

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

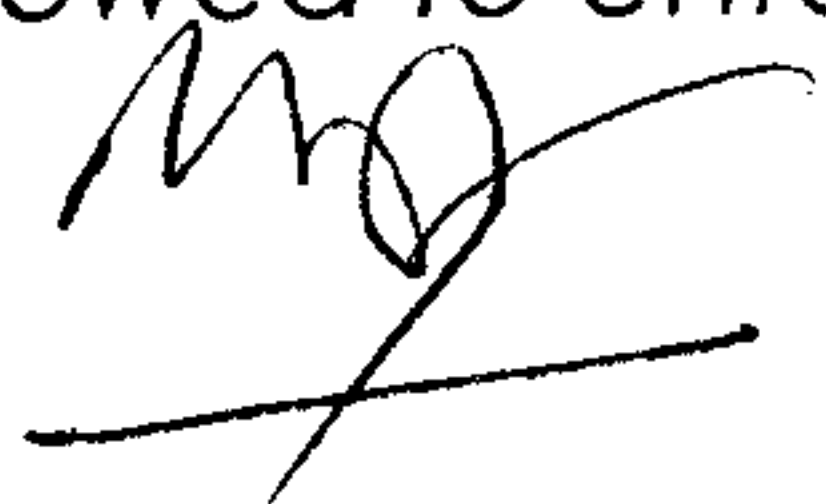
**DC: 109/2011**

**In the matter of the complaint of professional or other misconduct filed by  
Shri Anil Kumar Ruia against Shri Siddhartha Roy (FCS – 2035).**

Coram: Harish K Vaid, Presiding Officer, Umesh H Ved, N K Jain, Members

**ORDER**

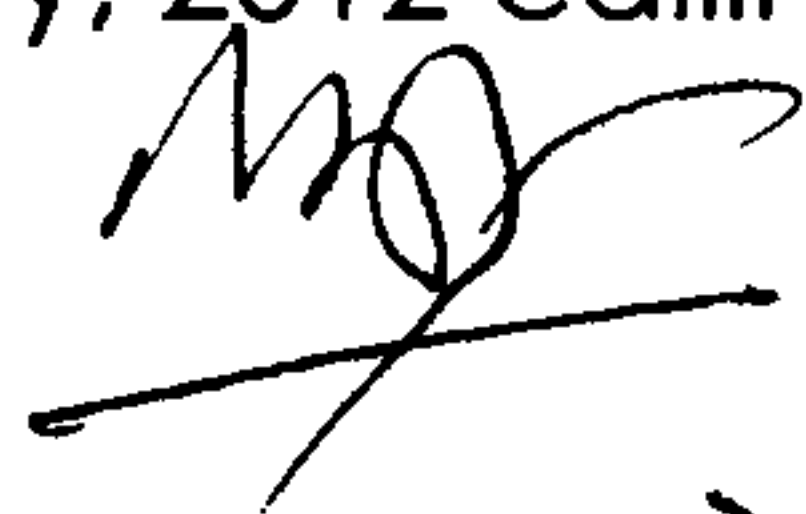
1. A complaint in Form I dated 14<sup>th</sup> November, 2011 was filed under Section 21 of the Company Secretaries Act, 1980 read with sub-rule (1) of Rule 3 of the Company Secretaries (Procedure of Investigations of Professional and other Misconduct and Conduct of Cases) Rules, 2007 (the Rules) by Shri Anil Kumar Ruia (hereinafter referred to as the 'Complainant') against Shri Siddhartha Roy, FCS 2035 (hereinafter referred to as the 'Respondent').
2. The allegations in the complaint are as under:  
“
  - (i) Shareholders (Ashdene, Enez, Isis, Maru, Margrove, Woodcutter) representing 42.25% of the shareholding of Warren Tea were not allowed entry in the AGM held on 9<sup>th</sup> September 2011 and no reason or prior warning had been given to these shareholders as to why they could not enter AGM. They had received letters confirming their shareholding signed by Siddhartha Roy in February, 2011 and share certificates signed by Siddhartha Roy.
  - (ii) One of these shareholders (Ashdene Investments Limited) had actually issued notices under S 256 and S 257 which had been received and accepted by the Company but not added to the AGM agenda. Mr. Roy failed to comply with Companies Act requirements.
  - (iii) All 6 companies issued Section 187s to enable representatives to attend the AGM on their behalf. The s187s were duly received by the company and no intimation was given that they wouldn't be allowed to enter the AGM.”



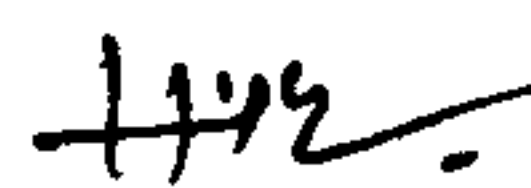
Umesh H. Ved

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- (iv) I was not allowed to chair the meeting despite having been Chairman since 1985. Mr. Roy orally told me I had been removed as Chairman on 20 August at a Board Meeting for which I received no notice. I have asked for minutes but not received any. He orally told me that I am still a Director of the Company.
- (v) The AGM was a total sham. I lasted 5 minutes. No questions were answered and no voting by poll was allowed despite requests from shareholders. The largest shareholder was kept outside the AGM hall.
- (vi) There was an alleged board meeting immediately after the AGM where a further 4 directors were added to the Board. I received no notice of such board meeting despite Siddhartha Roy knowing my India address. I had also been present at the AGM and no one mentioned a board meeting later that day. Thankfully, the appointment of these directors was reversed by the Calcutta High Court.
- (vii) As a Director of the Company I am entitled to minutes from board meetings, AGM but Mr. Roy has refused to provide these to me.
- (viii) I have also asked for details of loans but Mr. Roy has refused to provide them to me.
- (ix) There has been an income tax raid on the Company and Mr. Roy's house has been raided. "
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 16<sup>th</sup> November, 2011 calling upon him to submit the written statement. The Complainant vide letter dated 28<sup>th</sup> November, 2011 sought certain documents from the Respondent. The Respondent vide letter dated 3<sup>rd</sup> December, 2011 replied to the Complainant with a copy to the Directors of M/s. Warran Tea Limited and to the Institute. A letter dated 8<sup>th</sup> December, 2011 received from the Managing Director, M/s. Warran Tea Limited requesting to drop the proceedings against the Respondent after considering the facts and circumstances mentioned by him in the letter. The Respondent submitted the written statement dated 3<sup>rd</sup> December, 2011. Pursuant to sub-rule (4) of Rule 8 of the Rules, a copy of the written statement was forwarded to the Complainant vide letter dated 27<sup>th</sup> December, 2011 followed by a reminder vide letter dated 31<sup>st</sup> January, 2012 calling upon him to submit the Rejoinder.



Umesh H. Veda



4. The Respondent vide letter dated 27<sup>th</sup> February, 2012 informed that the complaint arose out of a conflict between the two promoters of his employer Company, M/s. Warren Tea Limited. He further informed that the two promoters have resolved the matter themselves. He also attached a copy of the letter dated 17<sup>th</sup> February, 2012 of the Complainant addressed to the Institute expressing his wish to withdraw the case
5. The Complainant was informed vide letter dated 5<sup>th</sup> March, 2012 that the Institute has received a letter dated 27<sup>th</sup> February, 2012 from the Respondent with a copy of the Complainant's letter dated 17<sup>th</sup> February, 2012 for withdrawal of the complaint. The Complainant was requested to confirm the withdrawal of the said complaint, followed by reminders dated 2<sup>nd</sup> April, 2012 and 18<sup>th</sup> July, 2012. The copy of the reminder letter dated 18<sup>th</sup> July, 2012 was also sent to the Respondent. The Respondent replied vide letter dated 24<sup>th</sup> July, 2012 forwarded a copy of the letter dated 23<sup>rd</sup> July, 2012 of Ms. Pradam Khaitan, of M/s. Khaitan & Co., addressed to the Institute which states as under:

*" We refer to your letter No.DC/109/2011 dated 18<sup>th</sup> July, 2012 addressed to our client above named.*

*On behalf of and under instructions from our client, we hereby confirm withdrawal of the above complainant and hence request that no proceedings be taken against Shri Siddhartha Roy. "*


6. M/s. Khaitan & Co vide letter dated 25<sup>th</sup> July, 2012 was requested to provide the authority letter authorising them to withdraw the complaint on behalf of Shri Anil Kumar Ruia, the Complainant within 7 days of receipt of the letter.
7. Shri Aniket Agarwal, M/s. Khaitan & Co. vide e-mail dated 4<sup>th</sup> August, 2012 forwarded a scanned copy of the letter dated 23<sup>rd</sup> July 2012 of Shri Anil Kumar Ruia authorizing them to withdraw the complaint on his behalf.
8. In this regard the relevant provisions contained in the Company Secretaries Act, 1980 and the Company Secretaries (Procedure of Investigations of Professional and other Misconduct and Conduct of Cases) Rules, 2007 governing the withdrawal of the complaint are as under:

**Section 21 (5) of the Company Secretaries Act, 1980:**

"Where a complainant withdraws the complaint, the Director (Discipline) shall place such withdrawal before the Board of



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Discipline or as the case may be, the Disciplinary Committee, and the said Board or Committee may, if it is of the view that the circumstances so warrant, permit the withdrawal at any stage."

**Rule 6 of the Company Secretaries (Procedure of Investigations of Professional and other Misconduct and Conduct of Cases) Rules, 2007:**

"The Director, on receipt of a letter of withdrawal of a complaint by the complainant shall place the same before the Board of Discipline or the Committee, as the case may be, and the Board of Discipline or the Committee, as the case may be, may, if it is of the view that the circumstances so warrant, permit the withdrawal, at any stage, including before or after registration of the Complaint.

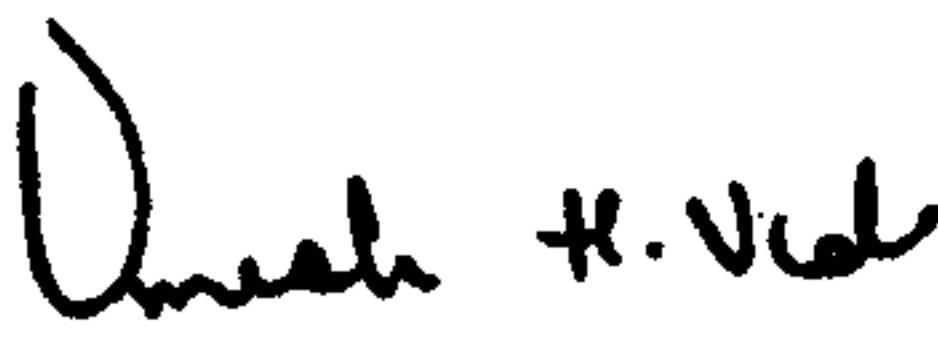
Provided that in case, the Director has not yet formed his *prima facie* opinion on such a complaint, he shall place the same before the Board of Discipline, and the Board of Discipline may, if it is of the view that the circumstances so warrant, permit the withdrawal".

9. The Director (Discipline) had not yet formed his *prima-facie* opinion in this matter.
10. The Disciplinary Committee at its 34<sup>th</sup> meeting held on Thursday, the 16<sup>th</sup> August, 2012 considered the matter and referred the matter to Board of Discipline as the *prima-facie* opinion of the Director (Discipline) was yet to be formed.
11. The Board of Discipline at its meeting held on 25<sup>th</sup> August, 2012 considered the matter vis-a-vis the provisions of the Company Secretaries Act, 1980 and the Company Secretaries (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 governing withdrawal of a complaint, permitted the withdrawal of the complaint and closed the matter.

Accordingly, the complaint stands disposed-off.



(N. K Jain)  
Member



(Umesh H Ved)  
Member



(Harish K Vaid)  
Presiding Officer

Date: 25<sup>th</sup> August, 2012