

WTM/AB/EFD-1/DRA-I/31/2019-20

SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: ANANTA BARUA, WHOLE TIME MEMBER

ORDER

Under Sections 11(1), 11(4), 11A and 11B of the Securities and Exchange Board of India Act, 1992 and Section 12A of the Securities Contracts (Regulation) Act, 1956 in the matter of Ritman Infra Limited.

In respect of:

Noticee No.	Name of the Noticee	PAN
1.	Ritman Infra Limited	AAACL5238Q

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1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) had passed a final order dated May 10, 2019 (hereinafter referred to as “**final order**”), in the matter of Ritman Infra Limited (hereinafter referred to as “**Ritman**”/ “**the Company**”/“**Noticee**”) wherein various directions were issued to the Company, its 5 directors and its Chief Financial Officer. The relevant extract of the final order containing the directions issued in the matter, is reproduced below:

“25. In view of the above, I, in exercise of the powers conferred upon me under section 19 read with sections 11(1), 11(4), 11A and 11B of the SEBI Act, 1992 and Section 12A of the SCRA, 1956, hereby direct as under:

- a. Ritman Infra Limited (Noticee No. 1) shall comply with the applicable provisions of Regulation 6(1), 18(1)(b) and 19(1)(c) of LODR Regulations, 2015 within a period of six months from the date this Order and shall inform the compliance to the Metropolitan Stock Exchange of India Limited.*
- b. Ritman Infra Limited (Noticee No. 1) is restrained from accessing the securities market and further*

prohibited from buying, selling or otherwise dealing in securities in any manner whatsoever, either directly or indirectly, for a period of six months from the date of this Order. This period of six months shall get extended till the date of compliance of direction given in para 25(a) above.

- c. Mr. Parag Majumdar (Noticee No. 2), Mrs. Falguni Majumdar (Noticee No. 3), Mr. Dinesh Majumdar (Noticee No. 4), Mrs. Pushpa Majumdar (Noticee No. 5), Mrs. Lipika Ray (Noticee No. 6) and Mr. Dibyendu Sarkar (Noticee No. 8) are restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities in any manner whatsoever, either directly or indirectly, for a period of six months from the date of this Order.*
- d. In terms of observations made in para 21 above, the SCN dated September 10, 2018 issued to Mr. Saibal Bhattacharjee (Noticee No. 7) is disposed of without any directions and the restraint imposed on him vide Interim Order dated October 13, 2017 and the Confirmatory Order April 25, 2018 are vacated with immediate effect.”*

2. Aggrieved by the aforesaid final order passed by SEBI, the Company preferred an appeal bearing no. 344 of 2019 before Hon’ble Securities Appellate Tribunal, Mumbai (hereinafter referred to as “**Hon’ble SAT**”). Hon’ble SAT vide its order dated September 05, 2019, dismissed the aforesaid appeal filed by the Company and directed as under:

“.....6. Since no proof of the appointment of the company secretary has been filed before this Tribunal nor was filed before the WTM, we are not inclined to interfere in the impugned order as we do not find any material to set aside the order to show that the appellant had complied with the LODR Regulations. The appeal is accordingly dismissed.

- 7. However, in the event, the appellant files an application before the WTM showing proof of appointment of the Company Secretary and consequent compliance of Regulation 6 of the LODR Regulations as well as make a statement that Regulations 18 and 19 are not applicable to the appellant as their paid up capital is less than 10 crores, the WTM will reconsider the matter and pass appropriate orders within four weeks from the date of filing of such application.”*

3. In furtherance of the aforesaid directions by the Hon’ble SAT, the Company has filed a

representation dated October 09, 2019 before SEBI stating that it has already complied with Regulations 6(1), 18(1) and 19(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**LODR Regulations**”) by appointing a Company Secretary on October 06, 2018 and that since the Company has a paid up capital of Rs. 3.19 Crore and net worth of Rs. 3.68 crore, the provisions of Regulations 18 and 19 of LODR Regulations are not applicable to the Company.

4. The relevant extract of the various provisions of the LODR Regulations, involved in the matter is as reproduced below:

“Compliance Officer and his Obligations.

6.(1) A listed entity shall appoint a qualified company secretary as the compliance officer.

.....

CHAPTER IV

***OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS SPECIFIED
SECURITIES***

Applicability.

15.(1) The provisions of this chapter shall apply to a listed entity which has listed its specified securities on any recognised stock exchange(s) either on the main board or on SME Exchange or on institutional trading platform:

(2) The compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of –

(a) the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year:

Provided that here the provisions of the regulations specified in this regulation becomes applicable to a listed entity at a later date, such listed entity shall comply with the requirements those regulations within six months from the date on which the provisions became applicable to the listed entity.

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Audit Committee.

18.(1) Every listed entity shall constitute a qualified and independent audit committee in accordance with the

terms of reference, subject to the following:

(a) The audit committee shall have minimum three directors as members.

(b) Two-thirds of the members of audit committee shall be independent directors.

.....

Nomination and remuneration committee.

19.(1) The board of directors shall constitute the nomination and remuneration committee as follows:

(a) the committee shall comprise of at least three directors;

(b) all directors of the committee shall be non-executive directors; and

(c) at least fifty percent of the directors shall be independent directors.

.....”

5. Regarding the violation of Regulation 6(1) of the LODR Regulations, the Company, along with its representation dated October 09, 2019, has furnished the copy of the following documents:
- (i) Board Resolution - Extracts from the Minutes of the Board Meeting of the Company held at its Registered Office on 3rd October 2018 at 11 A.M. on the Appointment of Company Secretary.
 - (ii) Letter of Offer of the Company dated October 06, 2018 for position of Company Secretary to Mr. Avinash Kumar Agarwal.
 - (iii) Letter by the Company to the Secretary, the Calcutta Stock Exchange Association making disclosure under Regulation 30 of SEBI (LODR) Regulations, 2016 on the appointment of Mr. Avinash Kumar Agarwal as Company Secretary and Compliance Officer.
 - (iv) Tax invoice by the Metropolitan Stock Exchange to Ritman Infra Limited for the amount of Rs. 7080/- of penalty on listing.
6. A perusal of the aforesaid documents reveals that the Company has appointed Mr. Avinash Kumar Agarwal (ACS 56404) as Company Secretary and Compliance Officer of the Company with effect from October 06, 2018.

7. The Company has, as also recorded in the order dated September 05, 2019 passed by the Hon'ble SAT, in its representation dated October 09, 2019, submitted that it has a paid up capital of Rs. 3.19 Crore and net worth of Rs. 3.68 crore. Therefore, by virtue of Regulation 15 of the LODR Regulations, as reproduced above, the provisions of Regulations 18 and 19 of the LODR Regulations are not applicable to the Company.
8. In view of above, direction contained in paragraph 25 (a) of the final order dated May 10, 2019 is not required and consequently, the period of debarment, as directed in paragraph 25 (b) of the final order dated May 10, 2019, shall come to an end at the end of the period of six months from May 10, 2019
9. The representation dated October 09, 2019 of the Company is hereby disposed of with aforesaid clarification. Other directions issued in the final order dated order May 10, 2019 shall remain intact.
10. This Order shall come into force with immediate effect.
11. A copy of this Order shall be forwarded to the Company, recognized stock exchanges and depositories for necessary action.

-Sd-

Place: Mumbai

Date: November 01, 2019

ANANTA BARUA

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA