

CONFIDENTIAL

DISCIPLINARY COMMITTEE [BENCH – III (2026-27)]
[Constituted under Section 21B of the Chartered Accountants Act, 1949]

Findings under Rule 18(17) and Rule 19(2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007

[PPR/MISC/TMD/70/2024/DD/22/INF/2024/DC/2155/2025]

In the matter of:

CA. Manoj Kumar Agrawal (M.No.076980)
Manoj Mohan & Associates
F 18A, Sector 27
Noida – 201301
Uttar Pradesh.

... Respondent

MEMBERS PRESENT:

CA. Mangesh Kinare, Presiding Officer (in person)
Dr. K Rajeswara Rao, Government Nominee (through video conferencing)
CA. Piyush S Chhajed, Member (in person)

Date of Final Hearing: 02nd April 2026

Date of decision: 7th July 2026

Date of Pronouncement of Decision: 29th September, 2026

PARTIES PRESENT (through Video Conferencing):

Authorized Representative for Respondent: CA. Deepak Sharma

1. BACKGROUND OF THE CASE:

- 1.1 The Tender Monitoring Directorate of ICAI (hereinafter referred to as "Informant/ TMD") which monitors the tenders floated by the organizations for professional services rendered by Chartered Accountants during the course of its functioning, came across a tender floated by Northern Regional Power Committee, Ministry of Power for engagement of Financial Audit Services - Review of Financial Statements, Financial Reporting Frame work and Audit Report wherein certain bidders quoted fee which was less than estimated bid value. The TMD deliberated on the matter at its meeting held on 5th February 2024 wherein it was decided, to refer the matter to the Director (Discipline) for investigation under section 21 of the Chartered Accountants Act, 1949. Accordingly, the TMD vide its letter dated 15th April 2024 referred the matter to the Director (Discipline) against certain CA firms including the firm M/s Manoj Mohan & Associates, (FRNo.009195C), Noida, (hereinafter referred to as "Respondent firm") for violation of Tender Guidelines issued by ICAI. The aforesaid act of the Respondent firm has been alleged to be against the Tender Guidelines issued by the ICAI which falls under the Professional Misconduct within the meaning of Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949.

- 1.2 On consideration of the matter, the Director (Discipline) decided to treat the same as "Information" within the meaning of Rule 7 of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.
- 1.3 Accordingly, in terms of the provision of sub-rule (1) of Rule (8) read with Rule 11 of the aforesaid Rules, an "Information" letter dated 24th May 2024 followed by email dated 27th May 2024, 29th May 2024 and letter dated 30th May 2024 were sent to the Respondent firm, with a request to disclose the name of the member(s) answerable to the Information and arrange to submit the written statement along with a declaration in the prescribed format duly signed by such member(s) answerable to the Information. In response, CA. Manoj Kumar Agrawal (M.No.076980), (hereinafter referred to as the "**Respondent**") vide his letter dated 11th June 2024 declared himself as the member answerable in the matter.

2. **CHARGE IN BRIEF:**

S.No.	Charge(s)	Prima Facie Opinion of the Director (Discipline)	Applicable Item of the Schedule to the Chartered Accountants Act 1949
1.	The Respondent firm participated in a Tender bid no. GEM/2023/B/3533649 dated 09 th June 2023 for Financial Audit Services, Review of financial Statements, Financial Reporting Framework and Audit Report of Northern Regional Committee Ministry of Power in violation of Tender Guidelines issued by ICAI.	Guilty	Item (1) of Part II of the Second Schedule

3. **RELEVANT ISSUES DISCUSSED IN THE PRIMA FACIE OPINION DATED 17TH JUNE 2025, FORMULATED BY THE DIRECTOR (DISCIPLINE) IN THE MATTER IN BRIEF, ARE GIVEN BELOW: -**

3.1 **With respect to charge that the Respondent firm participated in a Tender bid no. GEM/2023/B/3533649 dated 09th June 2023 for Financial Audit Services, Review of financial Statements, Financial Reporting Framework and Audit Report of Northern Regional Power Committee Ministry of Power in violation of Tender Guidelines issued by ICAI.**

- 3.1.1 In this regard it is noted that a notification dated 7th April 2016 has been issued by Institute in Part III, Section 4 of the Gazette of India (Extraordinary) which, inter-alia, provides as under:

"A member of the Institute in practice shall not respond to any tender issued by an organization or user of professional services in areas of services which are exclusively reserved for chartered accountants, such as audit and attestation services. However, such restriction shall not be applicable where minimum fee of the assignment is

prescribed in the tender document itself or where the areas are open to other professionals along with the Chartered Accountants."

- 3.1.2 It is further noted that in Para 2.14.1.6(iv) of the Code of Ethics Volume - II (Revised 2020) relating to some forms of soliciting work which the Council has prohibited states as under:

"A

B

C Responding to Tenders, Advertisements and Circulars:

.....
(3) A member of the Institute in practice shall not respond to any tender in areas of services which are exclusively reserved for Chartered Accountants by statute viz. Audit and Attestation Services such as Audit under Companies Act, 2013, Income Tax Act, 1961, etc. In any state under the local statute, if audit and attestation services are exclusively meant for Chartered Accountants only, the member will not be allowed to respond to such tender. However, a member may respond to tenders as mentioned above wherever the minimum fee of the assignment is prescribed in the tender document itself. The fees quoted by the member shall not be less than the minimum fee mentioned in the tender.

.....
(8), Non-adherence to these Guidelines could lead to disciplinary action as this is a Council decision.

....."

- 3.1.3 It was noted that the tender floated by Northern Regional Power Committee, Ministry of Power for engagement of Financial Audit Services for Review of Financial Statements, Financial Reporting Framework, Audit Report was exclusively reserved for Chartered Accountants.
- 3.1.4 It was observed that the estimated value of the assignment of Rs. 44,000/- was mentioned in the Bid Document instead of minimum bid fee. It is also noted that the Respondent had quoted a bid price of Rs. 41,920/- and mentioned that his firm had not contravened any provisions of the Act or any Guidelines issued by the Council as his firm merely quoted a price marginally lower than the estimated bid price and was not awarded the tender.
- 3.1.5 In this regard, it is pertinent to refer to the tender Guidelines issued by the Institute of Chartered Accountants of India (ICAI), which categorically state that a Chartered Accountant in practice shall not respond to any tender for services exclusively reserved for Chartered Accountants-such as audit and attestation services-unless the tender document explicitly prescribes a minimum fee for the assignment. Therefore, in the absence of a prescribed minimum fee in the tender, participation by Chartered Accountants in such tenders is in contravention of the ICAI's tender Guidelines.
- 3.1.6 Regarding the Respondent's averment that there is no contravention of the Act as the tender was not awarded, it is viewed that misconduct as per tender Guidelines issued by ICAI is triggered not by execution of work but by the act of responding to such a tender.
- 3.1.7 It was further observed that the Respondent was obligated to ensure full compliance with the Tender Guidelines issued by the ICAI prior to participating in the aforementioned tender process. However, in the present case, the Respondent failed entirely to adhere to these mandatory requirements.



- 3.2 Accordingly, the Director (Discipline) in his Prima Facie Opinion held the Respondent Guilty of Professional Misconduct falling within the meaning of Item (1) of Part II of the Second Schedule to the Chartered Accountants Act 1949. The said Item of the Schedule to the Act, states as under:

Item (1) of Part II of Second Schedule:

PART II: Professional misconduct in relation to members of the Institute generally

A member of the Institute, whether in practice or not, shall be deemed to be guilty of professional misconduct, if he—

“(1) contravenes any of the provisions of this Act or the regulations made thereunder or any guidelines issued by the Council”

- 3.3 The Prima Facie Opinion formed by the Director (Discipline) was considered by the Disciplinary Committee at its meeting held on 2nd December 2025. The Committee on consideration of the same, concurred with the reasons given against the charge and thus, agreed with the Prima Facie opinion of the Director (Discipline) that the Respondent is GUILTY of Professional Misconduct falling within the meaning of Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949 and accordingly, decided to proceed further under Chapter V of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

4. DATE(S) OF WRITTEN SUBMISSIONS/PLEADINGS BY PARTIES:

- 4.1 The relevant details of the filing of documents in the instant case by the parties are given below:

S. No.	Particulars	Date
1.	Date of 'Information' letter	24 th May 2024
2.	Date of Written Statement filed by the Respondent	18 th June 2024
3.	Date of Prima Facie Opinion formed by Director (Discipline)	17 th June 2025
4.	Written Submissions by the Respondent after Prima Facie Opinion	Not filed

5. BRIEF FACTS OF THE PROCEEDINGS:

- 5.1 The Committee noted that the instant case was fixed for hearing on following dates:

S. No.	Date	Status of Hearing
1.	7 th January 2026	Adjourned due to paucity of time
2.	25 th January 2026	Adjourned due to paucity of time
3.	4 th February 2026	Fixed and adjourned in the absence of Respondent
4.	25 th March 2026	Part-heard and adjourned
5.	2 nd April 2026	Case heard (Hearing Concluded)
6.	7 th July 2026	Decision taken on the conduct of the Respondent

- 5.2 At the meeting held on 7th January 2026 and 25th January 2026, the consideration of the case was adjourned due to paucity of time.
- 5.3 At the hearing held on 04th February 2026, the Committee noted that the consideration of the case was adjourned by the Committee due to non-availability of the Respondent at the time when the case was taken up for hearing.
- 5.4 At the hearing held on 25th March 2026, the Committee noted that the Respondent was present before it through Video Conferencing. As the Respondent appeared before the Committee for the first time, he was put on Oath. Thereafter, the Committee asked the Respondent whether he was aware of the charge(s) levelled against him to which he replied in affirmative. On being asked by the Committee, as to whether he pleaded guilty to the charges levelled against him, he pleaded Not Guilty and opted to defend the case. The Committee, thereafter, decided to adjourn the hearing in the case and directed to list the case for hearing on 2nd April 2026. Accordingly, the hearing in the case was part heard and adjourned.
- 5.5 At the hearing held on 2nd April 2026, the Committee noted that the authorized representative for the Respondent was present before it through Video Conferencing. Thereafter, the Committee asked the authorized representative for the Respondent to make his submissions before it. On the same, he made submissions in detail, inter alia, stating that the tender was not for an attestation function or audit function. It was for the review of the financial statements, and that the tender was not granted to the Respondent. The Committee sought clarifications on the submissions made which were responded by him. Accordingly, the case was heard.
- 5.6 Thereafter, at its meeting held on 7th July 2026, the Committee, keeping in view the submissions and documents on record, discussed and decided on the conduct of the Respondent.

6. **FINDINGS OF THE COMMITTEE: -**

- 6.1 At the outset, the Committee noted that the Respondent firm participated in a Tender bid no. GEM/2023/B/3533649 dated 09th June 2023 for Financial Audit Services, Review of Financial Statements, Financial Reporting Framework and Audit Report of Northern Regional Power Committee Ministry of Power in violation of Tender Guidelines issued by ICAI.
- 6.2 The Committee on perusal of the Bid document noted that the tender was floated on 9th June 2023 wherein following details were mentioned along with other details:

S. No.	Particulars	Details
1	Tender Floating Authority	<u>Northern Regional Power Committee Ministry Of Power, Ministry Of Power</u>
2	Item Category	Financial Audit Services - Review of Financial Statements, Financial Reporting Framework, Audit report; CAG Empaneled Audit or CA Firm
3	Estimated Bid Value	Rs. 44,000/-
4	<u>Technical Specifications</u> a. Scope of Work: Review of Financial Statements, Financial Reporting Framework, Audit Report	

b. Type of Financial Audit:	
<u>CAG Empaneled Audit or CA Firm</u>	

Minimum Bid Value in the tender document	Bid quoted by the Respondent
Estimated bid value - Rs. 44,000/-	Rs. 41,920/-

6.3 The Committee noted that in respect of the same Tendering Authority, i.e. Northern Regional Power Committee and with respect to the same tender, disciplinary cases had been filed against some other chartered accountants also who had participated in the said tender. To arrive at a logical conclusion in the instant case, the Committee also took into view the submissions and documents on record in one of the said decided case(DC/2154/2025). Accordingly, the Committee noted that the Tendering Authority in the instant case, i.e. Northern Regional Power Committee is under Ministry of Power and the Bye-laws of NRPC Fund (brought on record in the said decided case) states that to conduct the financial audit of the NRPC, person shall be appointed by officer(s) nominated by chairperson, NRPC or by any other officer authorized by Chairperson, NRPC.

6.4 The Committee in this regard noted that a notification dated 7th April 2016 has been issued by Institute in Part III, Section 4 of the Gazette of India (Extraordinary), which states as under:

*"A member of the Institute in practice shall not respond to any tender issued by an organization or user of professional services in areas of services which are exclusively reserved for chartered accountants, such as audit and attestation services. However, such restriction shall not be applicable where minimum fee of the assignment is prescribed in the tender document itself or **where the areas are open to other professionals along with the Chartered Accountants.**" (emphasis provided)*

6.5 The Committee further noted that in Para 2.14.1.6(iv) of the Code of Ethics Volume - II (Revised 2020) relating to some forms of soliciting work which the Council has prohibited states as under:

"A

8

C Responding to Tenders, Advertisements and Circulars:

*(3) A member of the Institute in practice shall not respond to any tender in areas of services which are exclusively reserved for Chartered Accountants by statute viz. Audit and Attestation Services such as Audit under Companies Act, 2013, Income Tax Act, 1961, etc. **In any state under the local statute, if audit and attestation services are exclusively meant for Chartered Accountants only, the member will not be allowed to respond to such tender.** However, a member may respond to tenders as mentioned above wherever the minimum fee of the assignment is prescribed in the tender document itself. The fees quoted by the member shall not be less than the minimum fee mentioned in the tender.*

(8), Non-adherence to these Guidelines could lead to disciplinary action as this is a Council decision.

....." (emphasis provided)

- 6.6 The Committee also perused the Byelaws for NRPC fund(brought on record in the aforesaid decided disciplinary case) and noted as under:

"In pursuance of Govt of India, Ministry of Power Resolution dated 25th May 2005 & Amendment Resolution dated 29th Nov., 2005 Regional Power Committee have been constituted in place of Regional Electricity Boards. Accordingly, Northern Regional Electricity Board (NREB) starts functioning as Northern Regional Power Committee (NRPC) with effect from 1-4-2006. Ministry of Power vide letter No A-60016/59/2005-Adm. I dated 23-2-2006 has directed that the activities of Regional Power Committees (RPCs) will be fully financed by the Constituent Members with effect from 01-04-2006. Therefore, during 1st meeting of NRPC Board held on 3-6-06, it was decided that each member may contribute Rs. 8 lakh for the financial year 2006-07 towards the annual expenditure of NRPC Secretariat/reimbursement of expenditure to Govt. of India. To carry out this activity, it is proposed to create "NRPC-Fund" and Bye-laws for this fund shall be as follows:"

5. MAINTENANCE OF ACCOUNTS: The account of all the expenditure/receipts shall be maintained by the nodal officer (as per para 4 above) on behalf of NRPC Members. Such officer shall also maintain a cash book etc., wherein details of all receipts and expenditure shall be recorded.

"6. VERIFICATION OF ACCOUNTS: The "NRPC- Fund" account for each financial year shall be audited annually by officer(s) nominated by chairperson, NRPC or by any other officer authorized by Chairperson, NRPC. The statements of audited accounts shall be placed before "NRPC meeting" for information."

(emphasis provided)

Thus, the Committee held that the area of work in respect of which the Respondent had responded to by bidding in the tender, was open to other professionals/persons along with the Chartered Accountants as per the governing Statute.

- 6.7 The Committee also perused the FAQs issued by the Tender Monitoring Directorate (TMD), which, inter-alia, provide as under:

"5 What are the exclusively reserved areas for Chartered Accountants?

Ans. Exclusively reserved areas for Chartered Accountants are those which are reserved by the statute viz. Audit and Attestation Services such as audit under Companies Act, 2013, Income Tax Act, 1961, etc.

7 What are the non-exclusive areas for Chartered Accountants?

Ans. All those areas are non-exclusive for Chartered Accountants which are not reserved under any statute or provision of any law or where any statute or provision of law opens such areas to other professionals along with Chartered Accountants.

9 Whether a Member of the Institute in practice can respond to such tenders which are open to other professionals apart from CAs. However, in the tender document, only CAs have been invited to respond.

Ans. Yes, the Member of the Institute can respond to such tenders. (emphasis provided)

- 6.8 Thus, the Committee after detailed deliberations and examining the documents on record, with respect to the charge(s) alleged against the Respondent noted that the area of work in respect of which the Respondent had responded to by bidding in the tender, was open to other professionals/persons along with the Chartered Accountants as per the governing Statute. Thus, the Committee was of the view that the Respondent could respond to the tender in respect of which the charge is alleged. Accordingly, by responding to the alleged tender, the Respondent did not contravene the Tender Guidelines issued by ICAI.
- 6.9 Accordingly, the Committee held the Respondent **NOT Guilty** of Professional Misconduct falling within the meaning of Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949.

7. **CONCLUSION:**

In view of the findings stated in the above paras, vis-à-vis material on record, the Committee gives its Findings as under:

CHARGE (AS PER PFO)	FINDINGS	DECISION OF THE COMMITTEE
S.no. 1 of Para 2 as above	Para 6.1 to Para 6.9 as above	Not Guilty- Item (1) of Part II of Second Schedule

8. In view of the above observations, considering the submissions and material on record, the Committee held the Respondent **NOT GUILTY** of Professional Misconduct falling within the meaning of Item (1) of Part II of the Second Schedule to the Chartered Accountants Act, 1949.

ORDER:

9. Accordingly, in terms of Rule 19(2) of the Chartered Accountants (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007, the Committee passes an Order for closure of this case against the Respondent.

Sd/-
(CA. MANGESH KINARE)
PRESIDING OFFICER

Sd/-
(Dr. K RAJESWARA RAO)
(GOVERNMENT NOMINEE)

Sd/-
(CA. PIYUSH S CHHAJED)
(MEMBER)

सत्यापित होने के लिए प्रमाणित / Certified to be True Copy

नीलम पुंडीर / Neelam Pundir
वरिष्ठ कार्यकारी अधिकारी / Sr. Executive Officer
अध्यात्मनात्मक निदेशालय / Disciplinary Directorate
भारतीय सनदी लेखाकार संस्थान
The Institute of Chartered Accountants of India
आर्.सी.ए.आई. भवन, सी-1, सेक्टर-1, नोएडा-201301 (उ.प्र.)
ICAI Bhawan, C-1, Sector-1, Noida-201301 (U.P.)

DATE: 29.09.2026

PLACE: New Delhi