

**THE DISCIPLINARY COMMITTEE
THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

IN THE MATTER OF COMPLAINT OF PROFESSIONAL OR OTHER MISCONDUCT

DC/409/2017

Order Reserved On: 12th September, 2019

Order Issued On:

30 OCT 2019

Serious Fraud Investigation Office (SFIO)

..... Complainant

Vs.

Ms. Chandani Mohta, ACS-24214, CP No.17231

.....Respondent

CORAM:

CS Ranjeet Pandey, Presiding Officer
Mrs. Meenakshi Datta Ghosh, Member
CS B Narasimhan, Member
CS Nagendra D Rao, Member

PRESENT

Mrs. Meenakshi Gupta, Director (Discipline)
Shri Gaurav Tandon, Assistant Director

FINAL ORDER

1. On 27th July, 2019, the Disciplinary Committee after considering the material on record, the *prima-facie* opinion of the Director (Discipline); and after examining the totality of facts and circumstances in this matter, 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 the Respondent had acted as Debenture Trustee of the debenture holders of M/s. Manglam Agro Products Ltd. (MAPL) without being qualified to act as Debenture Trustee under Regulation 7 of SEBI (Debenture Trustee) Regulations, 1993. Moreover, the Respondent did not keep in her custody the original property deeds of the properties mentioned in the charge creation document (e-Form-10) acting as a Debenture Trustee. Further, the Respondent failed to exercise due diligence in certification of (e-Form-10) of the Company as that creation of charge was for Rs. 5 Crore on the immovable assets of the company whereas SFIO found that the block of immovable assets of the company was Rs. 1.45 Crore as on 31.03.2011 as per the Balance Sheet for the year ending 31.03.2011. 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. Accordingly, the Respondent was called upon to appear before the Disciplinary Committee on 12th September, 2019.



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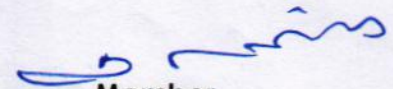
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3. The Respondent vide email dated 5th September, 2019 requested the Disciplinary Committee to take a lenient view and once again expressed her inability to attend the hearing and also stated that SEBI has already punished her for the alleged misconduct. The Respondent also mentioned that her husband is unemployed and she is not financially well off.
4. On 12th September, 2019 the Disciplinary Committee considered all the material on record, and given the totality of the circumstances in the matter observed that the Respondent has admitted her mistake and has requested the Committee to take a lenient view in the matter. Further, SEBI vide its circular No :MCX-SX/ID/2880/2015 dated 6th April, 2015 has already restrained the Respondent from accessing the securities market and also prohibited from buying, selling or dealing in securities, in any manner what so ever, for a period of 4 years.
5. In view of the above, the Disciplinary Committee decided to take a lenient view in the matter and passes the following order against the Respondent 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:

"REPRIMAND"



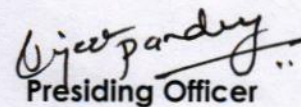
Member



Member



Member



Presiding Officer