National Stock Exchange of India

Circular

Department: Investigation	
Download Ref No: NSE/INVG/51936	Date: April 06, 2022
Circular Ref. No: 45/2022	

To All NSE Members

Sub: **Final Order in the matter of Big Em Estates & Infrastructures Ltd.**

This is with reference to NSE Circular No. NSE/INVG/47495 dated March 01, 2021 in respect of interim SEBI Order No. WTM/MB/NRO/10695/2020-21 dated February 26, 2021.

SEBI now vide its order no. WTM/AB/NRO/NRO/15731/2021-22 dated April 06, 2022 has debarred the below entities from accessing the securities market, directly or indirectly and are prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of three (3) years from the date of this order or till the expiry of three (3) years from the date of completion of refunds to complainants/ investors as directed in paragraph 19(a) of the SEBI order, whichever is later. The period of debarment already undergone pursuant to ad interim exparte order dated February 26, 2021 shall be adjusted from three years.

Sl. No.	Name of the Entity	PAN
1	Big Em Estates & Infrastructures Ltd.	AAGCB0385G
2	Mr. Munish Sharma	BDQPS1126P
3	Mr. Raghav Singh	BESPS6282K
4	Ms. Arti Sharma	CACPS0218L
5	Ms. Sudhi Singh	BESPS6281L
6	Mr. Rajinder Singh	CSEPS0815B
7	Ms. Prem Lata	AKMPB5152C
8	Mr. Dharam Vir Bhandari	PAN not available

National Stock Exchange of India

Further, SEBI has stated in the order that Ms. Sharda Bhandari (PAN - AAEPL2191D) had expired during the pendency of the proceeding, therefore the proceedings against the aforesaid entity are abated.

The detailed order is available on SEBI website (http://www.sebi.gov.in). Further, the consolidated list of such entities is available on the Exchange website http://www.nseindia.com home page under “Home-Regulation-Members-Action against Members-Regulatory Actions”.

Members are advised to take note of the above and ensure compliance.
In case of any further queries, members are requested to contact the following officials:

Mr. Apurv Garg (Extension: 24546), Mr. Atish Agarwal (Extension: 26026)
Direct No: 022-26598417/18 Fax: 022-26598195

For and on behalf of
National Stock Exchange of India Limited

Atish Agarwal
Manager

ANNEXURE:
Final SEBI Order in the matter of Big Em Estates & Infrastructures Ltd.

WTM/AB/NRO/NRO/15731/2021-22

SECURITIES AND EXCHANGE BOARD OF INDIA
FINAL ORDER

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

In Respect of:

Sl. No.	Name of the Entity	PAN / Address
1	Big Em Estates & Infrastructures Ltd.	AAGCB0385G
2	Mr. Munish Sharma	BDQPS1126P
3	Mr. Raghav Singh	BESPS6282K
4	Ms. Arti Sharma	CACPS0218L
5	Ms. Sudhi Singh	BESPS6281L
6	Mr. Rajinder Singh	CSEPS0815B
7	Ms. Prem Lata	AKMPB5152C
8	Ms. Sharda Bhandari	AAEPL2191D
9	Mr. Dharam Vir Bhandari	House No. 172, Defence Colony, Chhatwal, Tehsil – Pathankot, Dist – Gurdaspur, Pincode- 143521

In the matter of Big Em Estates & Infrastructures Ltd.

(Aforesaid entities are hereinafter individually referred to by their respective name or Noticee number and collectively as "the Noticees".)

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1. The present proceedings emanate from an *ad interim ex parte order* dated February 26, 2021 (hereinafter referred to as "**the interim order**") passed by the Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") against Big Em Estates and Infrastructures Ltd (hereinafter also referred to as the **"Company"/ "Big Em**"), and its promoters and directors, namely, Mr. Munish Sharma, Mr. Raghav Singh, Mr. Rajinder Singh, Ms. Sudhi Singh, Ms. Arti Sharma, Ms. Sharda Bhandari, Mr. Dharam Vir Bhandari and Ms. Prem Lata By the Interim Order, the unregistered Collective Investment Scheme (hereinafter referred to as "**CIS")** activities of the Noticees were *prima facie* found to be in violation of the

provisions of Section 12(1B) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act, 1992**") and Regulation 3 of SEBI (Collective Investment Schemes) Regulations, 1999 (hereinafter referred to as "**CIS Regulations**") read with Regulation 4(2)(t) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations**"). By the interim order, following directions were *inter alia* issued to the Noticees:

"…….

40.1. Big Em Estates and Infrastructures Ltd. and its Promoters and Directors are directed to:

40.1.1. *Cease and desist from floating any CIS, directly or indirectly, and cease to solicit or undertake such activity determined as CIS in the instant order except for the maintenance of scheme Product B (Teak) or any other activities in the securities market, directly or indirectly, in any matter whatsoever, until further orders.*

40.1.2. *Not to collect money from new investors or any additional sum of money from existing investors in its existing scheme Product B (Teak).*

40.1.3. *Not to divert any funds collected from investors, kept in bank account(s) and / or in their custody.*

40.1.4. *Immediately withdraw and remove all advertisements, representations, literatures, brochures, materials, publications, documents, communications etc., physical or digital in relation to their scheme Product B (Teak) or any other unregistered activity in the securities market until further orders.*

40.1.5. *Not to access the securities market and buy, sell or otherwise deal in securities in any manner whatsoever, directly or indirectly, until further orders.*

40.1.6. *To submit the number and details of clients (contact number, address, date of enrollment) who have contributed to scheme Product B (Teak) and to submit details of contributions received from each such client / unit holder, immediately but not later than 5 working days from the date of receipt of this order.*

40.2. *If Big Em Estates and Infrastructures Ltd. or its Promoters or Directors have any open positions in any exchange traded derivative contracts, as on the date of the order, they can close out/ square off such open positions within 3 months from the date of order or at the expiry of such contracts, whichever is earlier. Big Em Estates and Infrastructures Ltd. and its Promoters and Directors are permitted to settle the pay-in and pay-out obligations in respect of transactions, if any, which have taken place before the close of trading on the date of this order.*

40.3. *Axis Bank Ltd. (A/c no.: 915020000659717) and Dena Bank (A/c No.: 061811031115) (merged with Bank of Baroda) wherein Big Em Estates and*

Infrastructures Ltd. is holding an account, are directed not to permit any debits / withdrawals and not to allow credits to the said accounts, without the permission of SEBI.

40.4. *The Depositories are directed to ensure that till further directions not to permit any debits and not to allow any credits in the demat account(s) of Big Em Estates and Infrastructures Ltd. The Depositories are directed to ensure that till further directions not to permit any debits and not to allow any credits in the demat account(s) of Mr. Munish Sharma, Mr. Raghav Singh, Mr. Rajinder Singh, Ms. Sudhi Singh, Ms. Arti Sharma, Ms. Sharda Bhandari, Mr. Dharam Vir Bhandari and Ms. Prem Lata, held jointly or individually.*

40.5. *The Registrar and Transfer Agents are also directed to ensure that till further directions the securities, including mutual fund units, held in the name of Big Em Estates and Infrastructures Ltd. are not transferred or redeemed. Further, Registrar and Transfer Agents are also directed to ensure that till further directions the securities, including mutual fund units, held in the name of Mr. Munish Sharma, Mr. Raghav Singh, Mr. Rajinder Singh, Ms. Sudhi Singh, Ms. Arti Sharma, Ms. Sharda Bhandari, Mr. Dharam Vir Bhandari and Ms. Prem Lata, held jointly or individually, are not transferred or redeemed.*

…..”

2. The interim order was also in the nature of a show cause notice wherein the Noticees were show caused as to why scheme Product B (Teak) floated by them should not be held as “CIS” in terms of SEBI Act, 1992 and CIS Regulations and thereby the activity of Big Em Estates and Infrastructures Ltd. be treated as unregistered activity under the SEBI Act, 1992 and CIS Regulations and in violation of PFUTP Regulations. The Noticees were also called upon to show cause why appropriate directions, under Sections 11, 11(4), 11B(1) and 11D of the SEBI Act, 1992 and relevant SEBI Rules/Regulations, including directions to prohibit them from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, for a particular period and directions not to be associated with any registered intermediary/ listed Company and any public Company which intends to raise money from public in the securities market, in any manner whatsoever, should not be issued against them. The Noticees were provided with the opportunity to file their objections/reply, if any, within 21 days from the date of the interim order and were also provided with an opportunity of personal hearing before SEBI, on a date and time to be fixed on a specific request to be made by the Noticees.

3. The interim Order was sent to the Noticees vide letters dated March 02, 2021 and was delivered to all the Noticees except Mr. Raghav Singh, Mr. Dharam Vir Bhandari, Ms. Sharda Bhandari and Ms. Sudhi Singh. Big Em filed its reply to the interim order vide letter dated March 23, 2021. Vide email dated April 08, 2021, sent to the official email id of the Company i.e. mdbigem@gmail.com, it was informed that vide letters dated March 02, 2021, SEBI's Interim order has been sent to all the Noticees, however, the same has returned undelivered to the last available addresses of Mr. Raghav Singh, Mr. Dharam Vir Bhandari, Ms. Sharda Bhandari and Ms. Sudhi Singh. Vide the said email dated April 08, 2021, SEBI advised the Company to ensure delivery of the interim order to above mentioned Noticees and send the confirmation regarding the same by April 12, 2021. SEBI was in receipt of email dated April 27, 2021 received from the Company, enclosing two letters dated April 15, 2021. One letter dated April 15, 2021, was the reply to interim order, contents of which were exactly same as to the one earlier filed by the Company, vide letter dated March 23, 2021. The other letter dated April 15, 2021 received from the Company, was signed by Noticee No. 2, 3, 4, 5, 7 and 9 on behalf of the Company (**Noticee No. 1,2,3,4,5,7 and 9 are hereinafter referred to as answering Noticees**), wherein it was informed that the answering Noticees acknowledge the receipt of the interim order. It was informed that the answering Noticees authorize Mr. Munish Sharma (Noticee No. 2) and Mr. Raghav Singh (Noticee No. 3) to submit the reply to the interim order and to appear before SEBI in the personal hearing. It was informed by the answering Noticees that Ms. Sharda Bhandari (Noticee No. 8) who was a promoter in the Company had expired on January 31, 2021 and in this regard provided copy of death certificate dated February 12, 2021 issued by office of Chief Registrar (Birth & Death), Punjab. It was also informed that Mr. Rajinder Singh (Noticee No. 6) was a director of the Company in initial stages and currently they are not in touch with him anymore. Copy of Interim order was served upon Noticee No. 6 through speed post, but reply to the SCN has not been received from him. In the interest of natural justice, a notice of hearing was also sent to the last known address of the Noticee No. 6 but the same could not be delivered. Thereafter, service of the hearing notice was effected through affixture on the last known address of the Noticee.

4. Thereafter, the matter was placed before me on September 21, 2021 for granting date for personal hearing in the matter and hearing was scheduled on February 11, 2022. Due to administrative exigencies, the hearing in the matter was preponed to February 10, 2022. SEBI was in receipt of authority letter from the Company dated February 08, 2022, signed by Noticees no. 2, 3, 4, 5 ,7 and 9 wherein it was informed that Mr. Munish Sharma (Noticee No. 2) and Mr. Raghav Singh (Noticee No. 3) were authorized to represent Noticees No. 1, 2, 3, 4, 5, 7 and 9 for appearing in the personal hearing. On the scheduled date and time of hearing, Mr. Munish Sharma (Noticee No. 2) and Mr. Raghav Singh (Noticee No. 3) appeared and made submissions on behalf of answering Noticees and reiterated the contents of the written reply filed in the matter. Accordingly, hearing qua these Noticees got concluded. Noticee No, 8 had expired on January 31, 2021. Noticee No. 6 neither appeared nor sought any adjournment in the matter though Interim order and the hearing notice, were duly served upon him. Accordingly, hearing was concluded qua Noticee No. 6 also.

5. I note that the following facts have been recorded in the Interim Order dated February 26, 2021 against the Noticees:

   5.1. SEBI received a complaint against Big Em alleging that it was mobilising money from people in Pathankot by inducing people to invest in plantation of teak. Pursuant to receipt of complaint, SEBI's preliminary examination found that Big Em was operating three schemes viz. Product A (Teak), Product B (Teak) and Product C (Aloe Vera). Under Product A (Teak) scheme, the Company was planting the teakwood trees in the fields of customers while under Product C (Aloe Vera) scheme the Company was planting the saplings in the field of customers and was provide them caring and maintenance services. Thus, the Product A (Teak) and Product C (Aloe Vera) schemes pertained to arrangement regarding outright sale / planting and caring of saplings in the land owned by the customers. Under the scheme Product B (Teak), the Company was planting the teakwood trees in its own land. It was stated that the trees allotted to the customers were numbered and Company was taking care of teakwood trees on behalf of customers.

5.2. On perusal of the documents provided by RoC, it was observed that the main object of the Company was to engage in the business of land development for commercial, agricultural use, infrastructure, real estate developments, etc. There was no specific mention of teak wood plantation development in the main objectclauses of MoA. The Annual Report filed with RoC for the financial year ended March 31, 2016 mentioned that the Company was continuing to be a construction and real estate Company. During the year under review, there was no material change in the nature of the business of the Company as per the Annual Report.

5.3. A site visit was conducted by SEBI officials on February 27, 2018 along with the Directors of the Company, Mr. Raghav Singh and Mr. Munish Sharma, to a plantation field about 20 kms away from the registered office address of the Company. It was observed that trees of teakwood have been planted there and the trees which were shown were small and it appeared that plantation was done around a year back and the trees were numbered with marker. On a query raised to the Directors of the Company whether the said land is in the possession of the Company, the Directors of the Company provided copy of the lease agreement which showed that the Company had taken the land on lease for a period of 13 years i.e. from December 15, 2014 to December 15, 2027. As per the lease agreement area of the land was 32 kanals.

5.4. On a perusal of the terms and conditions of the Allotment Letter for Product B (Teak), the following was observed:

5.4.1. *The Company is receiving payments for the Product which includes the Cost of Sapling, Development of Estate, Installation of fencing, dripping systems, solar lights & other allied expenses as may be required at different stages, and also includes Caring, Developing, Medicines, Gardening, Doctor's visits, & other allied charges for the Trees for a period of one year. For second year onwards, the customer has to pay a sum of INR Sixty only per year per tree as maintenance and caring charges of his Tree(s).*

5.4.2. *The Purchase Agreement is considered to be matured when the Trees in the particular yard attain a Girth of thirty-four inches averagely… If in any particular case the Tree allotted to the Customer does not attain the Girth of Thirty Inches even after the yard is declared matures, the Tree would not be considered as matured, and the Company shall provide the Customer with some other matured Tree in lieu of it with minimum Girth of Thirty Inches plus.*

5.4.3. The cutting of the Trees would be done by Company when the Yard is considered to be matured…The Customer shall be intimated by the Company once the above condition is attained.

5.4.4. He also has full right to further sell his allotted Tree to any other Customer he feels suitable at whatever rates he is comfortable, by transferring the ownership rights after obtaining necessary NOC from the Company (before harvesting his trees).

5.4.5. The Company can use any kind of pesticide, fertilizers, manures etc as & when required for the betterment of the Trees.

5.5. Some of the terms and conditions mentioned in the Application Form, was as under:

5.5.1. *On request of the Customer, the Company hereby as per this Agreement has agreed to plant Teak Wood Trees Saplings for the Customer, and to develop them with Professional care & required expertise & skills, by undertaking various activities for the same.*

5.5.2. *The Customer has agreed to pay the Company, in aggregate a sum of Rs. 8,000/- (On Words Rupees eight thousand only) as per payment schedule opted as Green or Blue ID as per Application Form annexed.*

5.5.3. *The Company or its nominees can procure and install open wells, bore wells and other water points and install motors, pump sets, irrigation systems, electrical installations, sheds etc in the Estates as & when required for convenience & necessity.*

5.6. The following was further observed from the details submitted by the Company about its product and customers:

Product	**Financial Year**	**No. of Customers**	**Amount Mobilized (Rs.)**	**No. of Plants**
B (Teak)	Till March 31, 2016	317	46,67,200	604
	2016-17	288	25,09,000	398
	April 1, 2017 – October 31, 2017	24	1,89,700	165
Total		**629**	**73,65,900**	**1,167**

5.7. A sample client list was as follows:

Name	Address	Date of sale	Amount (Rs.)	Product	No. of Plants
P.S. Enterprises	Gurdaspur	February 3, 2016	40,000	B (Teak)	5
Kulwinder Kaur	Gurdaspur	February 11, 2016	16,000	B (Teak)	2
Surjit Kaur	Hoshiarpur	March 31, 2016	8,000	B (Teak)	1

5.8. It was noted from the records that Big Em was maintaining bank accounts with Axis Bank (A/c No.: 915020000659717), ICICI Bank (A/c No.: 027105001736) and Dena Bank (A/c No.: 061811031115). An illustrative list of narrations in the ICICI Bank account of the Company was as under:

Sr. No.	Date	Narration	Amount (Credit) (Rs.)
1.	28/02/2019	CLG/SYB/18.02.2019	96,000
2.	02/03/2019	NEFT-Kamaljit Singh Bhatti	96,000
3.	06/03/2019	UPI/Harwinder singh	16,000
4.	22/04/2019	Gurudwara Bhajangarh	2,00,000
5.	12/06/2019	Cash-Mamoon	40,000
6.	10/07/2019	MMT/Purchase of Fra	2,00,000
7.	17/07/2019	Shakuntala Devi	8,000

5.9. From the analysis of Bank statements, it was observed that the bank accounts maintained with Axis Bank and Dena Bank, were active at the time of passing of Interim Order. Credit transactions from multiple / various individuals was observed during the period 2015-2020. It was observed that certain credit entries were in multiples of Rs. 8,000/-. It was pertinent to mention that as per the details of clients furnished by the entity, the funds mobilized in scheme Product B (Teak) was Rs. 8,000/- per unit.

6. Vide their letter dated March 23, 2021, the answering Noticees have submitted as follows.

"……..

6.1. Regarding the Working Liability of the Directors/Promoters:

This is to hereby endorse that the undersigned Directors, Mr. Raghav Singh and Mr. Munish Sharma have been conducting the Business affairs of the Company since inception, and no other director/Promoter was participating in Business Affairs, and shall not be held accountable for any matters.

6.2. Regarding the complaint received by SEBI:

It is mentioned in the Interim Order that SEBI has received the complaint against the Company (But the contents of the complaint are not explained.)

It is pertinent to mention here that the complainant, Mr. Jagir Singh has lodged a complaint against the Company of the replying respondents, that the Company Directors Mr. Raghav Singh and Mr. Munish Sharma have committed with him to have obtained Licence/Approval from SEBI for the working and further that the Company is committing to repay a sum of INR 2,00,000/- against each plant to the Customer under the Product (B) Teak, after ten years of time span, running an investment scheme, and collecting money from public in name of SEBI.

The matter was investigated by Senior Police Authorities, under the able guidance of SSP Pathankot, and the Complainant was found to be false and fabricated and no allegation as levelled by the complainant was found to be true.

6.3. Regarding business conducted under Product (B) Teak:

As per Point 5.5 of the Interim Order, the Company has already submitted the details of the Customers to SEBI. The Numbers still stand the same, as the Product (B) Teak has been discontinued in July 2017, and not a single sale has been conducted in this Product since then.

Regarding Points 32.3 & 32.4 the Credit details mentioned in Accounts of the Company are in the multiples of 8,000. It is a mere coincidence that these are in multiples of 8,000.

We find it reasonable from your Competent Authorities to presume these transactions could have been in Product (B) Teak, but factually all of these sales are of Product (A) Teak, and the Plants have been supplied and installed/rooted in the lands of Customers, for which we have all details, and if required by SEBI or any other esteemed authority, can be furnished without any hitch.

It is also worth mentioning here that many Customers under Product (B) Teak have been converted to Product (A) Teak, as per their requests, and they have taken Saplings deliveries in lieu of the same to their respective Lands.

6.4. Regarding interim order to discontinue Product (B) Teak:

In ref to Point 40.1 of the interim order it is respectfully submitted that Product (B) Teak has been already discontinued since July 2017. The Company is not promoting it since then, nor conducting any sales under this Product

6.5. Regarding freezing of Company's Bank Account:

As per Point 40.3, the Bank Accounts of the Company has been frozen, and no debit/credits are being allowed. This has been done so that the Company shall not collect any money under Product (B) Teak, which the Company is not doing already since July 2017.

It is respectfully submitted that due to freezing of the accounts of the Company, the working of the Company has been hampered and in absence of any Active Bank Accounts, the Company is not able to carry on any Trade even in Product (A) Teak.

So with folded hand the replying respondents request that the operation of the accounts of the Company be allowed tilt the personal hearing is afforded to the replying respondents.

6.6. Regarding Point 42 of the interim order:

It is respectfully submitted that the Company has been asked to clarify in their view point, that why the Product (B) Teak floated by them shall not be held as CIS.

But for the kind consideration of the Board it is submitted that-

The Company has never taken any Deposit in the Books under any Product.

The Company has never promised any guaranteed returns to any of the Customers.

The Plants have been duly planted on the land under Legal Possession of the Company, which was also visited by the Competent Authorities from SEBI.

The Customer was delivered the Sapling at the time of Sale, and was later planted in the Company's Land on request of the Customer. The subsequent years before delivery of matured plants are only to be considered under service part, as the sale has been done already.

The Customer has full right and control on his Plant, and can opt to precut his immature Plant, any time as per his comfort. The Company has no interference in it.

The Customer will be handed over his Plant whenever he wishes to, whether matured for harvesting or not, and the decision of the Customer shall be final in this regard. The Company has no lock-in period for services.
No amount was collected to be floated as investment scheme, and the Company only provided Sales of the Saplings, and subsequent services for the Plants.

…."

7. I have considered the allegations made in the interim order dated February 26, 2021 along with the findings of the examination by SEBI stated therein and reply received in the matter and submissions made by the answering Noticees during the personal hearing.

8. I note that the main allegation against the Noticees in the interim order is of running an unregistered CIS. In this regard, Section 11AA (1) of the SEBI Act, 1992 provides that any scheme or arrangement which satisfies the conditions laid down in Section 11AA (2) or 11AA(2A) shall be a CIS. Section 11AA reads as under:

> *"(1) Any scheme or arrangement which satisfies the conditions referred to in subsection (2) or sub-section (2A) shall be a collective investment scheme:*
>
> *Provided that any pooling of funds under any scheme or arrangement, which is not registered with the Board or is not covered under sub-section (3), involving a corpus amount of one hundred crore rupees or more shall be deemed to be a collective investment scheme.*
>
> *(2) Any scheme or arrangement made or offered by any person 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.*
>
> *(2A) Any scheme or arrangement made or offered by any person satisfying the conditions as may be specified in accordance with the regulations made under this Act.*
>
> *(3) Notwithstanding anything contained in sub-section (2) or sub-section (2A), any scheme or Arrangement:*
> *i. made or offered by a co-operative society*
> *ii. under which deposits are accepted by non-banking financial companies*
> *iii. being a contract of insurance*
> *iv. providing for any scheme, Pension Scheme or the Insurance Scheme framed under the Employees Provident Fund*
> *v. under which deposits are accepted under section 58A of the Companies Act, 1956*
> *vi. under which deposits are accepted by a Company declared as a Nidhi or a mutual benefit society*
> *vii. falling within the meaning of Chit business as defined in clause (d) of section 2 of the Chit Fund Act, 1982(40 of 1982);*
> *viii. under which contributions made are in the nature of subscription to a mutual fund;*

ix. such other scheme or arrangement which the Central Government may, in consultation with the Board, notify, shall not be a collective investment scheme."

9. A perusal of aforesaid definition shows that any arrangement or scheme to be considered as CIS has to satisfy the four conditions mentioned in Section 11AA (2) of SEBI Act, 1992. Further, any scheme or arrangement despite fulfilling all the four conditions mentioned in sub-section (2) shall not be treated as CIS if it falls in any of the exceptions mentioned in Section 11AA (3) of SEBI Act, 1992. Proviso to Section 11AA(1) provides that any pooling of funds under any scheme or arrangement, which is not registered with the Board or is not covered under sub-section (3), involving a corpus amount of one hundred crore rupees or more shall be deemed to be a CIS. In the following sub-paras, the Product B (Teak) scheme promoted, carried on and operated by the Company has been examined to determine if it satisfies the four conditions laid down in Section 11AA (2).

9.1. 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;

9.1.1. I note from the sample documents available on record that the Company had framed one standard form application form for soliciting applications from the prospective Customer. Based on the application, a standard form agreement was entered into between the Company and the customer and pursuant to signing of the agreement, an allotment letter was issued by the Company to its customer. The application form had stipulated as follows.

"*I want to purchase Teak Wood Sapling(s) from your Company, and I hereby request your Company to plant them for me on land in Company's possession, and to further get them professionally developed for me*".

The agreement to be entered between the Company and customer had also stipulated that 'on the request of the customer, the Company has agreed to plant Teak Wood Saplings on the land under possession of the Company and to further develop the teak wood saplings professionally with required expertise and skills and to further hand over it to customer on the terms and conditions specified therein. The agreement also stipulated that the customer has agreed to pay to the Company, a sum of Rs. 8000.00 as per application form. As per the terms and conditions of the agreement, on the land mentioned in the agreement, the Company had developed the estate with Teak wood saplings planted on it, and as per the request of the customer, allotment for his saplings (marked individually for every customer) was being made.

9.1.2. The terms and conditions of the agreement and the allotment *inter alia* provided as follows.

a. The Company was receiving payments for the product which included the cost of sapling, development of estate, installation of fencing, dripping systems, solar lights and other allied expenses as may be required at different stages and also included caring, developing, medicines gardening, doctor's visit & other allied charges for a period of one year and maintenance charges of sixty rupees per year per tree from 2nd year onwards.

b. The purchase agreement was considered to be matured when the trees in the particular yard attain a girth of thirty-four inches averagely. If in any particular case, the tree allotted to the customer does not attain the girth of thirty inches even after the yard is matured, the tree would not be considered as matured and the Company shall provide the customer with some other mature tree in lieu of it with minimum girth of thirty inch. The cutting of the trees would be done by Company when the yard is considered to be matured, and at the time of handing over the matured tree to the customer, the Company might charge normal cutting & handling charges from customer.

c. The Company has entered into the agreement with the customer for caring and developing of the tree in entire agreement period, yet the customer has the full right to dispose off his trees any time in between the agreement period after paying his entire amount for the product purchased.

d. The customer has full right to further sell or gift sell or gift his allotted tree to any other customer at whatever terms the customer is comfortable by transferring the ownership rights after obtaining necessary NOC from the Company.

9.1.3. From the perusal of the application form, I note that the Company had solicited payments, a sum of Rs. 8000.00 as per application form from the customer, which included the cost of sapling, development of estate, installation of fencing, dripping systems, solar lights and other allied expenses. The investors were required to fill and sign a standard form of agreement and payments were received from them which were pooled for creating estate of teakwood with minimum girth of thirty inches. This fact is also supported by the fact that in case the tree allotted to the applicant did not attain the girth of thirty inches, the Company promised to provide the applicant with some other matured tree in lieu of it which has a minimum girth of thirty inches.

9.1.4. The sale of saplings was only made to the customer who had filled the application form and entered into agreement with the Company by paying Rs. 8000.00 per application form. The Company was offering a package deal on the pretext of sale of teakwood sapling. No customer could have bought the sapling only. It is also noted that as per terms and conditions of the application form and agreement, the Company had agreed to develop the teakwood saplings professionally with required expertise and skills.

9.1.5. In this regard, I note that Hon'ble Supreme Court in the matter of PGF Ltd. vs. Union of India and ors. decided on March 12, 2013 observed as follows:

"52… Apart from the sale consideration, which is hardly 1/3rd of the amount collected from the customers, the remaining 2/3rd is pooled by the PGF Limited for the so called development/improvement of the land sold in multiples of units to different customers.

Such pooled funds and the units of lands are part of such scheme/arrangement under the guise of development of land….

… In these circumstances, the conclusion of the Division Bench in holding that the nature of activity of the PGF Limited under the guise of sale and development of agricultural land did fall under the definition of collective investment scheme under Section 2(ba) read along with Section 11AA of the SEBI Act was perfectly justified and hence, we do not find any flaw in the said conclusion."

9.1.6. I note that the answering Noticee in their reply have contended that the Customer was delivered the Sapling at the time of Sale, and was later planted in the Company's Land on request of the customer. Answering Noticees have further submitted that the subsequent years before delivery of matured plants are to be considered under service part, as the sale has been done already. The Company has never taken any Deposit in the Books under any product. It is also contended that no amount was collected by the Company as investment scheme, and the Company only provided Sales of the Saplings, and subsequent services for the Plants.

9.1.7. In this regard, I note that the Company was offering the saplings to the customer which were to be planted on the land under possession of the Company along with the "professional development" to be provided by the Company for developing the saplings into a mature teakwood tree. The contention of the answering Noticees that after sales of saplings, the subsequent years before delivery of matured plants are to be considered under service part is misplaced as the Company was offering a package deal which included other expenses also for development of teakwood sapling into a mature tree of minimum girth size of 30 inches and the customer did not have option to purchase only the saplings. In fact, as interim order has observed that Company was also operating scheme Product A (Teak) wherein Company plants the teakwood trees in the fields of customers and the same has not been observed to be CIS whereas under Product B (Teak) scheme, the saplings were planted on the land under possession of the Company.

9.1.8. The Answering Noticee in their reply have not denied that money was accepted from investors for subscribing to its scheme and raised Rs. 73,65,900/- from them as on March, 2017. In light of the observations made above, I find that the Company was receiving payment under the guise of sale and development of teakwood saplings which included the cost of sapling, development of estate, installation of fencing, dripping systems, solar lights and other allied expenses which were pooled by the Company for development of the estate with Teak wood. This fact is also supported by the admitted fact that in case the tree allotted to the applicant did not attain the girth of thirty inches, the Company promised to provide the applicant with some other matured tree in lieu of it which has minimum girth of thirty inches, clearly indicating that the contributions made by the customers were pooled and utilized for the purpose of the scheme/arrangement. Hence, I find that the scheme floated/operated by the Company for Product B (Teak) satisfies the first condition stipulated in Section 11AA(2)(i) of the SEBI Act.

9.2. 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.

9.2.1. As observed above, the payments were made by investors for development of teakwood sapling into finished product with minimum girth of thirty inches and in case tree allotted to the applicant did not attain the girth of thirty inches, the Company promised to provide the applicant with some other matured tree in lieu of it which has a minimum girth of thirty inches. Further the answering Noticees contention that the Company has never promised any guaranteed returns to any of the Customers is immaterial for the purposes of examining whether any particular scheme or arrangement is CIS or Not. Section 11(2)(ii) only warrants that investments have been made by investors by way of contributions or payments with a view to receive profits/income/produce or property. guaranteed returns are not a prerequisite for examining whether any particular scheme or arrangement is a CIS. Hence, I find that since the payments were made by investors with a view to receive produce from the scheme Product B (Teak) which was matured teakwood tree of minimum girth size of thirty inches, the second condition stipulated in Section 11AA(2)(ii) is satisfied.

9.3. The property, contribution or investment forming part of scheme or arrangement, whether identifiable or not, is managed on behalf of the investors

9.3.1. In this regard, as observed above the saplings were planted on the land under possession of the Company. I note the following facts after perusal of the terms and conditions of the provisional allotment letter and the sample agreement between customer and the Company.

a. It was stipulated by the Company that they could use any kind of pesticides, fertilizers, manures etc. as and when required for betterment of trees.
b. The Company stipulated to pay the required taxes & other government levies if required on the land and the trees before cutting of trees
c. It was *inter alia* stipulated that the 'Company pledges to guide for utmost care of the trees and shall guide everything required for betterment and timely growth of the trees.
d. It was stipulated that the Company or its nominee can procure and install open wells, bore wells and other water points and install motors, pump sets, irrigation systems, electrical installations, sheds etc. in the estates as and when required for convenience & necessity.

9.3.2. The above facts clearly provide that the property in question which was teakwood saplings planted on the land under possession of the Company was managed on behalf of the customer by the Company, so as to enable the sapling to attain the minimum girth of thirty inches. Therefore, I find that the Product B (Teak) scheme of the Company fulfills the third condition stipulated in Section 11AA(2)(iii).

9.4. **The investors do not have day-to-day control over the management and operation of the scheme or arrangement.**

9.4.1. In this regard, the answering Noticees have contended that the Customer had full right and control on his Plant, and can opt to precut his immature Plant, any time as per his comfort. The Company had no interference in it. The Customer was handed over his plant whenever he wished to, whether matured for harvesting or not, and the decision of the Customer was final in this regard. The Company had no lock-in period for services. In this regard, after perusal of the sample agreement between the Company and the customer, and the allotment letter, I note that the customer could not precut their trees anytime as they were required to obtain NOC from the Company and customer could sell or gift his allotted trees only after clearing the pending dues as per the schedule opted by them. The customer was allotted his saplings which were marked individually for every customer but even it was not guaranteed that the customer would get his individually marked tree as it was stipulated that in the case the allotted tree did not attain the minimum girth of thirty inches on maturity, the customer would be allotted any other tree of minimum girth size of thirty inches. Even over the allotted tree, the Customer did not have any day-to-day control as the saplings were planted on the land under possession of the Company and the saplings were managed by the Company on behalf of the customers as observed above at para 9.3. Further, the fact that the customer had option to precut his tree with the permission of the Company along with payment of the full dues, does not amount to day to day control over the teakwood tree. It was mere an option granted to the customer over his allotted tree which he could exercise in case he wanted his tree. However, it does not show that prior to exercise of such option to have his tree, the customer had day to day control over the tree and such control lie with the Company only. These observations make it clear that the investors did not have day-to-day control over the management and operation of the scheme or arrangement. Therefore, I find that the Product B (Teak) scheme of the Company fulfills the fourth condition stipulated in Section 11AA(2)(iii).

9.5. I also note that Product B (Teak) scheme of the Company does not fall within any of the exceptions mentioned in Section 11AA (3) of the SEBI Act, 1992. The answering Noticees have not made any submission in this regard which may demonstrate that the Product B (Teak) scheme is covered within any of the exceptions mentioned in Section 11AA (3). Therefore, I find that having satisfied all the four conditions stipulated in Section 11AA (2), Product B (Teak) scheme promoted, carried on and operated by the Company is a CIS in terms of Section 11AA of the SEBI Act.

10. It is contended by the answering Noticees that the complaint against the Company, was investigated by Senior Police Authorities, under the able guidance of SSP Pathankot, and the Complainant was found to be false and fabricated and no allegation as levelled by the complainant was found to be true. In this regard, I note that the answering Noticee have merely made a statement that the complaint against the Company have been found to be false and fabricated without providing any documentary proof of the same which naturally cannot be taken into consideration. Even assuming that the complaint has been successfully resolved by the Company, would not absolve the Company of its liability for the violation of provisions of SEBI Act, 1992 for which SEBI is the competent authority. Moreover, the police authorities do not have jurisdiction to entertain and investigate the complaints for violation of SEBI Act, 1992. It is also contended by the Noticees that the Company have not taken any deposit in their books to suggest that Company was only engaged in sale of the saplings. In this regard, I note that Company had collected Rs. 73,65,900/- as on March, 2017 and that the Company was running Product B (Teak) scheme. The terms and conditions of the Product B (Teak) scheme, as discussed in above paras shows that the Company was receiving payments for the product which included the cost of sapling, development of estate, installation of fencing, dripping systems, solar lights & other allied expenses etc. *to* develop the teakwood sapling into a mature tree of minimum girth size of 30 inches. It shows that the amount was pooled and used for the purposes of scheme. In view of the same the contention raised by the answering Noticees is untenable.

11. I also note that, it is imperative that any person carrying out any Collective investment scheme has to necessarily obtain registration from SEBI and conduct its activities in accordance with the provisions of SEBI Act, 1992 and Regulations framed thereunder. In this regard, Section 12(1B) of SEBI Act, 1992 reads as under.

    (1B) 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- For the removal of doubts, it is hereby declared that, for purposes of this section, a collective investment scheme or mutual fund shall not include any unit linked insurance policy or scrips or any such instrument or unit, by whatever name called, which provides a component of investment besides the component of insurance issued by an insurer.

12. Further to protect the interests of Investors, CIS Regulations has been framed by SEBI which provides various safeguards to ensure that the interest of investors in any CIS are protected. One such requirement as provided in Regulation 3 of CIS Regulations is that no person other than a Collective Investment Management Company(CIMC) which has obtained a certificate under these Regulations shall carry on or sponsor or launch a collective investment scheme. Further safeguards under CIS Regulations *inter alia* includes compliance with eligibility criteria including minimum net worth requirements for the applicant, restrictions on other business activities and rights and obligations of Collective Investment Management Company. The relevant extract of provisions of CIS Regulations reads as follows.

    No Person Other than Collective Investment Management Company to Launch Scheme

3.No person other than a Collective Investment Management Company which has obtained a certificate under these regulations shall carry on or sponsor or launch a collective investment scheme.

Directions by the Board

65.The Board may, in the interests of the securities market and the investors and without prejudice to its right to initiate action under this Chapter, including initiation of criminal prosecution under Section 24 of Act, give such directions as it deems fit in order to ensure effective observance of these regulations, including directions:

(a) requiring the person concerned not to collect any money from investors or to launch any scheme;

(b) prohibiting the person concerned from disposing of any of the properties of the collective investment scheme acquired in violation of these regulations;

(c) requiring the person concerned to dispose of the assets of the scheme in a manner as may be specified in the directions;

13. As it is clear from the provisions that no person other than a Collective Investment Management Company(CIMC) which has obtained a certificate under these Regulations shall carry on or sponsor or launch a CIS. In the instant matter, Big Em had not obtained the mandatory certificate of registration from SEBI as CIMC for operating CIS. Therefore, the scheme or arrangement of the Company for scheme Product B (Teak) of the Company, as brought out above, and seen in the backdrop of the aforesaid regulatory provisions show that the scheme Product B (Teak) is a CIS and Big Em was engaged in promotion/operation or sponsoring of an CIS without obtaining certificate of registration as mandated under Section 12(1B) of the SEBI Act and Regulation 3 of CIS Regulations. Hence, I find that Big Em have violated Section 12(1B) of SEBI Act, 1992 read with Regulation 3 of the CIS Regulations by carrying on or sponsoring of scheme Product B (Teak) as CIS.

14. It is also alleged in the Interim order that by floating the scheme Product B (Teak), Big Em is in violation of Regulation 4(2)(t) of PFUTP Regulations. The text of the said Regulation is as follows:

"*4(2) Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely: -*

…..

(t) illegal mobilization of funds by sponsoring or causing to be sponsored or carrying on or causing to be carried on any collective investment scheme by any person"

In this regard, as observed in the preceding paragraphs, I note that the Company has collected Rs. 73,65,900/- as on March, 2017 under the scheme Product B (Teak) from 629 investors. The answering Noticees in their reply have not denied the mobilization of funds by them. The scheme sponsored by the Company has already been observed to be a CIS in the preceding paras. Therefore, the funds which were collected/ mobilized by Company by sponsoring or carrying on by CIS Scheme Product B (Teak) are illegal and in violation of Regulation 4(2)(t) of the PFUTP Regulations.

15. I note that the answering Noticees in their reply have contended that the Product B (Teak) scheme has already been discontinued since July 2017 and details of Customers has already been submitted to SEBI. It is submitted that the Company is not promoting it since then, nor conducting any sales under this Product B (Teak) and it is a mere coincidence that credit entries are in multiples of 8,000. It is also contended that all the transactions after July, 2017 have been in Product (A) Teak and not under Product (B) Teak. It is also submitted that many Customers under Product (B) Teak have been converted to Product (A) Teak, as per their requests, and they have taken Saplings deliveries in lieu of the same to their respective Lands. I note that the Company in its submission vide letter dated February 17, 2020 had also stated the same before SEBI. However, after examining the bank statements of the Company till September 5, 2020 it was *prima facie* observed as follows:

32.1. On perusal of Axis bank statement, it has been observed that no transactions are available in the same post April 13, 2019.

32.2. The last date of transaction in the ICICI bank account of the captioned entity was Oct 18, 2019 and the same has been closed w.e.f. January 4, 2020.

32.3. On perusal of ICICI Bank statement post February 2019, 20 transactions bearing "by cash" deposits were observed. In addition to the same, 20 other transactions in the multiple of Rs. 8,000/- have been observed.

Sr. No.	**Date**	**Narration**	**Amount (Credit) (Rs.)**
1.	28/02/2019	CLG/SYB/18.02.2019	96000
2.	01/03/2019	CLG/Harbans Singh	24000
3.	02/03/2019	NEFT-Kamaljit Singh Bhatti	96000
4.	02/03/2019	CLG/Kuldeep Electric works	48000
5.	06/03/2019	UPI/Harwinder singh	16000
6.	08/03/2019	NEFT-Manmohan singh	16000
7.	12/03/2019	NEFT- Jasbir Singh	40000
8.	15/04/2019	PNB 884683	40000
9.	17/04/2019	Avtar Singh	100000
10.	22/04/2019	Gurudwara Bhajangarh	200000
11.	09/05/2019	Surjit Singh	200000
12.	10/05/2019	CLG-Satwinder Pal	40000
13.	24/05/2019	Cash-Garhshankar	16000
14.	24/05/2019	UPI/singhdyal01	40000
15.	12/06/2019	Cash-Mamoon	40000
16.	10/047/2019	MMT/Purchase of Fra	200000
17.	17/07/2019	Shakuntala Devi	8000
18.	27/8/2019	SBI Bhupnesh	40000
19.	12/09/2019	Deepak Koushal	8000
20.	16/09/2019	MMT/Davinder	8000

32.4. Dena bank (merged with Bank of Baroda) account statement pertains to February 14, 2018 (account opening) till September 5, 2020. On perusal of the same, 6 transactions bearing narration "by cash" were observed and 2 other transactions in the multiple of Rs. 8,000/- have been observed

Date	**Narration**	**Amount (Credit) Rs.**
12/08/2020	IMPS/MOBUA297555232	24000
24/08/2020	TRFR/UPI	96000

33. On perusal of the above credit transactions, it is observed that certain deposits were in cash and certain entries were in multiples of Rs. 8,000/-. It is pertinent to mention that as per the details of clients furnished by the Company, the funds mobilized in scheme Product B

(Teak) was Rs. 8,000/- per unit. Hence, prima facie, it is observed that Big Em has continued to mobilise funds from the public post July, 2017 in scheme Product B (Teak).

16. I note that the answering Noticees have claimed to have the details, in support of their contention that after July 2017, all the sales have been in Product A (Teak). It is submitted that documentary proof can be furnished if required by SEB.. It is also contended by the answering Noticees that many Customers under Product (B) Teak have been converted to Product (A) Teak, as per their requests, and they have taken Saplings deliveries to their respective Lands. However, in this regard I note that the answering Noticees have not provided any documentary proof like requests received from customer, copies of delivery proofs and any other documentary proof. In this regard, I note that under both Product (A) Teak and Product (B) Teak, the Company was mobilizing funds at the rate of 8,000/- per unit. I note from the Interim order that the Product (A) Teak scheme of the Company has been observed to be arrangement regarding outright sale / planting and caring of saplings in the land owned by the customers and not a CIS after SEBI's examination. Therefore, I agree with the contention of the answering Noticees that the credit entries are from Product (A) Teak.

17. As noted above in the paragraph 13 that Big Em is responsible for sponsoring or carrying on a CIS without obtaining certificate of registration from SEBI. I now proceed to determine who all are responsible for the violations and who has sponsored or caused to be sponsored or carry on or caused to be carried on the CIS activities of Big Em. In this regard, I note the following observations from the Interim Order.

17.1. The following were the Promoters of Big Em during the financial year 2014-2015:

Sl. No.	**Name of the Promoter**
1	Mr. Munish Sharma
2	Mr. Raghav Singh
3	Mr. Rajinder Singh*
4	Ms. Sudhi Singh
5	Ms. Arti Sharma
6	Ms. Sharda Bhandari

7	Ms. Prem Lata
8	Mr. Dharam Vir Bhandari

17.2. The following are / were the Directors of the Company during the launch / operation of the scheme by the Company.

S. No.	Name	Designation	Date of Appointment	Date of Resignation
1.	Mr. Munish Sharma	Director	June 19, 2014	Continuing
2.	Mr. Raghav Singh	Director	June 19, 2014	Continuing
3.	Mr. Rajinder Singh	Director	June 19, 2014	March 30, 2015
4.	Ms. Arti Sharma	Director	March 30, 2015	Continuing
5.	Mr. Sudhi Singh	Director	March 30, 2015	Continuing

17.3. None of the Directors of Big Em are designated as Managing Director or Executive Director or Independent Director. Moreover, it is also observed from the material available on record that the Company does not have a CEO, CFO or any other officer who is designated as key managerial personnel.

17.4. From the Annual Return for the financial year ended on March 31, 2015 it is observed that there were five Board Meetings that were held during the said financial year. Mr. Munish Sharma, Mr. Raghav Singh and Mr. Rajinder Singh had attended all the five Board Meetings of the Company. During the said financial year, no leave of absence was granted to any Director. It may be noted that post the Board Meeting held on December 26, 2014, Axis Bank account (A/c No.: 915020000659717) was opened by the Company on December 30, 2014, as observed from the KYC documents. Multiple credits in the bank account started to flow from January 5, 2015 onwards from various locations in Punjab, predominantly in the surrounding areas of Pathankot. Mr. Munish Sharma and Mr. Raghav Singh are the signatories of the said bank account. The nature of credit entries indicates that the receipt of money in the bank account is in respect of the said scheme Product B (Teak).

18. I note from the Interim Order that after examining the facts and circumstances of the case, Big Em and all its Promoters and Directors were held liable for sponsoring

or carrying on the CIS Scheme. The answering Noticees in their reply have contended that Mr. Raghav Singh (Noticee No. 3) and Mr. Munish Sharma (Noticee No.2) had been conducting the Business affairs of the Company since inception, and no other director/Promoter was participating in Business Affairs, and shall not be held accountable for any matters. In this regard, I note that the answering Noticees have not provided any documentary evidence like any board resolution which may suggest that only Noticee no. 2 and 3 were liable for conducting the business affairs of the Company. The answering Noticees have not provided any documentary proof which may depict the roles and responsibility assigned by Company to the directors. As observed above, none of the Directors of Big Em were designated as Managing Director or Executive Director or Independent Director. The Company had not assigned any not designated any person as CEO, CFO or any other officer as key managerial personnel. More over the Company and answering Noticees have not provided any documentary proof which may suggest that their promoter or director had taken any steps to prevent the Company from running CIS without obtaining certificate of registration of SEBI. Since the answering Noticees have not been able to allay the allegation and charges levied against their prompters/directors in the interim Order, I agree with the prima facie findings contained in the Interim Order that the Big Em and its promoter and directors would be liable for sponsoring or carrying on of CIS without obtaining registration from SEBI.

Directions:

19. In view of the foregoing, I, in exercise of the powers conferred upon me in terms Sections 11, 11(4) and 11B read with of Section 19 of the SEBI Act, 1992 and Regulation 65 of the SEBI CIS Regulations, 1999, hereby issue the following directions.

    a. Big Em, its promoter and directors, Mr. Munish Sharma, Mr. Raghav Singh, Ms. Arti Sharma, Ms. Sudhi Singh, Mr. Rajinder Singh, Ms. Prem Lata, Ms. Mr. Dharam Vir Bhandari (Noticees no. 1,2,3,4,5,6,7 and 9) shall wind up their existing Collective Investment Scheme of the Company and refund all the principle monies collected by the Company including Rs. 73,65,900.00

collected as on March, 2017 along with an interest at the rate of 10% per annum, from the date when amount to such investors first became due and till the date of closure of its scheme. The amount collected shall be refunded within a period of six months from the date of coming into force of this order and the aforesaid interest on total amount collected shall be paid within a period of Nine months from the date of coming into force of this order.

b. Big Em 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 person such as names, addresses and contact details, within 15 days of coming into force of this order;

c. Big Em shall file winding up and repayment reports, duly certified by an auditor, to SEBI in the format provided under SEBI (Collective Investment Schemes) Regulations, 1999, within a period of 30 days after the expiry of aforesaid Six months and Nine months period, respectively, as referred in para 19(a) above. These reports shall be forwarded by Big Em to "The Division Chief, CIS Division, Investment Management Department, Securties and Exchange Board of India, SEBI Bhawan, Plot NO. C4 A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai –400051.

d. The repayments to the investors shall be effected only through Bank Demand Draft or Pay Order or electronic fund transfer or through any other appropriate banking channels, which ensures audit trails to identify the beneficiaries of repayments;

e. Noticees no. 1,2,3,4,5,6,7 and 9 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.

f. Noticees no. 1,2,3,4,5,6,7 and 9 are debarred from accessing the securities market, directly or indirectly and are prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of three (3) years from the date of this order or till the expiry of three (3) years from the date of completion of refunds to complainants/ investors as directed in paragraph 19(a) above, whichever is later. The period of debarment already undergone pursuant to *ad interim ex parte order* dated February 26, 2021 shall be adjusted from three years.

g. Noticees no. 1,2,3,4,5,6,7 and 9 shall not launch any Collective Investment Scheme or any activity in the securities market without obtaining a certificate of registration from SEBI as required under the securities laws after the expiry of period of debarment as mentioned above.

h. SEBI, on failure of Noticees no. 1,2,3,4,5,6,7 and 9 to effect the refunds as directed in the para19(a) or to file reports as directed in para 19(c), above, within the period provided thereunder, shall recover such amounts, in accordance with Section 28A of the SEBI Act, 1992.

i. As observed above in para 3, Noticee No. 8 had expired during the pendency of the proceeding, therefore the proceedings against Noticees no. 8 are abated**.**

20. This order comes into force with immediate effect.

21. A copy of this order shall be sent to the Noticees, recognized Stock Exchanges, the relevant banks, Depositories and Registrar and Transfer Agents of Mutual Funds to ensure that the directions given above are strictly complied with.

-Sd

Date: April 6, 2022 **ANANTA BARUA**

Place: Mumbai **WHOLE TIME MEMBER**

SECURITIES AND EXCHANGE BOARD OF INDIA