

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

Under Sections 11(1), 11(4) and 11B of Securities and Exchange Board of India Act, 1992 read with Regulation 65 of the Securities and Exchange Board of India (Collective Investment Schemes) Regulations, 1999, in the matter of Susk India Ltd.

In respect of:

Sr. No.	Noticees	PAN
	Company	
1.	Susk India Limited	AAOCS2750A
	Director(s)	
2.	Kailash Singh Lodhi	BYGPS5769H
3.	Narendra Singh Lodhi	AEDPL0722M
4.	Bhagwati Bai Lodhi	ABVPL8322Q
5.	Sunil Tiwari	CHXPS2858E
6.	Dinesh Saini	CUEPS7834L
7.	Man Singh Lodhi	N.A.
8.	Amit Singh Rathore	ALZPR5160Q
9.	Jitendra Singh Bhati	ALVPB6802B
10.	Jeevan Kharadiya	BGGPK8474H
11.	Abhay Narvariya	AHRPN1442K
12.	Durgesh Wankhade	ABUPW2904Q
13.	Ravi Sankhla	CKNPS8191P

*The entities at serial numbers 1 to 13 are hereinafter referred to by their respective names/serial numbers or collectively as “**the Noticees**”.*

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- 1.** SEBI had passed an Interim order cum Show Cause notice dated May 29, 2015 (hereinafter referred to as "**interim order**") against the Noticees based on the prima facie conclusion that the fund mobilising activity of Noticee No. 1 i.e. Susk India Limited (hereinafter referred to as "**Susk /the Company/the noticee company**") under the garb of a real estate business, falls within the parameters of a “collective investment scheme” as defined in section 11AA of the SEBI Act, 1992. Accordingly,

the following directions were passed against the Noticees (the company and its directors and promoters) :

- a. *not to collect any fresh moneys from investors from its existing scheme;*
- b. *not to launch any new scheme/plan*
- c. *not to float any new companies/firm to raise fresh moneys;*
- d. *not to dispose of any of the properties or alienate the assets of the existing scheme;*
- e. *not to divert any funds raised from public at large, kept in bank account(s) and/or in the custody of the company;*
- f. *to immediately submit the full inventory of the assets owned by Susk India out of the amounts collected from the "customers"/investors under its existing schemes;*
- g. *to furnish all the information sought by SEBI, vide letters dated December 30, 2013 and February 14, 2014 including,*
 - i. *copies of all the relevant documents of the company viz. copies of agreement for development, etc.,*
 - ii. *certified copies of application form submitted by customers named at Serial No. 11 to 20 of each of the lists for Schemes 1, 2, &3*
 - iii. *application form submitted by Mr. Nitin Kumar and Mr. Layek Singh and allotment letters as well as agreement executed by the company with these persons,*
 - iv. *the details of amount mobilized and refunded till date,*
 - v. *PAN Nos. of the directors, viz. Mr. Jitendra Singh Bhati, Mr. Man Singh Lodhi and Mr. Amit Singh Rathore,*
 - vi. *Scheme wise list of investors and their contact numbers and addresses, including,*
 - *the list of investors to which land has been allotted and got registered, and*
 - *list of investors who have been refunded.*

2. According to the interim order, the noticee company had been running a scheme (hereinafter referred to as "**the Scheme**") purportedly for allotment of property but which in effect was a money mobilisation scheme. The interim order concluded, based on available documents that ₹ 4,90,53,650 (Four crore ninety lakh fifty three thousand six hundred and fifty rupees) was raised from 224 investors using three separate schemes, during the period May 2010 to June 2014.

3. The interim order was served on Noticee Nos. 8 and 9 by hand delivery and on Noticee nos. 3, 6 and 10 by SPAD. It was also served on all the noticees through newspaper publication. By way of reply to the interim order, letter dated December 17, 2015 ("**Reply to the interim order**" / "**the Reply**") was submitted by Noticee No. 3 i.e. Narendra Singh Lodhi on behalf of the Noticee company. The reply stated that the directions in the interim order had been complied with. Further, enclosures providing details of land owned by the company, list of customers/outstanding advances,

copies of agreement for development & application forms, list of investors who had opted for withdrawal from land purchase scheme and who had been refunded, PAN of directors and scheme wise list of customers to which land had been allotted, formed part of the Reply. The Reply also stated that the company never intended to work as a CIS and that various land purchase options along with returns promised to customers were solely for the purpose of creating confidence among the potential buyers. The noticee company also requested SEBI to give reasonable time to offer full and unconditional refund to all pending advances which the company received against purchase of land.

4. Noticee No. 3 also submitted certificates dated June 01, 03 and July 01, 2015 with respect to Durgesh Wankhade, Abhay Narwaria and Ravi Sankhla, respectively, certifying that they were not promoters of SUSK India Ltd. (noticee company) and had never been appointed directors on the board of the company. Certificates dated June 03, 05, 06, 07, 10 and 11, 2015, with respect to Jeevan Kharadiya, Bhagwati Bai Lodhi, Amit Singh Rathore, Man Singh Lodhi, Jitendra Singh Bhati and Kailash Singh Lodhi, respectively, *inter alia* certifying that though they may have been promoter/director of the noticee company, none of them were involved in any activity of the company. Through the aforesaid certificates, Noticee No. 3 i.e. Narendra Singh Lodhi has also undertaken to bear liability for consequences, against any of the aforesaid noticees, arising from the directions in the SEBI order dated May 29, 2015.

5. Details of replies received from other noticees are as follows:

- (i) Noticee No. 10- Jeevan Kharadiya: An email dated May 18, 2017 was received from Noticee No. 10, claiming that he had no involvement in the affairs of the company and that the person who was responsible for all the activities of the company was Noticee No. 2 i.e. Kailash Singh Lodhi. He also enclosed certain documents to support his claim of Kailash Singh Lodhi being the key person behind the company, including a circular issued by the company indicating sales officer incentives signed by Kailash Singh Lodhi. He also claimed that he was an employee of the noticee company till 2012, that Mr. Lodhi had "taken his documents for directorship" and that when he realised that fraudulent activities were taking place in the company, he had resigned as director.

(ii) Noticee No. 11- Abhay Narvariya: An undated letter was received from Noticee No. 11 on May 26, 2017 stating *inter alia* that he had never worked for the company but knew its director Kailash Singh Lodhi as both of them are from the same community. He also stated that he used to work for other companies and organisations of Kailash Singh Lodhi. In his reply he has also enclosed copies of marksheets of his MBA programme in 2011, letter of appointment as Jr. Admin Staff at TVS Logistics Services Ltd at Pithampur dated May 16, 2012 along with bank statements of the relevant period, letter dated October 10, 2012 evidencing his employment with M.Goyal & Co., Cost Accountants, registration certificate issued by District Labour Office indicating Noticee No. 11 was working as a 'Manager' in Pest Control Indico Pvt. Ltd. etc.

(iii) Noticee No. 12- Durgesh Wankhade: Noticee No. 12 submitted a letter dated May 19, 2017 stating that he could not attend the hearing scheduled on May 18, 2017 since he was in a difficult financial situation after the demise of his father and also sought for another date of hearing.

(iv) Noticee No. 13- Ravi Sankhla: An undated letter from Noticee No. 13 was received on May 29, 2017 stating *inter alia* that he was an "isthri wala" (presser/person providing local laundry services) and that he was engaged as an accounts assistant in the company with a monthly salary of ₹ 3500 (three thousand five hundred rupees). He enclosed a copy of the letter of appointment dated June 02, 2010. He also stated that documents, which were required to be submitted at the time of entering into employment with the noticee company, were misused which possibly led to his name being implicated in the fraudulent activity of the company.

6. An opportunity of hearing was granted to the company and its directors on October 05, 2016 which was subsequently adjourned. Another opportunity of hearing was given to the noticees on May 18, 2017. However none appeared for the hearing. Based on the request of some of the noticees (*as recorded earlier in this Order*), a final opportunity of personal hearing was granted to all the noticees on September 04, 2017. The hearing notice was sent to all the noticees and were served on Noticee Nos. 3, 6, 8, 10, 11, 12 and 13. Since the notice sent by Speed Post returned undelivered

with respect to the other noticees, hearing notice was served on them by way of newspaper publication.

7. On the date fixed for personal hearing, Noticee No. 12 i.e. Durgesh Wankhade appeared along with his brother -Nitin Vispute, as his representative. He submitted that he never functioned as a director of the company nor was he a promoter and was only earlier employed as an office assistant in the company and later in July 2015 resigned from the company. He claimed that one Amit Kumar Jain was the main person responsible for the affairs of the company. The noticee's name was fraudulently included as director. He promised to submit his current employment status and a copy of his salary slip to support his claim that he was only a junior employee. On behalf of Noticee No. 10 i.e. Jeevan Kharadiya, his representative - Mr. Ankit Jain appeared and submitted that the noticee was only an employee in the noticee company and had resigned in 2012. He was only a computer operator and had no knowledge of any fraud on the part of the noticee company. He promised to submit letter of appointment in the noticee company, resignation, resignation acceptance letter and details of current employment (including salary slip, bank statements etc.). The other noticees neither replied to the hearing notice nor did they avail of the opportunity of personal hearing granted on the aforesaid date.
8. Subsequently, letter dated September 10, 2017 was received from Noticee No. 12 enclosing his written submissions pursuant to the personal hearing granted to him. Enclosed in the said reply was a copy of appointment letter dated May 22, 2010 stating *inter alia* that Noticee No. 12 was appointed as an Assistant, his monthly remuneration being ₹ 4000 (Four Thousand rupees). Noticee No. 12 also submitted a certificate from his current employer i.e. Lohia Motors and a copy of his official employment Identification card. The company certification states that Noticee No. 12 has been working with Lohia Motors since August 26, 2016, his average monthly salary being ₹ 5000 (Five Thousand Rupees). In his reply, he denied having been a promoter or a director of the noticee company nor having anything to do with the financial activities of the company. He also claimed that while he had applied for the vacancy of computer assistant in the noticee company, he was actually allotted the job of "stationery despatch".

9. An undated letter from Noticee No. 10 was received on November 28, 2017 making his written submissions pursuant to the personal hearing granted to him. He claimed that he had joined as a computer operator and was subsequently given other responsibilities in the company. He became a director in 2011 but resigned in 2012 once he was made aware of the responsibilities and liabilities of a director. He also stated that his educational qualification was limited (higher secondary school) and therefore he was not aware of liabilities attached to the director of a company. Documents enclosed with the aforesaid letter included letter of resignation from the board of directors in the noticee company, letter from current employer stating his present employment and monthly remuneration (₹ 8000/-), letter from the noticee company certifying that Noticee No. 10 was not involved in any activity of the company, details of educational qualification, income tax returns etc.
10. I am satisfied that the Noticees were given sufficient opportunities to make their written and oral submissions on the merits of the matter. Those among the noticees who availed of the opportunities provided, have made their submissions which have been duly recorded in this Order.
11. The primary issue for consideration in this Order is whether the Scheme constitutes a Collective Investment Scheme as defined in Section 11AA of the SEBI Act and if so, who are the persons liable for directions for refund. Section 11AA of the SEBI Act, 1992 which provides for the conditions to determine whether a Scheme or Arrangement is a Collective Investment Scheme reads as under:
- "(1) Any scheme or arrangement which satisfies the conditions referred to in sub section (2) shall be a collective investment scheme.*
- (2) Any scheme or arrangement made or offered by any company under which,-*
- (i) the contributions, or payments made by the investors, by whatever name called, are pooled and utilized solely for the purposes of the scheme or arrangement;*
 - (ii) the contributions or payments are made to such scheme or arrangement by the investors with a view to receive profits, income, produce or property, whether movable or immovable from such scheme or arrangement;*
 - (iii) the property, contribution or investment forming part of scheme or arrangement, whether identifiable or not, is managed on behalf of the investors;*
 - (iv) the investors do not have day to day control over the management and operation of the scheme or arrangement.'*

12. The Scheme offered by Susk is examined in the context of the criteria laid down in the aforementioned Section 11AA(2) of the SEBI Act as under:

(i) The contributions, or payments made by the investors, by whatever name called, are pooled and utilized solely for the purposes of the scheme or arrangement;

As borne out by the interim order, the Scheme had raised a sum of ₹ 4,90,53,650/- from 224 investors. Infact in the Reply to the interim order, Susk stated that it had raised ₹ 5,16,54,635 from 294 customers. The interim order had taken on record Susk's earlier submissions that money was mobilised from the public towards investment in certain property schemes and had also noted that from available records, it was evident that property was acquired by the company after the money mobilisation process had commenced. The Application forms for allotment of plots state that monies are collected towards purchase of plot and provides details *inter alia* of the payment and the 'Category Plan No.'. The receipts issued by Susk to its customers acknowledge payments received. A plain reading of these documents, among others, make it clear that monies were collected or pooled by Susk for the purpose of the Scheme and therefore I agree with the prima facie conclusion in the interim order that the scheme of Susk satisfies the first condition stipulated in Section 11AA(2) of SEBI Act.

(ii) The contributions or payments are made to such scheme or arrangement by the investors with a view to receive profits, income, produce or property, whether movable or immovable from such scheme or arrangement.

For the purpose of determining whether the Scheme satisfied the condition laid down in clause (ii) of Section 11AA(2) of the SEBI Act, the interim order placed specific reliance on the Allotment Letter and Certificate issued by the noticee company to its investors. I have perused some sample documents available on record. The Allotment Letter while purportedly issued to record allotment of plot purchased by the customer, also states both the "Cost of the plot" as well as the "Appreciated Value" of the plot. Read with the "Plan No. and term" mentioned in the Allotment Letter, it transpires that the company was assuring an appreciated return against the plot purchased after a defined period of time. A similar picture arises on perusal of the Certificate

issued to its customers. The Certificate not only mentions "Consideration of Plot" and the monthly/annual payment required to be paid by the customer, but also provides a figure against the item - "Expected Cost of Plot on expiry of agreement". While the Terms and Conditions attached to the Application Form, Allotment letter and Certificate are not very precise regarding the arrangement/scheme run by the noticee company, clause 3 of the Terms and Conditions attached to the Certificate provides some insight into the real intent behind the scheme, despite the ambiguous nature of its language. It reads as follows- *"The CUSTOMER has the facility of option the allotment of the said property in his/her favour this option can be exercised by the CUSTOMER by submitting a specific request to SUSK INDIA LIMITED to that effect."* The aforesaid documents make it apparent that the transactions carried out by Susk were not simple instances of sale of land. The return was not necessarily by way of allotment of land. By assuring fixed monetary returns after a defined time period pursuant to deposit of the money with Susk, the transactions (which otherwise were simply referred to as sale of land) can be said to have morphed into a scheme where returns were assured pursuant to money mobilisation. The interim order had also observed that the balance sheet for the year ending March 31, 2011, recorded collection of a sum of ₹ 1,28,84,775/- towards advance booking of plots. In its reply dated December 17, 2015, the noticee company, admitted having various land purchase options along with returns being promised, but justified the same stating that they were intended to create confidence among the potential buyers.

An overall view of the clauses and the general tenor of the documents available on record, read with the replies of the noticee company make it sufficiently clear that contributions or investments were made by investors with a view to receive income or immovable property. Consequently, I find that the Scheme of Susk satisfies the second condition stipulated in Section 11AA(2) of SEBI Act.

- (iii) The property, contribution or investment forming part of scheme or arrangement, whether identifiable or not, is managed on behalf of the investors**

(iv) The investors do not have day to day control over the management and operation of the scheme or arrangement.

The interim order reproduced the following clauses in the Certificate, to substantiate the allegation that property or funds forming part of the Scheme carried out by Susk were managed on behalf of the investors and over which the investors had no day to day control:

"

- *"Received from you by the company under payment has now been appropriated by the company towards the cost which is to be met in procuring the said property and conveying it to you, management fees and other ancillary expenses incidental thereto."*
- *The company reserves its right to discontinue/change/amend/modify/alter prospectively/retrospectively any of the rules/regulation and plans and introduce new plan at any time at its sole discretion with or without notice."*

In addition, I note that clause 3 of the Terms and Conditions of Certificate state *inter alia* - *"...The payment received under the said plan shall be refundable after deducting actual expenditure of development and maintenance etc."*

As noted earlier, it is apparent that the Scheme envisaged collection of money from investors and in the guise of allotment of property assured an "expected cost of plot on expiry of agreement". Quite clearly, returns were assured to investors using the monies mobilised, the investment and management of which did not involve the investors themselves. They were merely assured a value that they would receive in lieu of allotment of plots. In view of the above, I agree with the prima facie conclusion in the interim order that the Scheme of Susk satisfies the third and fourth conditions stipulated in Section 11AA(2) of SEBI Act.

13. Extracts of other provisions of securities law quoted in the interim order and relevant for the purpose of this Order are reproduced hereunder:

- (i) Section 12(1B) of the SEBI Act, 1992 -
"No person shall sponsor or cause to be sponsored or carry on or caused to be carried on any venture capital funds or collective investment schemes including mutual funds, unless he obtains a certificate of registration from the Board in accordance with the regulations:

Provided that any person sponsoring or causing to be sponsored, carrying or causing to be carried on any venture capital funds or collective investment schemes operating in the securities market immediately before the commencement of the Securities Laws (Amendment) Act, 1995, for which no certificate of registration was required prior to such commencement, may continue to operate till such time regulations are made under clause (d) of sub-section (2) of section 30.]

[Explanation-] "

- (ii) Regulation 5 (1) of the SEBI (Collective Investment Schemes) Regulations ("**CIS Regulations**") -

"5. (1) Any person who immediately prior to the commencement of these regulations was operating a scheme, shall subject to the provisions of Chapter IX of these regulations make an application to the Board for the grant of a certificate within a period of two months from such date."

- (iii) Regulation 68(1) and (2) of the CIS Regulations -

"68. (1) Any person who has been operating a collective investment scheme at the time of commencement of these regulations shall be deemed to be an existing collective investment scheme and shall also comply with the provisions of this Chapter.

Explanation : The expression 'operating a collective investment scheme' shall include carrying out the obligations undertaken in the various documents entered into with the investors who have subscribed to the scheme.

(2) An existing collective investment scheme shall make an application to the Board in the manner specified in regulation 5."

- (iv) Regulation 73 of the CIS Regulations -

73. (1) An existing collective investment scheme which:

- (a) has failed to make an application for registration to the Board; or*
 - (b) has not been granted provisional registration by the Board; or*
 - (c) having obtained provisional registration fails to comply with the provisions of regulation 71;*
- shall wind up the existing scheme.*

....."

- 14.** I note that the noticees have not contested the allegations of Susk having carried out a collective investment scheme without registration under the SEBI Act. In fact, in its reply dated December 17, 2015, it had admitted to the possibility of it having violated CIS Regulations and had offered to make refunds within a suitable timeframe. However, despite having made the offer, till date there has neither been any intimation of completion of the proposed refund nor has the noticee company/its directors/promoters conveyed any proposal on the roadmap for refund. Infact the noticee company has not even appeared for the personal hearing to make submissions with respect to refunds. The CIS Regulations seek to ensure that

money mobilisation which is of the nature of a collective investment scheme must be registered and subject to the regulation of SEBI. Unregistered CISs are required to wind up and make refunds to its investors. After examining the documents and submissions on record, I find that the noticee company and its promoters/directors have violated Section 12(1B) of the SEBI Act, 1992 and regulation 5(1) read with regulations 68 and 73 of the CIS Regulations.

- 15.** The provisions of law cited in paragraph 13 above make it clear that the persons sponsoring, causing to sponsor or operating a collective investment scheme are liable for compliance with obligations cast under the CIS Regulations. As regards liability of persons who sponsored the Scheme, I note from the copy of Memorandum of Association (MoA) of Susk provided to SEBI by the company that Noticee Nos. 2,3,4,7,8 and 9 i.e. Kailash Singh Lodhi, Narendra Singh Lodhi, Bhagwati Bai Lodhi, Man Singh Lodhi, Amit Singh Rathore and Jitendra Singh Bhati were signatories to the MoA/ promoters of the company. According to the MoA, Kailash Singh Lodhi held 60% of the shares of the company. Further, from the RoC records, I note that Noticee Nos. 2, 3,4, 5, 6 and 10 i.e. Kailash Singh Lodhi, Narendra Singh Lodhi, Bhagwati Bai Lodhi, Sunil Tiwari, Dinesh Saini and Jeevan Kharadiya were directors of the company at different points of time. As held by the Hon'ble Supreme Court in its order dated April 26, 2013 in the case of *N. Narayanan v. SEBI*, a company being a legal entity acts through its directors and the directors are expected to exercise their power on behalf of the company with utmost care, skill and diligence. Consequently, directors bear responsibility for the functioning of the company. The following is the list of directors and the period of directorship in the company as per available official records:

(TABLE 1)

Name of the Directors	Date of Appointment	Date of Cessation
Kailash Singh Lodhi	11.12.2009	30.06.2011
Narendra Singh Lodhi	11.12.2009	-
Bhagwati Bai Lodhi	11.12.2009	21.03.2011
Sunil Tiwari	13.02.2012	-
Dinesh Saini	30.06.2011	-

Jeevan Kharadiya	21.03.2011	13.02.2012
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- 16.** From the above, it appears that Noticee Nos. 11, 12 and 13 i.e. Abhay Narvariya, Durgesh Wankhade and Ravi Sankhla were neither promoters of the company nor have they have ever served as directors of the noticee company. The interim order implicating Noticee Nos. 11,12 and 13 appear to have been done on the basis of a letter from Susk dated March 18, 2014 wherein the names of past and present directors were submitted and which included the names of Noticee Nos. 11,12 and 13. It appears that the said letter was signed by Noticee No. 3 i.e. Narendra Singh Lodhi, who, subsequently, vide certificates dated June 01, 03 and July 01, 2015 stated that Noticee Nos. 11,12 and 13 were not promoters of the company nor did they ever serve in the capacity of directors of the company. The contradictory stands taken by Narendra Singh Lodhi do not lend credibility to his statements. Therefore I do not find it appropriate to rely on his statements and instead place reliance on official records, namely, the MoA and RoC records with respect to directors of Susk, which in turn, do not record the names of Noticee Nos. 11, 12 or 13. Further, the documents submitted, in particular, by Noticee Nos. 12 and 13 make it evident that they were only junior level employees of the company. They appear to have been needlessly dragged into the current quasi-judicial proceedings due to the statements of Noticee No. 3.
- 17.** As recorded earlier in this Order, Noticee No. 10 has claimed that he had joined the company as a data entry operator and was later given more responsibilities. Subsequently, he claimed, under the threat of being terminated from his employment he became a director in Susk in place of Noticee No. 4 i.e. Bhagwati Bai Lodhi who is the wife of Noticee No. 2 i.e. Kailash Singh Lodhi. He also submitted that when he became aware of the responsibilities of a director, he resigned as director of the company in 2012 and was subsequently not in contact with the company. He also submitted a certificate dated June 03, 2015 from Noticee No. 3 i.e. Narendra Singh Lodhi on behalf of the noticee company stating that "*during his directorship period he was not involved in any activity of the company.*" I have perused the documents submitted by Noticee No. 10 and considered his reply but do not find merit in his submissions. I note that he has not contested the official records which state that he was a director in the noticee company from March 21, 2011 to February 13, 2012. Further from available RoC Records, I note that he has been a director in around 12

other companies. In a majority of these companies, he continued to be director till 2017 and in atleast one company, he has continued to be a director as of November, 2017. This pattern of his engagements as director in other companies does not lend credence to his defence that he was a director in Susk under duress or due to ignorance of the role and responsibilities of a director. In any case, the legal principle of '*Ignorantia juris non excusa*' or 'ignorance of law is not an excuse', renders his submissions indefensible. He therefore bears as much responsibility as any other director of Susk, for its violations/failure to comply with securities law.

DIRECTIONS

- 18.** In view of the above, in the interest of investors and the securities market, I, in exercise of the powers conferred upon me under Sections 11(1), 11B and 11(4) thereof and regulation 65 of the SEBI (Collective Investment Schemes) Regulations, 1999, hereby issue the following directions with immediate effect:

(i) Susk India Limited (PAN:AAOCS2750A) and its Directors/Promoters, namely, Kailash Singh Lodhi (PAN:BYGPS5769H), Narendra Singh Lodhi (PAN:AEDPL0722M), Bhagwati Bai Lodhi (PAN:ABVPL8322Q), Dinesh Saini (PAN:CUEPS7834L), Sunil Tiwari (PAN:CHXPS2858E), Jeevan Kharadiya (PAN : BGGPK8474H), Jitendra Singh Bhati (PAN:ALVPB6802B), Man Singh Lodhi (PAN: N.A.) and Amit Singh Rathore (PAN: ALZPR5160Q) are jointly and severally liable to wind up the existing collective investment schemes and refund the money collected by it under the schemes with returns which are due to the investors as per the terms of offer within a period of three months from the date of this order. The refund shall be made through 'Bank Demand Draft', 'Pay Order' or electronic mode of transfer and a trail of such refunds shall be maintained by the aforestated noticees for verification, if necessary at a later date.

(ii) Upon completion of the refund as directed above, within a further period of seven days, the Noticee company and the present directors namely, Narendra Singh Lodhi, Sunil Tiwari and Dinesh Saini shall submit a winding up and repayment report (WRR) to SEBI in accordance with the CIS regulations. The WRR shall be supported by the proof of the trail of funds claimed to be refunded, bank account statements indicating refund to the investors and receipt from the investors acknowledging such refunds along with a certification of such repayment from two independent Chartered Accountants.

(iii) In the event of failure by the noticees listed in sub-para (i) above, to comply with the directions listed therein, SEBI shall initiate recovery proceedings under the SEBI Act against the said noticees.

(iv) The noticees listed in sub-para (i) above shall not alienate or dispose off or sell any of the assets of Susk India Ltd. except for the purpose of making refunds to its investors as directed above.

(v) The noticees listed in sub-para (i) above shall, with immediate effect, be restrained from accessing the securities market and prohibited from buying, selling or otherwise dealing in securities market, directly or indirectly, till the directions for refund/repayment to investors are complied with, as directed at sub-paragraph (i) above to the satisfaction of SEBI and WRR is submitted to SEBI and for a further period of four years from the date of completion of the refund, as directed above.

(vi) The noticee directors listed in sub-para (i) above i.e. Kailash Singh Lodhi, Narendra Singh Lodhi, Bhagwati Bai Lodhi, Dinesh Saini, Sunil Tiwari and Jeevan Kharadiya shall be restrained from holding position as directors or key managerial personnel of any listed company for a period of 4 years from the date of this Order.

(vii) The current proceedings against Noticee Nos. 11, 12 and 13 stand disposed off and the restraints imposed on them by virtue of directions in the interim order shall stand vacated.

19. A copy of this Order shall be forwarded to -

- (i) all the recognised stock exchanges and registered depositories for necessary compliance with the above directions; and
- (ii) the Ministry of Corporate Affairs for information.

DATE: December 14, 2017

PLACE: Mumbai

G. MAHALINGAM

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA