

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

CORAM: MADHABI PURI BUCH, WHOLE TIME MEMBER

FINAL ORDER

Under Sections 11, 11(4), 11A and 11B of the Securities and Exchange Board of India Act, 1992

In the matter of Gurukul Project Limited

In respect of:

1. Gurukul Project Limited (PAN: AADCG9891P)
 2. Shri Goutam Majumder (PAN: AOLPM6441A; DIN: 02845472).
 3. Shri Amit Kumar Das (PAN: AHVPD9170A; DIN: 02872245).
 4. Shri Debjanardan Mondal (PAN: AQBPM0366L; DIN: 05243690).
 5. Smt Nupur Purkayastha (PAN: AXAPP3680J; DIN: 02918337).
 6. Smt Moli Majumder (DIN: 02880358).
 7. Shri Bablu Pattanayak (PAN: ALGPP3470Q; DIN: 02945196).
 8. Shri Jyotirmoy Halder (PAN: ABIPH6525N).
 9. Shri Samaresh Das (PAN: AKEPD2394L).
 10. Debenture Trustees, viz. Shri Narayan Karmakar (address: 1/1/H/25, Biplabi Barin Ghosh Sarani, Kolkata – 700 067) and Gurukul Debenture Trust (address: Vill. & Post : Jhorhat, Andul, Howrah – 711302).
1. Gurukul Project Limited (hereinafter referred to as “GPL”/ “the Company”) is a Public company incorporated on October 04, 2010 and registered with Registrar of Companies– Kolkata with CIN: U70102WB2010PLC153783. Its registered office is at 214, Jodhpur Garden (1st Floor), Kolkata–700045, West Bengal, India.
 2. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) received complaint against GPL in respect of issue of Secured Redeemable Non-Convertible

Order in the matter of M/s Gurukul Project Limited



Debentures (hereinafter referred to as “NCDs”) and undertook an enquiry to ascertain whether GPL had made any public issue of securities without complying with the provisions of the Companies Act, 1956; Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “SEBI Act”) and the Rules and Regulations framed thereunder including the Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008 (hereinafter referred to as “ILDS Regulations”).

3. On enquiry by SEBI, it was observed that GPL had made an offer of NCDs in the financial years 2010-2011, 2011-2012, 2012-2013, 2013-2014 (hereinafter referred to as “Offer of NCDs”) and raised an amount of Rs. 203.92 lakhs to at least 224 allottees. The number of allottees and funds mobilized has been collated from the documents submitted with the complaints received by SEBI and MCA records. Therefore, it was concluded that the actual number of allottees and amount mobilized could be more than the above indicated figures. It was also observed that GPL created a charge for an amount of Rs. 5 Crores on November 20, 2010 and appointed *Shri Narayan Karmakar* as Debenture Trustee for the Offer of NCDs by the company. Subsequently, GPL created a charge for an amount of Rs. 60 Crores on December 20, 2011 and appointed *Gurukul Debenture Trust* as Debenture Trustee for the Offer of NCDs by that company.
4. As the above said *Offer of NCDs* was found *prima facie* in violation of respective provisions of the SEBI Act, 1992, the Companies Act, 1956, and the ILDS Regulations, SEBI passed an interim order dated July 07, 2016 (hereinafter referred to as “interim order”) and issued directions mentioned therein against GPL and its Directors and promoters, viz. *Shri Goutam Majumder*, *Shri Amit Kumar Das*, *Shri Debjanardan Mondal*, *Smt Nupur Purkayastha*, *Smt Moli Majumder*, *Shri Bablu Pattanayak*, *Shri Jyotirmoy Halder*, *Shri Samaresh Das* and its Debenture Trustees, *Shri Narayan Karmakar* and *Gurukul Debenture Trust* (hereinafter collectively referred to as “Noticees”).



5. *Prima facie findings/allegations:* In the said interim order, the following *prima facie* findings were recorded. GPL had made an *Offer of NCDs* during the financial years 2010-2011 , 2011-2012 , 2012-2013 , 2013-2014 , and raised at least an amount of Rs. 203.92 lakhs as shown below:

Year of Issue	Security Issued	Amount raised (Rs.) (in lakh)	Number of allottees
2010-2011	NCDs	18.47	36
2011-2012		131.48	88
2012-2013		53.72	99
2013-2014		0.25	1
Total		203.92^	224*

*^ No. of allottees and funds mobilized has been collated from the documents submitted with the complaints received by SEBI and MCA records. However, actual no. of allottees and amount mobilized could be more than the above indicated figures.

6. Further, GPL created a charge for an amount of Rs. 5 Crores on November 20, 2010 and appointed *Shri Narayan Karmakar* as Debenture Trustee for the Offer of NCDs by the company. Subsequently, GPL created a charge for an amount of Rs. 60 Crores on December 20, 2011 and appointed *Gurukul Debenture Trust* as Debenture Trustee for the Offer of NCDs by that company. *Shri Narayan Karmakar* and *Gurukul Debenture Trust* were not registered as debenture trustees for the offer of NCDs by that company.
7. The above *Offer of NCDs* and pursuant allotment were deemed public issue of securities under the first proviso to section 67(3) of the Companies Act, 1956. Accordingly, the resultant requirement under section 60 read with section 2(36), section 56, sections 73(1), 73(2) and 73(3) and sections 117B and 117C of the Companies Act, 1956 read with section 27(2) of the SEBI Act and the relevant provisions of the ILDS Regulations



were not complied with by GPL in respect of the *Offer of NCDs*. Further, the Debenture Trustees viz. *Shri Narayan Karmakar* and *Gurukul Debenture Trust* have prima facie violated section 12(1) of the SEBI Act and regulation 7 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (hereinafter referred to as "**Debenture Trustees Regulations**").

8. In view of the *prima facie* findings on the violations, the following directions were issued in the said interim order dated July 07, 2016 with immediate effect.

- i. GPL (PAN: AADCG9891P) shall forthwith cease to mobilize fresh funds from investors through the *Offer of NCDs* or through the issuance of equity shares or any other securities, to the public and/or invite subscription, in any manner whatsoever, either directly or indirectly till further directions;
- ii. GPL and its present/past Directors and Promoters, viz. Shri Goutam Majumder (PAN: AOLPM6441A; DIN: 02845472), Shri Amit Kumar Das (PAN: AHVPD9170A; DIN: 02872245), Shri Debjanardan Mondal (PAN: AQBPM0366L; DIN: 05243690), Smt Nupur Purkayastha (PAN: AXAPP3680J; DIN: 02918337), Smt Moli Majumder (DIN: 02880358), Shri Bablu Pattanayak (PAN: ALGPP3470Q; DIN: 02945196), Shri Jyotirmoy Halder (PAN: ABIPH6525N) and Shri Samaresh Das (PAN: AKEPD2394L), are prohibited from issuing prospectus or any offer document or issue advertisement for soliciting money from the public for the issue of securities, in any manner whatsoever, either directly or indirectly, till further orders;
- iii. GPL and its abovementioned past and present Directors and Promoters, are restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in the securities market, either directly or indirectly, till further directions;
- iv. GPL shall provide a full inventory of all its assets and properties;
- v. GPL's abovementioned past and present Directors and Promoters shall provide a full inventory of all their assets and properties;



- vi. GPL and its abovementioned present Directors shall not dispose of any of the properties or alienate or encumber any of the assets owned/acquired by that company, without prior permission from SEBI;
- vii. GPL and its abovementioned present Directors shall not divert any funds raised from public at large through the *Offer of NCDs*, which are kept in bank account(s) and/or in the custody of GPL;
- viii. GPL and its abovementioned past and present Directors and Promoters shall co-operate with SEBI and shall furnish all information/documents sought vide letter dated June 25, 2014;
- ix. The Debenture Trustees, viz. *Shri Narayan Karmakar and Gurukul Debenture Trust*, are prohibited from continuing with their assignment as debenture trustee in respect of the *Offer of NCDs* of GPL and also from taking up any new assignment or involvement in any new issue of debentures, etc. in a similar capacity, from the date of this Order till further directions.

9. The interim order also directed GPL and its Directors and Promoters to show cause as to why suitable directions/prohibitions under Sections 11(1), 11(4), 11A and 11B of the SEBI Act and Section 73(2) of the Companies Act, 1956, read with Section 27(2) of the SEBI Act including the following, should not be taken/imposed against them:

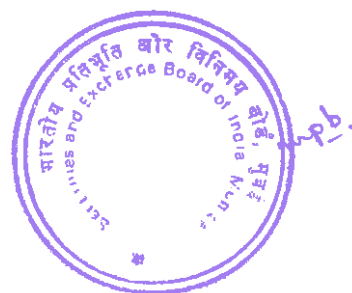
- i. Directing them jointly and severally to refund money collected through the *Offer of NCDs* alongwith interest, if any, promised to investors therein;
- ii. Directing them not to issue prospectus or any offer document or issue advertisement for soliciting money from the public for the issue of securities, in any manner whatsoever, either directly or indirectly, for an appropriate period;
- iii. Directing them to refrain from accessing the securities market and prohibiting them from buying, selling or otherwise dealing in securities for an appropriate period.

10. Similarly, the Debenture Trustees, viz. *Shri Narayan Karmakar and Gurukul Debenture Trust* were advised to show cause as to why suitable directions/prohibitions under Sections 11(1),



11(4), 11A and 11B of the SEBI Act including restraining them from accessing the securities market and further restraining them from buying, selling or dealing in securities, in any manner whatsoever, for an appropriate period should not be issued.

11. Vide the said interim order, GPL, its abovementioned Directors/promoters along with its Debenture Trustees were given the opportunity to file their replies, within 21 days from the date of receipt of the said interim order. The order further stated the concerned persons may also indicate whether they desired to avail themselves an opportunity of personal hearing on a date and time to be fixed on a specific request made in that regard.
12. *Service of interim order:* The copy of the said interim order was sent to the Noticees vide letter dated July 11, 2016. Subsequently, vide notification dated November 09, 2016 published in newspaper *Times of India*, and notification dated November 08, 2016 published in newspaper *Ananda Bazar Patrika*, the Noticees were notified by SEBI, that interim order dated July 07, 2016 was issued against them and they were given a final opportunity to submit their reply in the matter.
13. Vide notification dated June 10, 2017 published in newspaper *Times of India* and notification dated June 10, 2017 published in newspaper *Ananda Bazar Patrika*, the Noticees were notified by SEBI that they will be given the opportunity of being heard on July 27, 2017 at the time and the venue mentioned therein. The Noticees were advised that in case they failed to appear for the personal hearing before SEBI on the aforesaid date, then the matter would be proceeded *ex-parte* on the basis of material available on record.
14. *Hearing and submissions:* Noticees did not avail the opportunity of hearing held on July 27, 2017. Shri Amit Kumar Das has replied vide letter dated November 24, 2016. His submissions in brief are as under:
 - a) Based on paper publication about allegation of financial irregularity, he submitted that he was just an employee in GPL and then appointed as Executive

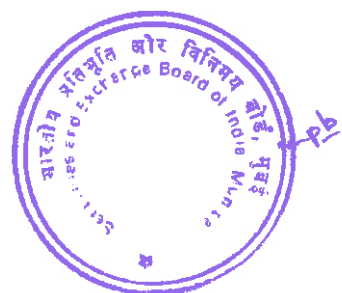


Director by Goutam Majumder.

- b) As far as he knows, Company took permission from ROC and MCA to issue debentures, mortgaging land of the Company.
- c) He is from extremely poor family, non-graduate, appointed in the Company as non-graduate. He took early retirement due to myopia disease from a State Government undertaking organization. Thereafter, he was in the business of mobile, etc. for some time and was also engaged in cultural activities.
- d) He was also given an opportunity to act in a film produced by Gurukul Art and Media and directed by Goutam Majumder. Though he was given an assurance that the film would be released, it hasn't materialized.
- e) After getting affected with the disease, his mental and physical health had deteriorated and hence, he expressed desire to stop working with the Company. In February 2013, he was asked to sign on certain share certificates and then, he was released. Thereafter, he came to know that the said share certificates were never registered in his name with the Company. Therefore, he informed the Company and ROC.
- f) He doesn't have information about how much money the Company has collected or assets/liabilities the Company has or how much the Company has refunded. All information may be given by Shri Goutam Majumder.
- g) He is ready to co-operate with SEBI.

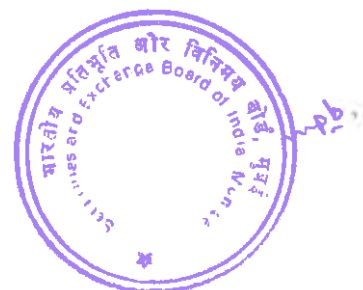
15. Shri Bablu Pattanayak replied vide letter dated November 18, 2016. His submissions in brief are as under:

- a) He was a corporate agent of LIC and working as such since 2008. That he was a promoter of a company named as Gurukul Project Limited was unknown to him until he received SEBI letter on 11/07/2016.
- b) At that time he was very much involved in family issues as his brother was seriously ill and he has expired on 17/10/2016. His focus was on his brother's



treatment and so he couldn't give reply to SEBI letter on time.

- c) Since he is not and never been associated with the company, Gurukul Project Limited in any manner whatsoever, no document related to such company is under his custody which mentions that he was associated with it as a promoter.
- d) Before replying to SEBI letter, he downloaded public documents of the company available from MCA portal for his reference. The subscriber sheet of Memorandum of Association shows that he subscribed for 6000 equity shares of Gurukul Project Limited, which is not true. He never signed any subscriber sheet of any such company. The subscriber sheet is dated 27th September, 2010 and date of incorporation of the company is 4th October, 2010 when he was still an LIC agent in 2010.
- e) In the Annual Return dated 28/09/2012 the 6000 equity shares of the company supposedly held in his name, was shown transferred to Mr. Debjanardan Mondal on 05.06.2012. But he had never signed any transfer form or transfer letter to this effect. He never had any share certificate of Gurukul Project Limited nor he transferred it to any person so named as Debjanardan Mondal. As per his personal bank accounts from date of incorporation to date of transfer of shares none of the transactions relating to subscribing of shares at the time of incorporation or transfer of shares is mentioned in his Bank Accounts.
- f) The Directors at that time, as mentioned in SEBI letter i.e Mr. Goutam Majumder and Mr. Jyotirmoy Halder were known to him except that none of the directors namely Amit Kumar Das, Mr. Debjanardan Mondal, Mr. Narayan Karmakar, Mr. Samaresh Das, Ms. Moli Majumder, Ms. Nupur Purkayastha were known to him. The other promoters were also not known to him.
- g) He knows the place which is the registered office address of the company but he was not involved with its any business meeting and governing body meeting.
- h) From 2010, when the company was incorporated, to 2012, when 6000 equity



shares were transferred, he had never received any piece of paper from the company as a shareholder which normally a shareholder receives like notices of general meetings etc. He fails to understand how his name got involved into this company as its promoter.

- i) Since he was never associated with the company, he does not have slightest hint of any issue that has happened in the company from 2010 to 2012, whether be it debentures or shares or any other securities. Any sign put in any document related to the company must have been forged as there is no reason for having my sign on any such document. He submitted that knowingly he had never signed any document which mentions that he was a promoter of Gurukul Project Limited.

16. Shri Narayan Karmakar replied vide letter dated November 24, 2016. His submissions in brief are as under:

- a) He referred to the paper publication and submitted that since childhood, he was engaged in drawing, drama etc. and has worked under various directors and producers. He was also an art director in serials etc.
- b) He is suffering a very bad time. His mother had an accident and hence, he sold his wife's ornaments for his mother's operation. He could not stay in Mumbai and returned to Kolkata. He is mentally and physically tired and suffering.
- c) His childhood friend, Shri Amit Das gave him work as an interior decorator in his mobile shop where he later met Shri Goutam Majumder. He was then informed about Mr. Majumder's company where there was work for interior decorator along with film department. Therefore, he got job of his interest and he started work and got salary.
- d) He is ignorant of law and therefore, he is having trouble. He is ready to co-operate with SEBI.



17. I have considered the allegations and materials available on record. On perusal of the same, the following issues arise for consideration. Each question is dealt with separately under different headings.

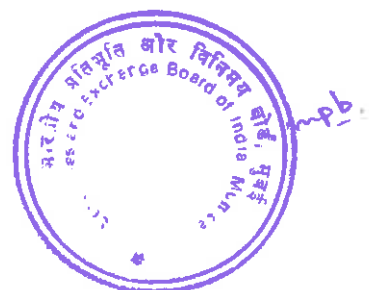
- (1) Whether the company came out with the Offer of NCDs as stated in the interim order.*
- (2) If so, whether the said issues are in violation of Section 56, Section 60 read with section 2(36), Section 73 and section 117C of the Companies Act, 1956 read with the ILDS Regulations.*
- (3) Whether appointment of Shri Narayan Karmakar and Gurukul Debenture Trust as the Debenture Trustees by GPL is in violation of Section 117B of the Companies Act, 1956 and whether Shri Narayan Karmakar and Gurukul Debenture Trust violated Section 12(1) of SEBI Act and regulation 7 of the Debenture Trustees Regulations*
- (4) If the findings on Issue No.2 and 3 are found in the affirmative, who are liable for the violation committed?*

ISSUE No. 1- Whether the company came out with the Offer of NCDs as stated in the interim order.

18. I have perused the interim order dated July 07, 2016 for the allegation of *Offer of NCDs*.

I note that neither the company nor the directors have disputed the same.

19. I have also perused the documents/ information obtained from the 'MCA 21 Portal' and other documents available on records. It is noted, from the investors' complaints received by SEBI in the matter and MCA records that GPL has issued and allotted NCDs to at least 224 investors during the financial years 2010-2011, 2011-2012, 2012-2013, 2013-2014, and raised at least an amount of Rs. 203.92 lakhs. I also note that the number of allottees and funds mobilized has been collated from the documents submitted with the



complaints received by SEBI and MCA records. Therefore, it is possible that the actual number of allottees and amount mobilized could be more than 224 allottees and Rs. 203.92 lakhs respectively.

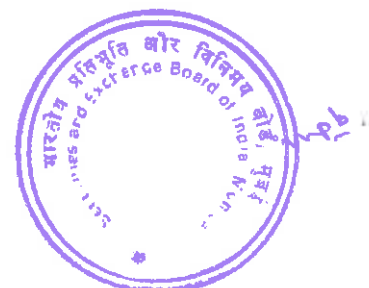
20. *I therefore conclude that GPL came out with an offer of NCDs as outlined above.*

ISSUE No. 2- *If so, whether the said issues are in violation of Section 56, Section 60 read with section 2(36), Section 73 and section 117C of the Companies Act, 1956 read with the ILDS Regulations.*

21. The provisions alleged to have been violated and mentioned in Issue No. 2 are applicable to the *Offer of NCDs* made to the public. Therefore the primary question that arises for consideration is whether the issue of NCDs is 'public issue'. At this juncture, reference may be made to sections 67(1) and 67(3) of the Companies Act, 1956:

"67. (1) Any reference in this Act or in the articles of a company to offering shares or debentures to the public shall, subject to any provision to the contrary contained in this Act and subject also to the provisions of sub-sections (3) and (4), be construed as including a reference to offering them to any section of the public, whether selected as members or debenture holders of the company concerned or as clients of the person issuing the prospectus or in any other manner.

(2) any reference in this Act or in the articles of a company to invitations to the public to subscribe for shares or debentures shall, subject as aforesaid, be construed as including a reference to invitations to subscribe for them extended to any section of the public, whether selected as members or debenture holders of the company concerned or as clients of the person issuing the prospectus or in any other manner.



(3) No offer or invitation shall be treated as made to the public by virtue of sub-section (1) or sub-section (2), as the case may be, if the offer or invitation can properly be regarded, in all the circumstances-

(a) as not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer or invitation; or

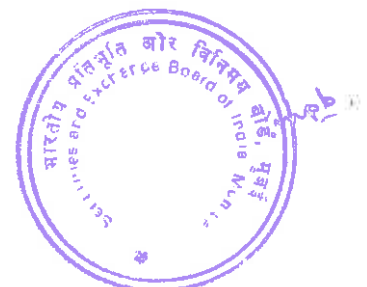
(b) otherwise as being a domestic concern of the persons making and receiving the offer or invitation ...

Provided that nothing contained in this sub-section shall apply in a case where the offer or invitation to subscribe for shares or debentures is made to fifty persons or more;

Provided further that nothing contained in the first proviso shall apply to non-banking financial companies or public financial institutions specified in section 4A of the Companies Act, 1956 (1 of 1956)."

22. The following observations of the Hon'ble Supreme Court of India in *Sahara India Real Estate Corporation Limited & Ors. v. SEBI (Civil Appeal no. 9813 and 9833 of 2011)* (hereinafter referred to as the "*Sahara Case*"), while examining the scope of Section 67 of the Companies Act, 1956, are worth consideration:-

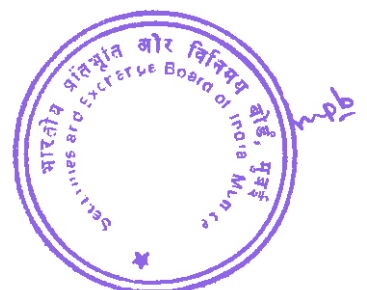
"Section 67(1) deals with the offer of shares and debentures to the public and Section 67(2) deals with invitation to the public to subscribe for shares and debentures and how those expressions are to be understood, when reference is made to the Act or in the articles of a company. The emphasis in Section 67(1) and (2) is on the "section of the public". Section 67(3) states that no offer or invitation shall be treated as made to the public, by virtue of subsections (1) and (2), that is to any section of the public, if the offer or invitation is not being calculated to result, directly or indirectly, in the shares or debentures becoming



available for subscription or purchase by persons other than those receiving the offer or invitation or otherwise as being a domestic concern of the persons making and receiving the offer or invitations. Section 67(3) is, therefore, an exception to Sections 67(1) and (2). If the circumstances mentioned in clauses (1) and (b) of Section 67(3) are satisfied, then the offer/invitation would not be treated as being made to the public.

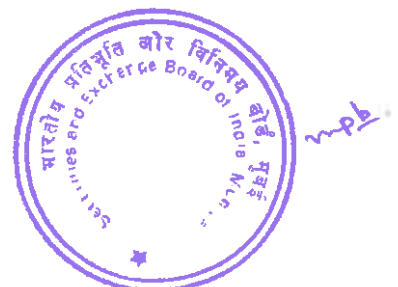
The first proviso to Section 67(3) was inserted by the Companies (Amendment) Act, 2000 w.e.f. 13.12.2000, which clearly indicates, nothing contained in Sub-section (3) of Section 67 shall apply in a case where the offer or invitation to subscribe for shares or debentures is made to fifty persons or more. ... Resultantly, after 13.12.2000, any offer of securities by a public company to fifty persons or more will be treated as a public issue under the Companies Act, even if it is of domestic concern or it is proved that the shares or debentures are not available for subscription or purchase by persons other than those receiving the offer or invitation."

23. Section 67(3) of Companies Act, 1956 provides for situations when an offer is not considered as offer to public. As per the said sub section, if the offer is one which is not calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer or invitation, or, if the offer is the domestic concern of the persons making and receiving the offer, the same are not considered as public offer. Under such circumstances, they are considered as private placement of shares and debentures. It is noted that as per the *first proviso* to Section 67(3) Companies Act, 1956, the public offer and listing requirements contained in that Act would become automatically applicable to a company making the offer to



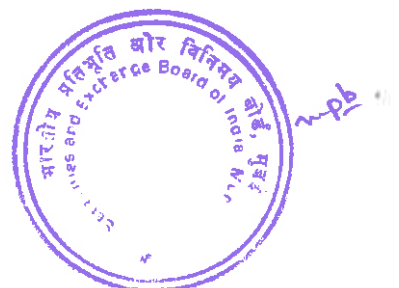
fifty or more persons. However, the *second proviso* to Section 67(3) of Companies Act, 1956 exempts NBFCs and Public Financial Institutions from the applicability of the *first proviso*.

24. In the instant matter, I find that NCDs were issued by GPL to at least 224 investors in the financial years 2010-2011, 2011-2012, 2012-2013, 2013-2014. However, this number is not conclusive as it is based on the documents received by SEBI along with complaints and MCA records, and the actual number of investors could be more than 224. I find that GPL has mobilized at least an amount of Rs. 203.92 lakhs over the financial years 2010-2011 , 2011-2012 , 2012-2013, 2013-2014 and which is not a conclusive value as it is based on the complaints received by SEBI and MCA records. Further, I find that GPL has created a charge of Rs. 5.00 Crores on November 20, 2010 and 60.00 Crores on December 20, 2011. The above findings lead to a reasonable conclusion that the *Offer of NCDs* by GPL was a “public issue” within the meaning of the first proviso to section 67(3) of the Companies Act, 1956.
25. Neither GPL nor its directors have contended that the *Offer of NCDs* does not fall within the ambit of first proviso of section 67(3) of Companies Act, 1956.
26. I find that GPL has not claimed it to be a Non-banking financial company or public financial institution within the meaning of Section 4A of the Companies Act, 1956. In view of the aforesaid, I, therefore, find that there is no case that GPL is covered under the second proviso to Section 67(3) of the Companies Act, 1956.
27. Even in cases where the allotments are considered separately, reference may be made to Sahara Case, wherein it was held that under Section 67(3) of the Companies Act, 1956, the "Burden of proof is entirely on Saharas to show that the investors are/were their employees/workers or associated with them in any other capacity which they have not discharged." In respect of those issuances, the directors have not placed any material that the allotment was in satisfaction of section 67(3)(a) or 67(3)(b) of Companies Act, 1956



i.e., it was made to the known associated persons or domestic concern. Therefore, I find that the said issuance cannot be considered as private placement. Moreover, reference may be made to the order dated April 28, 2017 of Hon'ble Securities Appellate Tribunal in *Neesa Technologies Limited vs. SEBI (Appeal No. 311 of 2016)* which lays down that "In terms of Section 67(3) of the Companies Act any issue to '50 persons or more' is a public issue and all public issues have to comply with the provisions of Section 56 of Companies Act and ILDS Regulations. Accordingly, in the instant matter the appellant have violated these provisions and their argument that they have issued the NCDs in multiple tranches and no tranche has exceeded 49 people has no meaning".

28. Therefore, in view of the material available on record, I find that the *Offer of NCDs* by GPL falls within the first proviso of section 67(3) of Companies Act, 1956. Hence, the *Offer of NCDs* are deemed to be public issues and GPL was mandated to comply with the 'public issue' norms as prescribed under the Companies Act, 1956.
29. Further, since the offer of NCDs is a public issue of securities, such securities shall also have to be listed on a recognized stock exchange, as mandated under section 73 of the Companies Act, 1956. As per section 73(1) and (2) of the Companies Act, 1956, a company is required to make an application to one or more recognized stock exchanges for permission for the shares or debentures to be offered to be dealt with in the stock exchange and if permission has not been applied for or not granted, the company is required to forthwith repay with interest all moneys received from the applicants.
30. The allegations of non-compliance of the above provisions were not denied by GPL or its directors. I also find that no records have been submitted to indicate that it has made an application seeking listing permission from stock exchange or refunded the amounts on account of such failure. Therefore, I find that GPL has contravened the said provisions. GPL has not provided any records to show that the amount collected by it is kept in a separate bank account. Therefore, I find that GPL has also not complied with



the provisions of section 73(3) which mandates that the amounts received from investors shall be kept in a separate bank account. Therefore, I find, that section 73(2) of the Companies Act, 1956 has not been complied with.

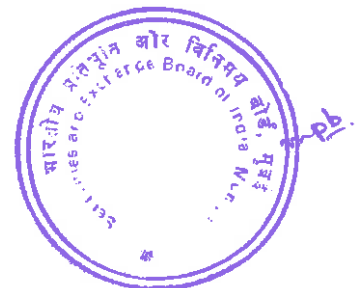
31. Section 2(36) of the Companies Act read with section 60 thereof, mandates a company to register its 'prospectus' with the RoC, before making a public offer/ issuing the 'prospectus'. As per the aforesaid Section 2(36), "prospectus" means any document described or issued as a prospectus and includes any notice, circular, advertisement or other document inviting deposits from the public or inviting offers from the public for the subscription or purchase of any shares in, or debentures of, a body corporate. As the offer of NCDs was a deemed public issue of securities, GPL was required to register a prospectus with the RoC under Section 60 of the Companies Act, 1956. I find that GPL has not submitted any record to indicate that it has registered a prospectus with the RoC, in respect of the offer of NCDs. I, therefore, find that GPL has not complied with the provisions of section 60 of the Companies Act, 1956.
32. In terms of section 56(1) of the Companies Act, 1956, every prospectus issued by or on behalf of a company, shall state the matters specified in Part I and set out the reports specified in Part II of Schedule II of that Act. Further, as per section 56(3) of the Companies Act, 1956, no one shall issue any form of application for shares in a company, unless the form is accompanied by abridged prospectus, containing disclosures as specified. Neither GPL nor its directors produced any record to show that it has issued Prospectus containing the disclosures mentioned in section 56(1) of the Companies Act, 1956, or issued application forms accompanying the abridged prospectus. Therefore, I find that, GPL has not complied with sections 56(1) and 56(3) of the Companies Act, 1956.
33. As regards the allegation of section 117C of the Companies Act, 1956, it may be seen that the said provision mandates the company to create a debenture redemption reserve for the redemption of such debentures, to which every year, adequate amounts should be



credited out of its profits, until such debentures are redeemed. None of the Noticees denied this allegation. There is no material on record to show that such debenture reserve was created. Therefore, I hold that the company has violated section 117C of the Companies Act, 1956.

34. ILDS Regulations are applicable to the public issue and listing of debt securities. Regulation 2(e) of the ILDS Regulations defines debt securities to mean non-convertible debt securities which create or acknowledge indebtedness, and include debentures. In view of the finding that GPL has made a public issue of debt securities, the ILDS Regulations is also applicable to the instant offer of NCDs. Therefore, I find that the Company has violated the following provisions of the aforesaid ILDS Regulations, which contain *inter alia* conditions for public issue and listing of debt securities, viz.

- i. Regulation 4(2)(a) – Application for listing of debt securities
- ii. Regulation 4(2)(b) – In-principle approval for listing of debt securities
- iii. Regulation 4(2)(c) – Credit rating has been obtained
- iv. Regulation 4(2)(d) – Dematerialization of debt securities
- v. Regulation 4(4) – Appointment of Debenture Trustees
- vi. Regulation 5(2)(b) – Disclosure requirements in the Offer Document
- vii. Regulation 6 – Filing of draft Offer Document
- viii. Regulation 7 – Mode of disclosure of Offer Document
- ix. Regulation 8 – Advertisements for Public Issues
- x. Regulation 9 – Abridged Prospectus and application forms
- xi. Regulation 12 – Minimum subscription
- xii. Regulation 14 – Prohibition of mis-statements in the Offer Document
- xiii. Regulation 15 – Trust Deed
- xiv. Regulation 17 – Creation of security
- xv. Regulation 19 – Mandatory Listing
- xvi. Regulation 26 – Obligations of the Issuer, etc.



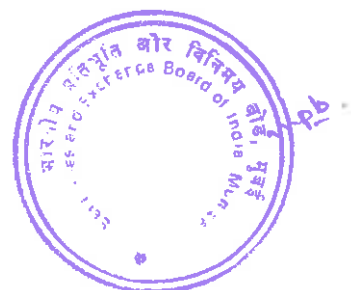
35. Further, I note that the jurisdiction of SEBI over various provisions of the Companies Act, 1956 including the above mentioned, in the case of public companies, whether listed or unlisted, when they issue and transfer securities, flows from the provisions of Section 55A of the Companies Act, 1956. While examining the scope of Section 55A of the Companies Act, 1956, the Hon'ble Supreme Court of India in *Sahara Case*, had observed that:

"We, therefore, hold that, so far as the provisions enumerated in the opening portion of Section 55A of the Companies Act, so far as they relate to issue and transfer of securities and non-payment of dividend is concerned, SEBI has the power to administer in the case of listed public companies and in the case of those public companies which intend to get their securities listed on a recognized stock exchange in India."

"SEBI can exercise its jurisdiction under Sections 11(1), 11(4), 11A(1)(b) and 11B of SEBI Act and Regulation 107 of ICDR 2009 over public companies who have issued shares or debentures to fifty or more, but not complied with the provisions of Section 73(1) by not listing its securities on a recognized stock exchange"

36. In this regard, it is pertinent to note that by virtue of Section 55A of the Companies Act, 1956, SEBI has to administer Section 67 of that Act, so far as it relates to issue and transfer of securities, in the case of companies who intend to get their securities listed. While interpreting the phrase "intend to get listed" in the context of deemed public issue the Hon'ble Supreme Court in *Sahara Case* observed-

"...But then, there is also one simple fundamental of law, i.e. that no-one can be presumed or deemed to be intending something, which is contrary to law. Obviously therefore, "intent" has its limitations also, confining it within the confines of



lawfulness...”

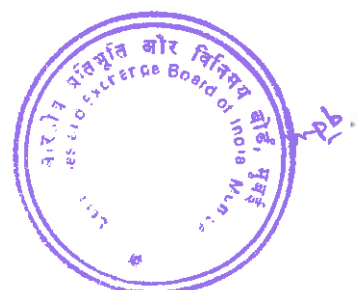
“...Listing of securities depends not upon one’s volition, but on statutory mandate...”

“...The appellant-companies must be deemed to have “intended” to get their securities listed on a recognized stock exchange, because they could only then be considered to have proceeded legally. That being the mandate of law, it cannot be presumed that the appellant companies could have “intended”, what was contrary to the mandatory requirement of law...”

37. In view of the above findings, I am of the view that GPL was engaged in fund mobilizing activity from the public, through the offer of NCDs and has contravened the provisions of section 56(1), 56(3), 2(36) read with 60, 73(1), 73(2), 73(3), and 117C of the Companies Act, 1956, and above mentioned provisions pertaining to the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

ISSUE No. 3-Whether appointment of Shri Narayan Karmakar and Gurukul Debenture Trust as the Debenture Trustees by GPL is in violation of Section 117B of the Companies Act, 1956 and whether Shri Narayan Karmakar and Gurukul Debenture Trust and have violated Section 12(1) of SEBI Act and regulation 7 of the Debenture Trustees Regulations?

38. I find that GPL created a charge for an amount of Rs. 5 Crores on November 20, 2010 and appointed *Shri Narayan Karmakar* as Debenture Trustee for the Offer of NCDs by the company as noted from Form 10 and Debenture Trust Deed. Subsequently, GPL created a charge for an amount of Rs. 60 Crores on December 20, 2011 and appointed *Gurukul Debenture Trust* as Debenture Trustee for the Offer of NCDs by that company as noted from Form 10. Shri Narayan Karmakar in his reply has stated that since childhood, he was engaged in drawing, drama etc. and has worked under various



directors and producers and that he is suffering a very bad time and is mentally and physically tired. He further stated that his childhood friend, Shri Amit Das gave him work as an interior decorator in his mobile shop where he later met Shri Goutam Majumder. He was then informed about Mr. Majumder's company where there was work for interior decorator and also in his film department and therefore, he got job of his interest and he started work. He submitted that he is ignorant of law and therefore, he is having trouble. I have considered the aforesaid submissions of the Noticee and note that he has not specifically disputed that he was the Debenture Trustee of GPL. I note from the Form 10 and Debenture Trust Deed that Shri Narayan Karmakar's name has been listed as debenture trustee of the Company. In view thereof, I find that Shri Narayan Karmakar was a debenture trustee for the Company.

39. Section 12(1) of the SEBI Act states that: *"No... trustee of trust deed ... shall buy, sell or deal in securities except under, and in accordance with, the conditions of a certificate of registration obtained from the Board in accordance with the regulations made under this Act"*. Regulation 7 of the SEBI (Debenture Trustees) Regulations, 1993, states that *only a scheduled bank carrying on commercial activity or, a public financial institution within the meaning of section 4A of the Companies Act, 1956 or, an insurance company or, a body corporate alone are eligible to get a certificate of registration as Debenture Trustee*.
40. *Shri Narayan Karmakar and Gurukul Debenture Trust* are not eligible to obtain a certificate of registration since it does not satisfy the eligibility criteria mentioned in Regulation 7 of the SEBI (Debenture Trustees) Regulations, 1993. None of the Noticees claimed that *Shri Narayan Karmakar and Gurukul Debenture Trust* had received certificate of registration as per section 12(1) of the SEBI Act. In view of the above, I find that Gurukul Debenture Trust and Shri Narayan Karmakar have dealt in the impugned Offer of NCDs as debenture trustees, without having a certificate of registration as Debenture Trustee in violation of Section 12(1) of the SEBI Act, 1992.



41. Under section 117B of the Companies Act, 1956 no company shall issue a prospectus or a letter of offer to the public for subscription of its debentures, unless the company has, before such issue, appointed one or more debenture trustees for such debentures and the company has, on the face of the prospectus or the letter of offer, stated that the debenture trustee or trustees have given their consent to the company to be so appointed. I find that GPL has appointed *Shri Narayan Karmakar and Gurukul Debenture Trust as debenture trustees* who do not have a certificate of registration. Therefore, the appointment of the same is in violation of section 117B of the Companies Act, 1956. Further, since GPL has not issued a prospectus with the relevant information and therefore, the requirement of stating the consent of the debenture trustee to be so appointed on the face of the prospectus has not been complied with.

ISSUE No. 4- If the findings on Issue No.2 and 3 are found in the affirmative, who are liable for the violation committed?

42. Before proceeding to discuss Issue No. 4, it would be appropriate to consider and deal with the replies by the Noticees. Shri Amit Kumar Das in his reply has stated, *inter-alia*, that he was just an employee in GPL and then appointed as Executive Director by Shri Goutam Majumder and as far as he knows, Company took permission from ROC and MCA to issue debentures, mortgaging land of the Company. He also stated that he is from extremely poor family, non-graduate, appointed in the Company as non-graduate and his mental and physical health had deteriorated and hence, he expressed desire to stop working with the Company. In February 2013, he was asked to sign on certain share certificates and then, he was released. Thereafter, he came to know that the said share certificates were never registered in his name with the Company. Therefore, he informed the Company and ROC. He also submitted that he doesn't have information about how much money the Company has collected or assets/liabilities the Company has or how



Order in the matter of M/s Gurukul Project Limited

the said share certificates were never registered in his name with the Company and he informed the Company and ROC. In this regards, I find that he has not enclosed proof about informing the Company and ROC. And though he has submitted that the share certificates signed by him in 2013 have not been registered in his name, he has not disputed that he was the promoter of the Company. On perusal of the Memorandum of Association obtained from the MCA website, I find that Shri Amit Kumar Das is listed as a promoter. In view thereof, I find that Shri Amit Kumar Das was a director during the issue of NCDs and also liable for the *Offer of NCDs* by the Company in the capacity of promoter.

43. Shri Bablu Pattanayak in his reply has stated, *inter-alia*, that he came to know that he was a promoter of GPL only after he received SEBI letter on 11/07/2016 and that at that time he was very much involved in family issues as his brother was seriously ill who has expired on 17/10/2016, hence his focus was on his brother 's treatment so he couldn't give reply to SEBI letter on time. He further submitted that since he is not and never been associated with the company, Gurukul Project Limited in any manner whatsoever, no document related to such company is under his custody. He also stated that he never signed any subscriber sheet of any such company and that the subscriber sheet is dated 27th September, 2010 and date of incorporation of the company is 4th October, 2010 when he was still an LIC agent in 2010. Further, he stated that in the Annual Return dated 28/09/2012 the 6000 equity shares of the company supposedly held in his name, was shown transferred to Mr. Debjanardan Mondal on 05.06.2012. But he stated that he had never signed any transfer form or transfer letter to this effect. He also stated that he never had any share certificate of Gurukul Project Limited nor he transferred it to any person so named as Debjanardan Mondal. He also stated that he was not involved with any business meeting governing body meeting. And that he had never received any piece of paper from the company as a shareholder which normally a shareholder receives like notices of general meetings etc and fails to understand how his name got involved into



this company as its promoter. He also stated that since he was never associated with the company, he does not have slightest hint of any issue that has happened in the company from 2010 to 2012 and that any sign put in any document related to the company must have been forged. I have considered the aforesaid submissions of Shri Bablu Pattanayak and I am inclined to give him benefit of doubt as I do not find any material available on record contrary to his submissions. Therefore, I do not find Shri Bablu Pattanayak liable for the *Offer of NCDs* by the Company as promoter.

44. From the documents available on record, I find that the present Directors in GPL are Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal. I also note that Smt Nupur Purkayastha, Smt Moli Majumder, who were earlier Directors in GPL, have since resigned. The details of the appointment and resignation of the directors are as following:

Name of the directors	Date of appointment	Date of cessation
Shri Goutam Majumder	October 04, 2010	Continuing
Shri Amit Kumar Das	November 25, 2011	Continuing
Shri Debjanardan Mondal	April 15, 2011	Continuing
Smt Nupur Purkayastha	October 04, 2010	November 25, 2011
Smt Moli Majumder	October 04, 2010	April 20, 2013

45. I find that Shri Goutam Majumder, Shri Amit Kumar Das, Smt Nupur Purkayastha, Smt Moli Majumder are directors and promoters of GPL and Shri Jyotirmoy Halder, Shri Samresh Das are promoters of GPL.



46. Section 56(1) and 56(3) read with section 56(4) of the Companies Act, 1956 imposes the liability on the company, every director, and other persons responsible for the prospectus for the compliance of the said provisions. The liability for non-compliance of Section 60 of the Companies Act, 1956 is on the company, and every person who is a party to the non-compliance of issuing the prospectus as per the said provision. Therefore, GPL and its directors are held liable for the violation of sections 56(1), 56(3) and 60 of the Companies Act, 1956.
47. As far as the liability for non-compliance of section 73 of Companies Act, 1956 is concerned, as stipulated in section 73(2) of the said Act, the company and every director of the company who is an officer in default shall, from the eighth day when the company becomes liable to repay, be jointly and severally liable to repay that money with interest at such rate, not less than four per cent and not more than fifteen per cent if the money is not repaid forthwith. With regard to liability to pay interest, I note that as per section 73 (2) of the Companies Act, 1956, the company and every director of the company who is an officer in default is jointly and severally liable, to repay all the money with interest at prescribed rate. In this regard, I note that in terms of rule 4D of the Companies (Central Governments) General Rules and Forms, 1956, the rate of interest prescribed in this regard is 15%.
48. From the material available on record and the details of the appointment and resignation of the directors of GPL as reproduced in paragraph 44 of this Order, it is noted that Smt Nupur Purkayastha, Smt Moli Majumder, Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal were directors at the time of the issuance of NCDs. Since these persons were acting as directors during the period of issuance of NCDs, they are officers in default as per Section 5(g) of Companies Act, 1956. Further, in the present case, no material is brought on record to show that any of the officers set out in clauses (a) to (c) of Section 5 of Companies Act, 1956 or any specified director of GPL was entrusted to discharge the obligation contained in Section 73 of the Companies Act,



1956. Therefore, as per Section 5(g) of the Companies Act, 1956 all the past and present directors of GPL, as officers in default, are liable to make refund, jointly and severally, along with interest at the rate of 15 % per annum, under section 73(2) of the Companies Act, 1956 for the non-compliance of the above mentioned provisions. Since, the liability of the company to repay under section 73(2) is continuing and such liability continues till all the repayments are made, the above said directors are co-extensively responsible along with the Company for making refunds along with interest under section 73(2) of the Companies Act, 1956 read with rule 4D of the Companies (Central Government's) General Rules and Forms, 1956, and section 27(2) of the SEBI Act. Therefore, I find that GPL and its Directors, viz. , Smt Nupur Purkayastha, Smt Moli Majumder, Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal are jointly and severally liable to refund the amounts collected from the investors with interest at the rate of 15 % per annum, for the non-compliance of the above mentioned provisions.

49. I note that during the financial years 2010-2011, 2011-2012, 2012-2013, 2013-2014 , GPL through Offer of NCDs, had collected at least an amount of Rs. 203.92 lakhs from various allottees. I note that Shri Goutam Majumder has been director of GPL since financial years 2010-2011, 2011-2012, 2012-2013, 2013-2014 till present date. I note that Shri Amit Kumar Das has been director of GPL since financial years, 2011-2012, 2012-2013, 2013-2014 till present date. I note that Shri Debjanardan Mondal has been director of GPL since financial years, 2011-2012, 2012-2013, 2013-2014 till present date. I note that Smt Nupur Purkayastha was director of GPL during financial years 2010-2011, 2011-2012. I note that Smt Moli Majumder was director of GPL during financial years 2010-2011, 2011-2012, 2012-2013, 2013-2014. Therefore, in view of Hon'ble Securities Appellate Tribunal (SAT) Order dated July 14, 2017 in the matter of *Manoj Agarwal vs. SEBI*, I am of the view that the obligation of the director to refund the amount with interest jointly and severally with GPL and other directors are limited to the extent of amount collected during his/her tenure as director of GPL.



50. As far as the liability under sections 117B and 117C of the Companies Act, 1956, is concerned, the liability is on the company to comply with the said provisions. Therefore, GPL is liable for the violation of sections 117B and 117C of the SEBI Act. In respect of the liability under section 12(1) of the SEBI Act, the liability is on the Trustee who act as the debenture trustee without the Certificate of Registration from SEBI as debenture trustee. In view of the above, I find that both *Shri Narayan Karmakar and Gurukul Debenture Trust* are liable for the violation of section 12(1) of the SEBI Act read with regulation 7 of the Debenture Trustee Regulations.
51. With respect to the provisions of the respective regulations of the ILDS Regulations enumerated on paragraph 34 of this order, the liability is on the Company to comply with the requirements therein.
52. I find that Shri Goutam Majumder, Shri Amit Kumar Das, Smt Nupur Purkayastha, Smt Moli Majumder are directors and promoters of GPL and Shri Jyotirmoy Halder, Shri Samaresh Das are promoters of GPL and therefore, are liable as promoters for the Offer of NCDs against the norms of deemed public issue. The said Noticees have not denied knowledge/connivance/consent in the act/omission which constitutes violation of the provisions of the public issue and public interest requires that the persons who had such knowledge/connivance/consent be made accountable to the investors. Therefore, the said Noticees are liable to be debarred for an appropriate period of time.
53. In view of the foregoing, the natural consequence of not adhering to the norms governing the issue of securities to the public and making repayments as directed under section 73(2) of the Companies Act, 1956, is to direct GPL and its Directors, viz., Smt Nupur Purkayastha, Smt Moli Majumder, Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal to refund the monies collected, with interest to such investors. Further, in view of the violations committed by the Company and its Directors , to safeguard the interest of the investors who had subscribed to such NCDs issued by



the Company, to safeguard their investments, and to further ensure orderly development of securities market, it also becomes necessary for SEBI to issue appropriate directions against the Company and the other Noticees.

54. I also note that, vide the interim order dated July 07, 2016, GPL was directed to provide a full inventory of all the assets and properties belonging to the Company. Similarly, the Directors/promoters of GPL were also directed to provide an inventory of assets and properties belonging to them. The above inventories were required to be filed within 21 days of the receipt of the order. However, I find that no up to date inventory has been provided either by GPL or the other Noticees despite the notifications of issuance of the interim order through newspaper publications as stated in paragraph 12 of this Order.

55. In view of the discussion above, appropriate action in accordance with law needs to be initiated against GPL and its Directors and promoters and debenture trustees , viz. Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal, Smt Nupur Purkayastha, Smt Moli Majumder, Shri Jyotirmoy Halder, Shri Samaresh Das, Shri Narayan Karmakar and Gurukul Debenture Trust.

56. In view of the aforesaid observations and findings, I, in exercise of the powers conferred under section 19 of the Securities and Exchange Board of India Act, 1992 read with sections 11, 11(4), 11A and 11B of the SEBI Act, hereby issue the following directions:

(a) GPL, Smt Nupur Purkayastha , Smt Moli Majumder , Shri Goutam Majumder , Shri Amit Kumar Das , Shri Debjanardan Mondal shall forthwith refund the money collected by the Company, during their respective period of directorship through the issuance of NCDs including the application money collected from investors during their respective period of directorship, till date, pending allotment of securities, if any, with an interest of 15% per annum, from the eighth day of collection of funds, to the investors till the date of actual payment.

(b) The repayments and interest payments to investors shall be effected only through



Bank Demand Draft or Pay Order both of which should be crossed as “Non-Transferable”.

- (c) Smt Nupur Purkayastha , Smt Moli Majumder are directed to provide a full inventory of all their assets and properties and details of all their bank accounts, demat accounts and holdings of mutual funds/shares/securities, if held in physical form and demat form.
- (d) GPL and Shri Goutam Majumder , Shri Amit Kumar Das , Shri Debjanardan Mondal are directed to provide a full inventory of all the assets and properties and details of all the bank accounts, demat accounts and holdings of mutual funds/shares/securities, if held in physical form and demat form, of the company and their own.
- (e) GPL, Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal are permitted to sell the assets of the Company for the sole purpose of making the refunds as directed above and deposit the proceeds in an Escrow Account opened with a nationalized Bank. Such proceeds shall be utilized for the sole purpose of making refund/repayment to the investors till the full refund/repayment as directed above is made.
- (f) GPL, Smt Nupur Purkayastha, Smt Moli Majumder, Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal are prevented from selling their assets, properties and holding of mutual funds/shares/securities held by them in demat and physical form except for the sole purpose of making the refunds as directed above and deposit the proceeds in an Escrow Account opened with a nationalized Bank. Such proceeds shall be utilized for the sole purpose of making refund/repayment to the investors till the full refund/repayment as directed above is made.
- (g) GPL and Smt Nupur Purkayastha, Smt Moli Majumder, Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal in their personal capacity to make refund, shall issue public notice, in all editions of two National Dailies (one English



and one Hindi) and in one local daily with wide circulation, detailing the modalities for refund, including the details of contact persons such as names, addresses and contact details, within 15 days of this Order coming into effect.

- (h) After completing the aforesaid repayments, GPL, Smt Nupur Purkayastha, Smt Moli Majumder, Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal shall file a report of such completion with SEBI, within a period of three months from the date of this order, certified by two independent peer reviewed Chartered Accountants who are in the panel of any public authority or public institution. For the purpose of this Order, a peer reviewed Chartered Accountant shall mean a Chartered Accountant, who has been categorized so by the Institute of Chartered Accountants of India ("ICAI")
- (i) In case of failure of GPL, Smt Nupur Purkayastha, Smt Moli Majumder, Shri Goutam Majumder, Shri Amit Kumar Das, Shri Debjanardan Mondal to comply with the aforesaid applicable directions, SEBI, on the expiry of three months period from the date of this Order:
- i) may recover such amounts, from the company and the directors liable to refund as specified in paragraph 56(a) of this Order, in accordance with section 28A of the SEBI Act including such other provisions contained in securities laws.
 - ii) may initiate appropriate action against the Company, its promoters/directors and the persons/officers who are in default, including adjudication proceedings against them, in accordance with law.
 - iii) would make a reference to the State Government/ Local Police to register a civil/ criminal case against the Company, its promoters, directors and its managers/ persons in-charge of the business and its schemes, for offences of fraud, cheating, criminal breach of trust and misappropriation of public funds;
- (j) GPL, Smt Nupur Purkayastha, Smt Moli Majumder, Shri Goutam Majumder, Shri



Amit Kumar Das, Shri Debjanardan Mondal are directed not to, directly or indirectly, access the securities market, by issuing prospectus, offer document or advertisement soliciting money from the public and are further restrained and prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in whatsoever manner, from the date of this Order, till the expiry of 4 (four) years from the date of completion of refunds to investors as directed above. The above said directors are also restrained from associating themselves with any listed public company and any public company which intends to raise money from the public, or any intermediary registered with SEBI from the date of this Order till the expiry of 4 (four) years from the date of completion of refunds to investors.

(k) Shri Jyotirmoy Halder and Shri Samaresh Das are directed not to, directly or indirectly, access the securities market, by issuing prospectus, offer document or advertisement soliciting money from the public and are further restrained and prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in whatsoever manner for a period of 4 (four) years from the date of this Order. The above said persons are also restrained from associating themselves with any listed public company and any public company which intends to raise money from the public, or any intermediary registered with SEBI for a period of 4 (four) years from the date of this order.

(l) Gurukul Debenture Trust and Shri Narayan Karmakar are restrained from accessing the securities market and are further restrained from buying, selling or dealing in securities, in any manner whatsoever, for a period of 4 (four) years from the date of this order.

(m) The above directions shall come into force with immediate effect.

57. Copy of this Order shall be forwarded to the recognised stock exchanges and depositories and registrar and transfer agents for information and necessary action.



58. A copy of this Order shall also be forwarded to the Ministry of Corporate Affairs / concerned Registrar of Companies, for their information and necessary action with respect to the directions/ restraint imposed above against the Company and the individuals.

DATE: November 3 , 2017

PLACE: Mumbai



Madhabi Puri Buch.
MADHABI PURI BUCH
WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA