

SECURITIES AND EXCHANGE BOARD OF INDIA
DIRECTIONS UNDER SECTION 11B OF THE SEBI ACT, 1992 TO
PAN ASIA INDUSTRIES LTD., MUMBAI & ITS DIRECTORS

Securities and Exchange Board of India (SEBI) has received several complaints from investors against Pan Asia Industries Limited (hereinafter referred to as PAI) over a period of time. The same were forwarded to PAI for redressal. As on September 30, 2002, PAI has a total of 74 investor grievances pending against it.

On failure to redress the pending investor grievances by PAI, SEBI vide letter dated April 5, 2002 advised PAI to meet SEBI's officials in connection with redressal of investor's grievances pending against it. However, PAI failed to remain present.

Subsequently, SEBI vide letter dated May 24, 2002 called upon PAI to show cause as to why appropriate action/proceedings under Sections 11B & 27 of SEBI Act, 1992 read with Section 621 of the Companies Act, 1956 should not be initiated against PAI for the alleged violation of the provisions of Section 73 and 113 of the Companies Act, 1956.

However, till date SEBI has not received any reply to the show cause notice from PAI.

Now, therefore, in exercise of the powers conferred upon me under Section 11B of the SEBI Act, 1992, I hereby direct PAI to redress the investor's grievances pending against PAI within a period of one month from the date of this order failing of which SEBI would be constrained to initiate actions as under without giving any further notice:

1. Prosecution under Section 621 of the Companies Act, 1956 for the alleged violation of the provisions of Section 73 and 113 of the aforesaid Act.
2. PAI/its directors would be debarred from dealing in and/or accessing the capital market for a period of 5 years.

Place : Mumbai

Date : October 14 , 2002

G.N. BAJPAI

Chairman

Securities and Exchange Board of India