THE DISCIPLINARY COMMITTEE

THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

IN THE MATTER OF COMPLAINT OF PROFESSIONAL OR OTHER MISCONDUCT

ICSI/DC: 150/2012

Date of Decision: 28th August, 2014

Shri Krishnaswamy Belerangappa **....Complainant**

Vs

Shri Ramdas T Rajguroo, FCS-2091 **....Respondent**

ORDER

1. On 31st May, 2014, the Disciplinary Committee observed that ample opportunities have been given to the Respondent for hearing. The Committee after considering the complaint, written statement, rejoinder and other material on record held Respondent 'Guilty' of professional misconduct under clause (7) of Part-I of the Second Schedule of the Company Secretaries Act, 1980 as he did not exercise due diligence in the conduct of his professional duties as he failed to verify as to whether the Board of Directors of M/s. Veda Cements Limited had authorized Mr. Sanjeev Khandelwal to sign Form 32 *inter-alia* for (i) cessation of the Complainant w.e.f. 8th September, 2010 (filed on 24th September, 2010). The Complainant in the instant case has denied to have resigned from the directorship of M/s. Veda Cements Limited. The Committee noted that the Respondent has admitted that he has not seen the original resignation letter of the Complainant but relied on the scanned copy of the resignation letter of the Complainant sent to him by the company, and (ii) that Mr. Sanjeev Khandelwal has himself signed Form 32 for change of his own designation w.e.f. 30th September, 2008 which the Respondent has filed on 1st October, 2010 i.e. after two years. Form 32 itself *inter-alia* states, that in case of an existing company person signing the Form should be different from the person in whose respect the form is being filed.

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2. The Committee, in terms of 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, had decided to afford an opportunity of being heard to the Respondent. Accordingly, *vide* letter dated 8th August, 2104, a copy of the order dated 8th August, 2014 was sent to the Respondent and he was called upon to appear before the Disciplinary Committee on 28th August, 2014 vide letter dated 11th August,2014.

3. On 28th August, 2014, the Respondent did not appear before the Disciplinary Committee. The Disciplinary Committee considered the material on record; the nature of issues involved and in the totality of the circumstances of this case, passes the following order under Section 21B (3) of the Company Secretaries Act, 1980 read with proviso to Rule 19(1) of the Company Secretaries (Procedure of Investigations of Professional and other misconduct and conduct of cases) Rules, 2007:

   (i) Removal of name of the Respondent from the Register of Members of the ICSI for a period of 90 days; and

   (ii) fine Rs.25,000/-.

   The order shall be effective after the expiry of 30 days of issue of the order.

(S K Tuteja)
Member

(S Balasubramanian)
Member

(Sanjay Grover)
Member

(Sudhir Babu C)
Member

(R Sridharan)
Presiding officer

Date: 07th oct, 2014

The Institute of Company Secretaries of India
ICSI
Disciplinary Committee