

THE DISCIPLINARY COMMITTEE

THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

IN THE MATTER OF COMPLAINT OF PROFESSIONAL OR OTHER MISCONDUCT

ICSI/DC/175/2015

Order reserved on: 4th June, 2018

Order issued on : 29th June, 2018

Serious Fraud and Investigation Office, MCA

....Complainant

Vs.

Mohammed Haroon Rasheed Aabid, FCS - 6579

.....Respondent

Present

Mrs. Meenakshi Gupta, Director (Discipline)

None for the Respondent

FINAL ORDER

1. The Disciplinary Committee on 19th August, 2017 after considering all material on record, oral and written submissions made by the parties and all the facts and circumstances, held that the Respondent is 'Guilty' of Professional Misconduct under Item (7) of Part I of the Second Schedule to the Company Secretaries Act, 1980, as he did not exercise due diligence and was grossly negligent in the conduct of his professional duties while issuing Compliance Certificate to M/s. City Limouzines (India) Ltd., for the Financial Year ending March, 2005 as he has issued the same without verifying the relevant statutory records of the Company. All the companies keep the records at the Registered office of the company but in this case interestingly, the Respondent has admitted to have not visited the office of the City group companies but has relied merely on the instructions of one Shri Kaiser Baig rather than verifying the records himself at the office of the company. Moreover, circumstances and inexperience in any work field neither entitle a professional to commit misconduct nor it exonerate him/her from the misconduct committed, therefore the plea of the Respondent that he was new to the profession does not hold waters. The Respondent is a company law professional and is better



Handwritten signature and initials in blue ink, including a large 'M' and 'K' and a checkmark.

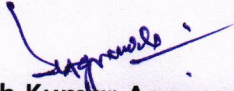
equipped with the understanding about the difference between redeemable preference shares and deposits. The point in case of M/s. City Limouzine group is that the companies invited deposits and issued redeemable preference shares to the gullible investors. The Disciplinary Committee had further decided to provide an opportunity of being heard to the Respondent pursuant to sub-rule (1) of Rule 19 of the Company Secretaries (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.

2. The Disciplinary Committee had further decided to call upon the Respondent to appear before it at the next date of hearing in this case, as may be decided by the Presiding Officer of the Disciplinary Committee. In case any of the parties for sudden or personal reasons is unable to attend the hearing as may be decided; the Respondent may appear through an authorized representative along with a duly signed and attested letter of authority addressed to the Disciplinary Committee seeking exemption from personal appearance failing which, the matter will be heard *ex-parte*.
3. Accordingly, a copy of the aforesaid order of the Disciplinary Committee was sent to the parties and the Respondent was called upon to appear before the Disciplinary Committee on 4th June, 2018 at New Delhi, the Notice of which was sent via speed post and on the email Id as per records of the Institute. However, the Notice sent via speed post to the Respondent was received back undelivered in the Institute.
4. The Respondent vide his email dated 28th May, 2018 *inter-alia* informed that his Counsel Shri Kamal Ahuja is travelling due to vacation and he himself is unable to come due to medical reasons. The Respondent also attached a scanned copy of Medical prescription dated 19-3-2018 of Dr. BS Singhal.
5. On 4th June, 2018, none appeared for the Respondent. The Disciplinary decided to proceed *ex-parte* in the matter as it observed that the Respondent in the past has sought several adjournments on one ground or the other and the attachment received along with the aforesaid email of the Respondent is a mere prescription rather than a Medical Certificate indicating incapability of the Respondent to travel to New Delhi.
6. The Disciplinary Committee after considering the material on record, previous order of Disciplinary Committee; observations made in the paragraphs above; the nature of issues involved and given the totality of the circumstances of the case, passes the following order under Section 21B (3) of the Company Secretaries Act, 1980 read with Rule 19(1) of the Company Secretaries (Procedure of Investigations of Professional and other misconduct and conduct of cases) Rules, 2007:

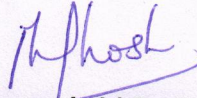
- i) **Fine of Rs. 50,000/- (Rupees Fifty Thousand only) payable within 60 days of issue of this final order; and**



- ii) Removal of name of the Respondent, Mohammed Haroon Rasheed Aabid, from the Register of Members of the ICSI for a period of 60 days after 60 days of issuance of this final order .
- iii) In the event of default in payment of fine of Rs. 50,000/- by the Respondent within stipulated time period, the name of the Respondent shall be removed from the Register of Members for a further period of 150 days.



CS Santosh Kumar Agrawala
Member



Meenakshi Datta Ghosh
Member



CS Makarand Lele
Presiding Officer

