

**BEFORE THE BOARD OF DISCIPLINE**  
**THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

ICSI/DC:136/2012

In the matter of complaint of professional or other misconduct filed by Shri P S Chaudhary against Shri Pradeep Kumar Chawla (ACS-26881) (CP No.9665).

Date of Decision: 17<sup>th</sup> June, 2013

**Coram:** Sudhir Babu C, Presiding Officer  
Umesh H Ved, Member  
Sutanu Sinha, Member

**ORDER**

1. A complaint dated 18<sup>th</sup> May, 2012 in Form I was filed under Section 21 of the Company Secretaries Act, 1980 read with sub-rule (1) of Rule 3 of the Company Secretaries (Procedure of Investigations of Professional and other Misconduct and Conduct of Cases) Rules, 2007 (the Rules) by Shri P S Chowdhary (hereinafter referred to as the 'Complainant') against Shri Pradeep Chawla (ACS-26881) (CP No. 9665) (hereinafter referred to as the 'Respondent').
2. The Complainant has *inter-alia* alleged that the Respondent has certified a false Board resolution of M/s. Dashmesh Arts(India) Ltd., allegedly passed in the Board meeting held on 3<sup>rd</sup> March, 2012 without verifying the facts and records of the company in order to grab money from the Complainant.
3. Pursuant to sub-rule (3) of Rule 8 of the Rules, a copy of the complaint was sent to the Respondent vide letter dated 21<sup>st</sup> May, 2012 calling upon him to submit the written statement followed by a reminder dated 20<sup>th</sup> June, 2012. However, no written statement has been received as on date.
4. Pursuant to Rule 9 of the Rules, the Director (Discipline) examined the complaint and other material on record and was of the *prima-facie* opinion that the Respondent has not submitted his written statement despite a reminder. The non-submission of the information called for is a professional misconduct on the part of the Respondent. The Respondent is, therefore, without going into the merits of the case, *prima-facie* 'guilty' of professional misconduct for violation of clause (2) of Part III of the First Schedule of the Company Secretaries Act, 1980.
5. The Board at its meeting held on 18<sup>th</sup> December, 2012 had considered the *prima-facie* opinion of the Director (Discipline) dated 18<sup>th</sup> October, 2012. The Board after considering the *prima-facie* opinion of the Director (Discipline) advised to send a copy of the complaint on the e-mail of the Respondent available in the records of the Institute calling upon him to submit the written statement. The Board also advised that the Complainant be asked to specify as



*Sudhir Babu C*

*Umesh H Ved*

to whether he has filed the complaint in his individual capacity or as a director of M/s. Dashmesh Arts (India) Ltd. Further, if he has filed the complaint as a director of the said company then he should be asked to submit the resolution of the Board of the company authorising him to file the said complaint.

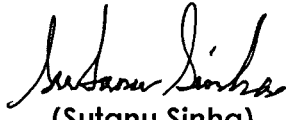
6. Accordingly, a copy of the complaint was sent to the Respondent vide e-mail dated 21<sup>st</sup> December, 2012 calling upon him to submit the written statement. However, no reply was received from the Respondent. The Complainant vide letter dated 21<sup>st</sup> December, 2012 was also asked to confirm as to whether he has filed the complaint in his individual capacity or as a director of M/s. Dashmesh Arts (India) Ltd. The Complainant vide letter dated 20<sup>th</sup> February, 2013 *inter-alia* informed that he has filed the complaint in his individual capacity.
7. The Board at its meeting held on 26<sup>th</sup> February, 2013 after considering the material on record, agreed with the *prima-facie* opinion dated 18<sup>th</sup> October, 2012 of the Director (Discipline) and decided to proceed further in the matter in accordance with the Company Secretaries Act, 1980 and the Company Secretaries (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007.
8. Accordingly, a copy of the *prima-facie* opinion of the Director (Discipline) was sent to the Respondent vide letter dated 26<sup>th</sup> February, 2013 asking him to submit the written statement to the *prima-facie* opinion of the Director (Discipline) to the Disciplinary Directorate with a copy to the Complainant along with all supporting documents and list of witnesses, if any, latest by 9<sup>th</sup> March, 2013. A copy of the *prima-facie* opinion of the Director (Discipline) was also sent to the Complainant vide letter dated 26<sup>th</sup> February, 2013 asking him to submit the rejoinder to the written statement of the Respondent to the Disciplinary Directorate along with all supporting documents and list of witnesses, if any, latest by 19<sup>th</sup> March, 2013.
9. A copy of the *prima-facie* opinion of the Director (Discipline) was again sent to the Respondent vide email dated 15<sup>th</sup> April, 2013 asking him to submit the written statement to the *prima-facie* opinion of the Director (Discipline) to the Disciplinary Directorate with a copy to the Complainant along with all supporting documents and list of witnesses, if any, latest by 23<sup>rd</sup> April, 2013. However, no reply has been received from the Respondent as on date.
10. The Board after considering the material on record; the *prima-facie* opinion dated 18<sup>th</sup> October, 2012 of the Director (Discipline); decided to call the Respondent to appear before the Board at its next meeting as he has violated clause (2) of Part III of the First Schedule to the Company Secretaries Act, 1980.
11. The parties were called upon to appear before the Board on 17<sup>th</sup> June, 2013 vide letters dated 3<sup>rd</sup> June, 2013.
12. The Board noted that neither party has appeared for hearing despite the notice(s) issued.



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13. The Board noted that the Respondent has neither supplied the information called by the Director (Discipline) nor appeared before the Board in spite of being asked to do so. The Board concluded that the Respondent is 'Guilty' of professional misconduct for violating clause (2) of Part III of the First Schedule to the Company Secretaries Act, 1980 and decided to afford an opportunity of being heard to the Respondent before passing any order under Section 21A (3) of the Company Secretaries Act, 1980.

  
**(Sutanu Sinha)**  
Member

  
**(Umesh H Ved)**  
Member

  
**(Sudhir Babu C)**  
Presiding Officer

New Delhi  
Date: 13<sup>th</sup> August, 2013

