

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 Progress Cultivation Limited

In respect of:

S.No.	Name of the Entity	PAN	CIN/DIN
1.	Shri Avinash Chandra Verma	AFHPC4284J	06914429
2.	Shri Samir Das	ADAPD1592M	01637363
3.	Smt. Sohini Mistry	AXTPM7326D	02566013

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1. Progress Cultivaion Limited (hereinafter referred to as “PCL”/ “the Company”) is a Public company incorporated on March 25, 2009 and registered with Registrar of Companies–Kolkata with CIN: U01400WB2009PLC134240. Its registered office is at Moon Sun Apartment, Flat - D, 2nd Floor, Kolkata - 700052, West Bengal, India.
 2. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) received complaint against PCL in respect of issue of Redeemable Preference Shares (“RPS”) and undertook an enquiry to ascertain whether PCL 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
 3. On enquiry by SEBI, it was observed that PCL had made an offer of RPS in the financial

Order in the matter of M/s Progress Cultivation Limited

years 2009-2010, 2010-2011, 2011-2012 and 2012-2013 (hereinafter referred to as “**Offer of RPS**”) and raised at least an amount of Rs. 9,32,12,400 from at least 1,915 allottees. The number of allottees and funds mobilized has been collated from the Form 2 and Balance Sheets filed by the Company.

4. As the above said *Offer of RPS* was found in violation of respective provisions of the SEBI Act, 1992 and the Companies Act, 1956, SEBI passed order dated March 22, 2016 and issued directions mentioned therein against PCL and its Directors. The Order also noted that Shri Avinash Chandra Verma, Shri Samir Das and Smt. Sohini Mistry were also directors of the Company and not covered in the Order, therefore, SEBI should examine their role in the matter and appropriate action should be initiated against them in accordance with law (hereinafter collectively referred to as “**Noticees**”). Accordingly, pursuant to examination, Show Cause Notice dated March 10, 2017 (hereinafter collectively referred to as “**SCN**”) was issued the Noticees.
5. *Prima facie allegations*: In the said SCN, the following allegations were recorded. PCL had made an *Offer of RPS* during the financial years 2009-2010, 2010-2011, 2011-2012 and 2012-2013 and raised at least an amount of Rs. 9,32,12,400 (*i.e. preference shares of Rs. 2,22,64,100/- plus preference share application money pending allotment of Rs. 7,09,48,300/- as on March 31, 2013*) by either issuing RPS or retaining the monies pending allotment of RPS as shown below:

Year of Issue	Security Issued	Amount raised (Rs.) (in crores)	Number of allottees
2009-2010	RPS	0.25	248
2010-2011		1.61	1524
2011-2012		0.22	143
2012-2013			
Total		2.07	1915

6. The amount mobilized as shown in the above table was obtained from Form 2 filed by the Company with ROC. It was noted from the Balance Sheets for the year ended March 31, 2011 and March 31, 2012, that the preference share capital was Rs. 2.01 crores and Rs. 2.22 crores respectively. However, as per Form 2 filed by PCL with ROC, it was observed that an amount of Rs. 1.86 crores and Rs. 2.07 crores has been indicated as preference share capital for the Financial Years 2010-11 and 2011-12, respectively. Further, as per the Balance Sheet as on March 31, 2013, the Company has a preference share capital of Rs. 2,22,64,100/- (i.e. 2,22,641 preference shares of Rs. 100/- each). This indicates that the figures as per Form-2 and the Balance Sheet have not been reconciled. Accordingly, the figure from the Balance Sheet was considered. Further, the following table indicates the preference share capital of the Company along with preference share application money pending allotment collected by it:

	Preference Share capital	Preference Share application money pending allotment
As per Balance Sheet as on March 31, 2013	Rs. 2,22,64,100/-	Rs. 7,09,48,300/-
As per Balance Sheet as on March 31, 2012	Rs. 2,22,64,100/-	Rs. 4,06,35,900/-
As per Balance Sheet as on March 31, 2011	Rs. 2,00,77,600/-	Rs. 2,57,40,500/-
As per Balance Sheet as on March 31, 2010	Rs. 25,00,000/-	

7. The above *Offer of RPS* 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) of Companies Act, 1956 read with Companies Act, 2013 read with section 27(2) of the SEBI Act were not complied with by PCL in respect of the

Offer of RPS.

8. Shri Avinash Chandra Verma joined as director of the Company with effect from 05/07/2014. From the MCA records, it was observed that he was continuing as a director. Shri Samir Das was director of the Company from 24/05/2013 to 05/08/2013. Although he joined the Company after the fund mobilization had taken place, he had not taken any steps for remedying the violations by reporting the same to the regulatory authority during his tenure as director in the Company. Smt. Sohini Mistry was director of the Company from 25/03/2009 to 26/04/2013 and the Company mobilized funds through issuance of RPS during the period from 2009-2012, hence she was a director during the relevant period when fund mobilization by the Company had taken place.
9. Smt. Sohini Mistry, being a director during the relevant period when fund mobilization by the Company took place, failed to comply with sections 56(1) and 56(3), 56(4) and 60 and 73(1) and 73(3) of the Companies Act, 1956. In view of her failure to refund the investors, she has also violated section 73(2) of the Companies Act, 1956. Further, Shri Avinash Chandra Verma and Shri Samir Das have not made the refunds to the investors. Therefore, they have violated section 73(2) of the Companies Act, 1956 read with section 27 of the SEBI Act.
10. The SCN also directed the Noticees to show cause as to why suitable directions including the following under sections 11(1), 11(4), 11A(1)(b) and 11B of the SEBI Act should not be passed against them:
 - i. Directing them jointly and severally to refund money collected through the *issue of RPS* along with interest at 15% per annum from the date when the refunds became due to the investors till the date of repayment;
 - 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. Directions restraining them from accessing the securities market and prohibiting

them from buying, selling or otherwise dealing in securities for an appropriate period.

- iv.* Directing them and other companies in which they are directors/promoters holding substantial or controlling interest to not access the capital market for an appropriate period.

11. Vide the said SCN, the abovementioned Directors were given the opportunity to file their replies, within 15 days from the date of receipt of the SCN. The SCN further stated the concerned persons may also indicate whether they desired to avail themselves an opportunity of personal hearing.

12. *Service of SCN:* The SCN was sent to the Noticees vide letter dated March 10, 2017. Subsequently, vide notification dated October 15, 2017 published in newspaper *Times of India* and notification dated October 15, 2017 published in newspaper *Anand Bazar Patrika*, the Noticees were notified by SEBI that they will be given the final opportunity of being heard on November 22, 2017 at the time and the venue mentioned therein. The Noticees were informed that SCN dated March 10, 2017 was issued against them and 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.

13. *Hearing and submissions:* Shri Avinash Chandra Verma replied vide letter dated April 12, 2017 and his submissions in brief are as under:

- a) In the year 2009, the Company established its branch office at Ambedkar Nagar and four persons including him were appointed as agents.
- b) Several agents were appointed by the Company management due to which large number of collections of money was made and the same was deposited in the Company account operated by the trio persons and not in the name of agents/applicant. Such account operations was done by the Company

management.

- c) He was an employee of PCL but its entire functioning were in the hand of the Company management as would reveal from the assurance for payments to its customers written to District Magistrate.
- d) He has no particulars of any deposit or the information sought and same may be obtained from the company management.
- e) He may be exonerated from any liability for providing any information of the company in future.

14. Shri Samir Das replied vide letter dated April 3, 2017 and his submissions in brief are as under:

- a) SEBI has rightly observed that public offer of RPS was made during FY 2009-2013 and he was no way related with the Company during the period neither in its day to day affairs or persons in charge on conduct of company's business.
- b) He joined the Company in FY2013-14 and was for stint from 24/05/2013 to 05/08/2013 and even during this period he was not in charge of Company's day to day affairs or conduct of its business at the time of offence is alleged.
- c) By suppressing the facts and practicing fraud the in-charge directors in convenience with United Bank of India obtained CC loan in tune of 5 crore for which he is still agitating the matter in appropriate forum by filing FIR.
- d) He has not drawn any remuneration from the Company rather he has made a substantial investment which has been misappropriated by the in-charge directors of the Company.
- e) He was not informed by concerned directors that the Company was engaged in public offer of RPS or CIS, however, upon getting credible information, the same was intimated to SEBI and other regulators.
- f) Since he ceased to be director from 05/08/2013, he cannot be fastened with responsibility of refund as he was not in charge of the Company nor was he responsible for the conduct of business of the Company at any point of time and

absolve him.

15. Shri Mikhail Dey, Advocate accompanied by Shri Qyaum Shaikh appeared for Shri Samir Das for the hearing on November 22, 2017. Shri Mikhail Dey submitted that Shri Samir Das was a director of the Company, PCL for two months from May 2013 to August 2013 and submitted that Shri Samir Das's resignation letter was being submitted. It was further submitted that Shri Samir Das was given the job of getting funds/machinery etc. for the juice business of the Company (Royal Thirst Brand) and after getting to know that the Company was dealing in fraudulent activities like collecting money through agents, Shri Samir Das has made several complaints and also registered an FIR. It was also submitted that FIR has been investigated and the Directors of the Company were arrested and released on bail and that copy of the FIR would be submitted. It was also submitted by Shri Mikhail Dey that Shri Samir Das made an investment of about Rs. 13 crores in the Company and paid loans of these directors and sought to place on record that United Bank of India had taken over property of the Company (also intimated to SEBI). They also submitted documents including copies of earlier submissions made to SEBI. The other Noticees, Shri Avinash Chandra and Smt. Sohini Mistry did not appear for the hearing, hence the hearing was concluded in respect of all the Noticees. Subsequently, SEBI received letter dated November 10, 2017 from Shri Avinash Chandra Verma wherein he has reiterated his earlier submissions.
16. I have considered the allegations and materials available on record. I have perused the order dated March 22, 2016 passed by SEBI for the allegation of *Offer of RPS*. The said Order has already held that PCL has issued and allotted RPS to at least 1915 investors during the financial years 2009-2010, 2010-2011, 2011-2012 and 2012-2013 and raised at least an amount of Rs. 9,32,12,400 (*i.e. preference shares of Rs. 2,22,64,100/- plus preference share application money pending allotment of Rs. 7,09,48,300/- as on March 31, 2013*) by either issuing RPS or retaining the monies pending allotment of RPS. I also note that the number of allottees and funds mobilized had been collated from Form 2 and Balance Sheets filed by the Company. It was therefore concluded that PCL came out

with an offer of RPS as outlined above.

17. Further, the Order dated March 22, 2016 has held that PCL engaged in fund mobilizing activity from the public, through the offer of RPS and had contravened the provisions of sections 56(1), 56(3), 2(36) read with 60, 73(1), 73(2), 73(3) of the Companies Act, 1956 read with Companies Act, 2013. The noticees have not denied the allegations of deemed public issue as mentioned in the show cause notice. Further the noticees have not submitted any case or further evidence challenging the allegations of the deemed public issue. Therefore, I reiterate the findings mentioned in the Order dated March 22, 2016 in respect of the fact of deemed public issue. Considering that the Order dated March 22, 2016 has already held that PCL has engaged in fund mobilizing by making a public offer of RPS in violation of deemed public issue norms and issued directions against the Company and its directors, and the present Noticees were not covered in the said Order, the limited issue that merits consideration in the instant Order/matter is whether the Noticees herein are also liable in regards the offer of RPS by PCL to public in violation of deemed public issue norms and the extent of their liability?

ISSUE - Whether the Noticees are liable in regards the offer of RPS by PCL to public in violation of deemed public issue norms and the extent of their liability?

18. Shri Avinash Chandra Verma's primary submissions are that he was appointed as an agent in the year 2009 and several agents were appointed by the Company management due to which large number of collections of money was made and the same was deposited in the Company account and not in the name of agents/applicant. He has further submitted that he was an employee of PCL but its entire functioning were in the hand of the Company management and that he has no particulars of any deposit or the information sought and same may be obtained from the company management and he may be exonerated from any liability for providing any information of the company in future. I note that though Shri Avinash Chandra Verma has claimed to be

agent/employee of the Company but at the same time has also not specifically denied that he was the director of PCL. Further, I find that as per the MCA records, he was director of the Company from July 5, 2014 and is still continuing as director and I also do not find any other evidence suggesting contrary to the MCA records regarding his directorship. I, therefore, find that he was director of the Company from July 5, 2014 and is still continuing as director. In regards his submission that entire functioning were in the hand of the Company management and that he has no particulars of any deposit or the information sought and that large number of collections of money was made and the same was deposited in the Company account and not in the name of agents/applicant, I note Hon'ble Securities Appellate Tribunal (SAT) order dated July 14, 2017 in the matter of Manoj Agarwal vs. SEBI, wherein Hon'ble SAT has considered contentions like merely lending name to be a director and non-involvement in the day to day affairs of the Company and has held that this would not absolve the directors from their obligation to refund the amount to investors in view of specific provisions of the Companies Act. However, I note that PCL has engaged in fund mobilizing during the financial years 2009-2010, 2010-2011, 2011-2012 and 2012-2013 and Shri Avinash Chandra Verma joined as director of the Company from July 5, 2014, therefore he is not liable for refund to the investors but as he is continuing director, he will be liable for ensuring that refund is made to the investors.

19. Shri Samir Das's primary submissions are that offer of RPS by PCL was made during FY 2009-2013 and he was no way related with the Company during the period neither in its day to day affairs or persons in charge on conduct of company's business and that he joined the Company in FY 2013-14 and was for stint from 24/05/2013 to 05/08/2013 and even during this period he was not in charge of Company's day to day affairs or conduct of its business at the time of offence is alleged. He has further submitted that he has not drawn any remuneration from the Company rather he has made a substantial investment which has been misappropriated by the in-charge directors of the Company and that he was not informed by concerned directors that the Company was engaged in public offer

of RPS or CIS, however, upon getting credible information, the same was intimated to SEBI and other regulators and since he ceased to be director from 05/08/2013, he cannot be fastened with responsibility of refund. In regards Shri Samir Das's submissions that he was not in charge of the Company nor was he responsible for the conduct of business of the Company at any point of time, I note Hon'ble Securities Appellate Tribunal (SAT) order dated July 14, 2017 in the matter of Manoj Agarwal vs. SEBI, wherein Hon'ble SAT has considered contentions like merely lending name to be a director and non-involvement in the day to day affairs of the Company and has held that this would not absolve the directors from their obligation to refund the amount to investors in view of specific provisions of the Companies Act. However, I note that as per the MCA records and his submissions, Shri Samir Das was directors of the Company from May 24, 2013 to August 5, 2013 and since PCL has engaged in fund mobilizing during the financial years 2009-2010, 2010-2011, 2011-2012 and 2012-2013, therefore, he is not liable for refund.

20. I note that Smt. Sohini Mistry has not replied to the SCN. Further, I find as per MCA records, she was director of PCL from March 25, 2009 to April 26, 2013 and PCL has engaged in fund mobilizing during the financial years 2009-2010, 2010-2011, 2011-2012 and 2012-2013, therefore, she is liable for making refunds to investors.
21. From the documents available on record, I find that the present Directors in PCL include Shri Avinash Chandra Verma. I also note that, Shri Samir Das and Smt. Sohini Mistry, who were earlier Directors in PCL, 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 Avinash Chandra Verma	July 05, 2014	Continuing
Shri Samir Das	May 24, 2013	August 05, 2013

Smt. Sohini Mistry	March 25, 2009	April 26, 2013
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22. 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, PCL and its directors are held liable for the violation of sections 56(1), 56(3) and 60 of the Companies Act, 1956.
23. 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%.
24. From the material available on record and the details of the appointment and resignation of the directors of PCL as reproduced in paragraph 21 of this Order, it is noted that Smt. Sohini Mistry was director at the time of the issuance of RPS. Since she was acting as director during the period of issuance of RPS, she was officer 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 PCL 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 PCL, 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. The Noticee has not disputed this legal liability by way of any written or oral submissions. 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 PCL and its Directors, viz. , Smt. Sohini Mistry 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.

25. I note that during the financial years 2009-2010, 2010-2011, 2011-2012 and 2012-2013, PCL through Offer of RPS, had collected at least an amount of Rs. 9,32,12,400 from various allottees. I note that Smt. Sohini Mistry was director of PCL during financial years 2009-2010, 2010-2011, 2011-2012, 2012-2013. 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 PCL and other directors are limited to the extent of amount collected during his/her tenure as director of PCL.
26. In this regard, I note that Shri Avinash Chandra Verma was appointed as a director of PCL only on July 05, 2014 i.e. after the period of issuance of RPS. I also note that Shri Samir Das was director of PCL from May 24, 2013 to August 5, 2013 i.e. after the period of issuance of RPS. Therefore, following the reasoning as provided in the matter of *Manoj Agarwal vs. SEBI*, I am of the view that Shri Avinash Chandra Verma and Shri Samir Das are not liable for refund of money as they were not directors during the relevant time of fund mobilization. Further, Shri Avinash Chandra Verma and Shri

Samir Das had the responsibility of ensuring that refund of money was made to the investors as prescribed in law. With respect to the breach of law and duty by a director of a company, I refer to and rely on the following observations made by the Hon'ble High Court of Madras in *Madhavan Nambiar vs. Registrar of Companies* (2002 108 Cas 1 Mad):

" 13. A director either full time or part time, either elected or appointed or nominated is bound to discharge the functions of a director and should have taken all the diligent steps and taken care in the affairs of the company.

14. In the matter of proceedings for negligence, default, breach of duty, misfeasance or breach of trust or violation of the statutory provisions of the Act and the rules, there is no difference or distinction between the whole-time or part time director or nominated or co-opted director and the liability for such acts or commission or omission is equal. So also the treatment for such violations as stipulated in the Companies Act, 1956. "

27. A person cannot assume the role of a director in a company in a casual manner. The position of a 'director' in a public company/listed company comes along with responsibilities and compliances under law associated with such position, which have to be fulfilled by such director or face the consequences for any violation or default thereof. The noticee cannot therefore wriggle out from liability. A director who is part of a company's board shall be responsible and liable for all acts carried out by a company. Accordingly, Shri Avinash Chandra Verma and Shri Samir Das were also be responsible for all the deeds/acts of the Company during the period of their directorship and were obligated to ensure refund of the money collected by the company to the investors as per the provisions of Section 73 of Companies Act, 1956. In view of the failure to discharge the said liability of ensuring refund, Shri Avinash Chandra Verma and Shri Samir Das are liable to be debarred for an appropriate period of time.

28. 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 PCL's Director, viz. , Smt. Sohini

Mistry 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 RPS 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.

29. In view of the discussion above, appropriate action in accordance with law needs to be initiated against PCL and its Directors, viz. Shri Avinash Chandra Verma, Shri Samir Das and Smt. Sohini Mistry.
30. 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. Smt. Sohini Mistry, (jointly and severally with the Company and directors as mentioned in Order dated March 22, 2016 to make refund) shall forthwith refund the money collected by the Company, during her period of directorship, through the issuance of RPS including the application money collected from investors till date, pending allotment of securities, if any, with an interest of 15% per annum, from the eighth day of collection of funds, till the date of actual payment to the investors.
 - 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” or through any other appropriate banking channels with clearly identified beneficiaries.
 - c. Smt. Sohini Mistry is directed to provide a full inventory of all her assets and properties and details of all her bank accounts, demat accounts and holdings of mutual funds/shares/securities, if held in physical form and demat form.
 - d. Shri Avinash Chandra Verma, on behalf of the Company (along with the persons as

mentioned in Order dated March 22, 2016) 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.

- e. Shri Avinash Chandra Verma, on behalf of the Company (along with the persons as mentioned in Order dated March 22, 2016) are prevented from selling the assets of the Company except for the sole purpose of making the refunds as directed 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 is made.
- f. Smt. Sohini Mistry is prevented from selling her assets, properties and holding of mutual funds/shares/securities held by her 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. Shri Avinash Chandra Verma (on behalf of the Company), and Smt. Sohini Mistry in her personal capacity to make refund (along with the persons as mentioned in Order dated March 22, 2016), 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, Shri Avinash Chandra Verma (on behalf of the Company), and Smt. Sohini Mistry in her personal capacity (along with the persons as mentioned in Order dated March 22, 2016) 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”) holding such certificate.

- i. In case of failure of Smt. Sohini Mistry to comply with the aforesaid applicable directions, SEBI, on the expiry of three months period from the date of this Order may recover such amounts, from the director liable to refund as specified in paragraph 30 (a) of this Order (along with the Company and directors as mentioned in Order dated March 22, 2016) to make refund, in accordance with section 28A of the SEBI Act including such other provisions contained in securities laws.
- j. Smt. Sohini Mistry is 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 director is also restrained from associating herself 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 Avinash Chandra Verma, Shri Samir 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.

1. The above directions shall come into force with immediate effect.

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

32. 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.

33. A copy of this Order shall also be forwarded to the Local Police/State Government for information.

-Sd-

DATE: April 17 , 2018

PLACE: Mumbai

**MADHABI PURI BUCH
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA**