Noticee No. 1, my clients have devoted their time, energy and professional expertise to promote and develop the business of Noticee No.1. That my clients was instrumental in development of business, market share of Noticee No. 1, development of system and management of significant parts of operation of Noticee No.1."*

The Complainant also submitted that he has several recordings of the dealing of both the Respondent and CA Paras Mehra with customers of Quickcompany indirectly. He further submitted that the Respondent had written articles in his own name stating that he was founder of Quickcompany conducted sales calls, undertook compliance services from the sales calls /leads so generated; thus, he was actively involved in running of the day-to-day activities.

8. The Board also observed that at the time of hearing the Respondent has himself admitted that he was one of the signatories to the Bank Account, which proves that

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he was engaged in the business while holding the COP, without the permission of the Council.

9. The Board also observed that the Respondent's own statement to the Press and Legal Notice, as mentioned above, (both given by him in his capacity as Co-Founder, Promoter and Director) shows that he was very much actively involved in the day-to-day operations of the Company, and mentioning his position as Executive Director in Form DIR-12 was not inadvertent. Moreover, as noted above, he was also one of the signatories to the bank account.

10. As regards the second charge, the Board observed that sending of e-mails from his e-mail id is not denied by the Respondent except that he has contended that the same was done by the executives of the company and it is difficult to accept that the sending of such e-mails could have been done without his approval / knowledge.

11. The Board deliberated on the facts of the case along with the submissions made by the Complainant and the Respondent. The Board was of the opinion that the Respondent was actively carrying out the affairs of the Company in his capacity as Executive Director and not merely as a Director Simplicitor, and was also soliciting the professional work through various emails sent to clients of Quickcompany and sharing his credentials via Press Release.

12. Keeping in view of the above-mentioned points, the Board decided to hold the Respondent Guilty of the charges alleged against him.

**CONCLUSION:**

13. Thus, in conclusion, in the considered opinion of the Board, the Respondent is held **GUILTY** of Professional Misconduct falling within the meaning of Clauses (6) and (11) of Part I of the First Schedule to the Chartered Accountants Act 1949.

Sd/-  
CA. SUSHIL KUMAR GOYAL  
(PRESIDING OFFICER)

Sd/-  
MRS. RANI NAIR (IRS, Retd.)  
(GOVERNMENT NOMINEE)

Sd/-  
CA. DURGESH KUMAR KABRA  
(MEMBER)

**DATE: 6<sup>th</sup> January, 2020**

**PLACE: New Delhi**

Certified Copy  
*[Signature]*  
Assistant Secretary  
Disciplinary Directorate  
The Institute of Chartered Accountants of India  
ICAI Bhawan, I.P. Marg, New Delhi-110 002