

XLNC Partner Portraits – Interviews with Members

Mulraj Chheda



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XLNC Member Firm

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Chheda & Associates, Chartered Accountants was founded in 1993 and has evolved into a diversified organisation. Our firm is led by senior professionals who are supported by a highly qualified and dedicated team. Our scope of services include Corporate Finance, Assurance, Accounting Advisory, Transaction Advisory, and various other Regulatory Services from a domestic as well as an international perspective. We focus on providing dynamic and innovative business solutions to our clients under one roof.

We have what it takes to drive dynamism and growth through your business. We innovate, integrate, collaborate and deliberate.



99 **XLNC: Mr Chheda, who are you and what is your firm doing?**

Mulraj Chheda: I am a Chartered Accountant. I was born in Mumbai. My father is a Chartered Accountant and my mother is a homemaker. Having studied in Mumbai and Ahmedabad, I set up my practice in 1993 under the name of Chheda & Associates, Chartered Accountants, and I have been heading the firm since then. I am also a Partner alongside my father in the firm K. C. Chheda & Co., Chartered Accountants, since 2000.

My firm specialises in corporate finance, especially fund raising for clients operating in the Micro and Small to Medium Enterprises (MSME) space. The firm enjoys a niche position in preparing Detailed Project Reports (DPRs), conducting viability studies, due diligence in the case of business buy-and-sell exercises, and business restructuring.

My firm also carries out internal audits with the specific objectives of bringing value to clients in terms of suggesting cost reductions or cost-saving measures, identifying business processes defects and suggesting improvements in the processes/operations of the entity, and advising on business strategies. We operate mainly in the Steel, Plastics, Textiles Industry Verticals.

Over the last decade, the firm has also been providing business support services to overseas clients located in US, UK and Middle East, in terms of bookkeeping and accounting services and virtual CFO Services.

Subsequent to becoming a member of XLNC, the firm has provided opinions on direct taxation and indirect taxation matters in India to the clients of other XLNC members under referral arrangements. We are also currently providing an end-to-end platform for an IT Company based in the UK, right from the incorporation of the company to bookkeeping, MIS audits and all other statutory compliances applicable under Indian Law.

Ours is a small firm and we employ 16 people across various cadres. We are based out of Ghatkopar - one of the prominent suburbs of city of Mumbai. We have three offices equipped with all the requisite infrastructure. We are a growing firm and have tactically planned to service global clients planning to setting up a base in India.

XLNC: Why did you become an accountant?

Mulraj Chheda: I became an accountant as I always looked up to my father who is also a Chartered Accountant and an ex-banker. Through his strong analytical skills, he used to undertake thorough credit appraisals of the projects of existing clients as well as new borrowers of the bank. On account of his domain knowledge and expertise in the area of banking, he had been successful in assisting many borrowers to come out of financial stress during their business journeys especially during the times of downturn cycles. This fascinated me a lot and at a very young age I used to assist him in his work of credit appraisal by analysing the financial statements from various risk perspectives. The feeling of guiding the promoter in the setting up of the project and on successful completion of the same which helps to shape not just lives but also the livelihoods of the people connected with the project gave me an immense satisfaction. I always felt that I have been able to make a small contribution in this regard by helping to execute the projects.

XLNC: What were your dream professions when you were a child?

Mulraj Chheda: When I was younger, I always dreamt of becoming an air pilot.

XLNC: What is special about your firm?

Mulraj Chheda: The firm has a domain knowledge in the areas of banking and finance, and we provide tailor-made services to clients in the fields of project conceiving, establishing project economic viability, advising on optimal capital structuring, and raising funds for the project.

The firm has created a niche position for itself by providing a strong platform to overseas players willing to enter India as a part of their business propositions either on an independent basis or as a joint venture with a local Indian player. The gamut of services rendered include advising on the entry strategy into India, incorporation of company, helping with the Reserve Bank of India (RBI) and Foreign Exchange Management Act (FEMA) compliance, all local taxes compliance, payroll processing, management accounting, and audit and assurance.

XLNC: What was your most difficult professional moment / experience and why?

Mulraj Chheda: The most difficult professional moment was when a client committed fraud in the bank with the creation of an equitable mortgage of the residential flat offered as collateral security by forging the property agreement using a colour photocopy. The client submitted this to the bank without my knowledge and obtained the disbursement of the credit lines. The account turned bad in a very short span of time and the fact of the fraud came to the notice of the bank in due course. The bank was of the opinion that I had colluded with the client and had helped him in getting the credit lines from the bank on the strength of the forged documents. It took me almost two years to prove to the bank that I was not involved in such a dubious transaction, and I got clearance thereafter from the higher authorities of the bank after a very thorough internal investigation. This was the most difficult moment of my career which eventually taught me the vivid aspects of the professional occupational hazards. The lessons learnt have helped me subsequently in my professional progress.

XLNC: What was your most exciting or rewarding professional experience and why?

Mulraj Chheda: The most rewarding professional experience was when I helped an entrepreneur (who had served as a hotel waiter for almost 15 years) in raising the funds for his dream project of setting up a four-star hotel in Pune, Maharashtra, India. It was an exciting experience since he had

not been able to raise the funds for the project for nearly two years prior, and I stepped in taking a call on his commitments and business acumen.

Another rewarding experience was when I enrolled for an intensive Internal Audit Course in the year 2005-06 lasting for more than three weeks. The techniques learnt and mastered during this course has helped me immensely in serving the clients across industry segments and since helped me to provide value added business services to them during their times of growth as well as during their adverse business times.

” **XLNC: Which two or three personalities influenced you the most and why?**

Mulraj Chheda: My father who taught me banking to the core, which has very useful to date in executing projects, my principal the late Mr Arvind H. Dalal under whom I learnt the lessons of integrity and ethics, and my mentor the late Mr Chandrasekhar Godbole (ex-General Manager of Saraswat Bank) who taught me the finer nuances of banking which still hold good today.

” **XLNC: What are your most developed professional skills and why?**

Mulraj Chheda: My most developed professional skills are preparing financial plans for projects, undertaking preliminary project viability studies, and structuring the funding options for projects. I excel in undertaking internal audit work wherein the audit methodology for Small and Medium Enterprises invented by me is benchmarked using the COSO Framework which has helped me to add substantial value to my clients.

” **XLNC: The best professional advice you received was... And from whom?**

Mulraj Chheda: For the purposes of raising debt from the banking system, I was advised by my mentor the late Mr Chandrasekhar Godbole as under:

- a. Prepare the Financial Plan / Detailed Project Report (DPR) / Economic Viability Report, always bearing in mind the Client as you will be paid fees by them on the successful tie up of the funds.
- b. Once the Financial Plan / Detailed Project Report (DPR) / Economic Viability Report is prepared, change seats and place yourself in the position of the banker who is going to finance the project and review the same. **All the gaps in the financial plan / detailed project report (DPR) / economic viability report will be visible. Amend the same and incorporate the missing gaps / information. Your success rate shall be extremely high in case of this approach.**

” **XLNC: What is your business credo?**

Mulraj Chheda: Work with honesty, transparency, integrity and ethics and you will win in the long run.

” **XLNC: What motivates you to work hard?**

Mulraj Chheda: To empower the team members with the knowledge of finance, audit and banking expertise which I have acquired during the course of my professional journey of nearly three decades.

” **XLNC: If you could live anywhere, where would it be?**

Mulraj Chheda: Mumbai, India

” **XLNC: What is your greatest concern?**

Mulraj Chheda: The image of the Chartered Accountants as a professional auditor is currently taking a beating in my country in the light of rising cases of fraud, professional negligence, and a lack of integrity and ethics. At my firm, I have cultivated an environment where the younger members are encouraged to adhere to the principles of accountability, honesty and hard work, while at the same time keeping themselves updated on regular

basis since the same shall only aid in rendering the highest quality deliverables to clients.

” XLNC: **Where do you see your firm in the next five years?**

Mulraj Chheda: The firm would like to cater to the international clients operating in India as well as assist the local clients who intend to set up their operations overseas. I would like to develop the firm’s presence further through the affiliation of international networks such as XLNC. This was the prime objective of becoming an XLNC Founding Member in Mumbai.

” XLNC: **What’s your favourite famous or inspirational quote?**

Mulraj Chheda: “You will never always be motivated, so you must learn to always be disciplined,” as accredited to Denzel Washington.

” XLNC: **Your best advice for clients:**

Mulraj Chheda: Undertake business with principles and commitment and adhere to the Laws of the Land.

” XLNC: **Your best advice for younger professionals?**

Mulraj Chheda: You have to work hard and keep yourself abreast of the latest developments in your current field of work. It takes years to build your reputation but only a second to lose it. Handle your image with care.

” XLNC: **What is your favourite movie and why?**

Mulraj Chheda: *The Executive Decision*. The film narrates that with patience and sound thinking, the situation can be won.

” XLNC: **What is the quality you most like in a person?**

Mulraj Chheda: Transparency, professionalism and reliability.

” XLNC: **What is your proudest accomplishment?**

Mulraj Chheda: Recently I concluded a fundraising round of USD 35 million for one of my old clients from a single lender for a greenfield field – the highest in my career for which I received compliments from other bankers with whom we have been associated for more than three decades.

” XLNC: **What really makes you angry?**

Mulraj Chheda: Lies, dishonesty and non-professionalism.

” XLNC: **Which talent would you most like to have and why?**

Mulraj Chheda: I would like to develop good public speaking skills since I am an introvert by nature.

” XLNC: **What is your greatest regret?**

Mulraj Chheda: I have a few. I could have scored a rank in my Final Chartered Accountancy Exams but was never confident about the same. I could not devote time to learn a foreign language -- however, the COVID pandemic helped to spend some time to learn basic German – A1 Level.

” XLNC: **What would you like to say to fellow XLNC members?**

Mulraj Chheda: We look forward to meeting fellow members, developing our relationships and working with colleagues for our mutual benefit. We very much hope we can help you and your clients and

refer our clients and contacts to you. I think there is great potential and we all need to work to fulfil that. It would be good to grow the network. Let me know the next time you are due to be in Mumbai or nearby and we will be delighted to see you. In the meantime please feel free to get in touch for any reason, for example if you would like to exchange or bounce ideas or seek recommendations. ●

