

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI
CORAM: S. RAMAN, WHOLE TIME MEMBER**

ORDER

Under Sections 11(1), 11(4), 11A and 11B of the Securities and Exchange Board of India Act, 1992, in the matter of M/s Suraksha Agrotech Industries Limited (CIN- U01400WB2008PLC130787; PAN- AAMCS7720G) and its Directors viz. Shri Ranjit Daspattanayak (DIN - 02821903; PAN - AKDPD9098A), Shri Barun Kumar Nandi (DIN - 00566937; PAN - ABFPN4182J), Shri Indranil Das (DIN- 00566904; PAN - AFTPD7822F), Shri Arunabha Mukhopadhyay (DIN-00566929; PAN- AEYPM2888J), Shri Akhil Chandra Saha (DIN-02243929; PAN- AQMPS4454N), and Shri Subrata Das (DIN-02262940; PAN-AJEPD3008L)

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1. Securities and Exchange Board of India ("SEBI") received a reference dated May 8, 2013 from the Office of the Director: Bureau of Investigation (E. O.), Assam: Srimantapur – Guwahati, alleging mobilization of funds through the illegal issue of preference shares by Suraksha Agrotech Industries Limited ("SURAKSHA AGROTECH").
 2. SEBI vide letter dated July 26, 2013, sought the following information/documents with regard to issuance of preference shares from SURAKSHA AGROTECH, viz.-
 - i. *Copy of Prospectus/ Red Herring Prospectus/ Statement in lieu of Prospectus/ Information Memorandum filed with RoC for issuance of Preference Shares;*
 - ii. *Copy of the Memorandum and Articles of Association of the company;*
 - iii. *Copy of Audited Balance Sheet and Profit & Loss Account of the company for the last 3 years;*
 - iv. *Name, addresses and occupation of all the promoters/ directors of the company;*
 - v. *Names and details of the Key Managerial Personnel of the company;*
 - vi. *Other information in respect of every series of Preference Shares issued by the company, viz. –*
 - a. *Date of opening and closing of the subscription list for the said Preference Shares;*

- b. Details regarding the number of application forms circulated inviting subscription for Preference Shares;*
 - c. Details regarding the number of applications received;*
 - d. Details regarding the number of allottees and list of such allottees;*
 - e. Number of Preference Shares allotted and value of such allotment against each allottee's name.*
 - f. Details regarding subscription amount raised;*
 - g. Date of allotment of the Preference Shares;*
 - h. Copies of the minutes of Board/Committee meeting in which the resolution has been passed for allotment;*
 - i. Date of dispatch of Preference Shares, etc.;*
 - j. Details of the total number of applicants for each of its scheme besides the list of final allottees;*
 - k. Copies of application forms, pamphlets, advertisements and other promotional material circulated for issuance of Preference Shares.*
 - l. Terms and conditions of the issue of Preference Shares.*
3. In reply to the aforesaid letter, SURAKSHA AGROTECH vide letter dated August 14, 2013, sought extension of twenty days to furnish the information/ documents. As no reply was received from them, SEBI vide letters dated February 05, 2014, sent to the registered office and head office of SURAKSHA AGROTECH, again sought the information (sought vide its letter dated July 26, 2013). However, the said letters were returned undelivered. SURAKSHA AGROTECH has not submitted the information / documents sought by SEBI vide the abovementioned letters till date.
4. The material available on record such as the reference received by SEBI, the correspondence exchanged between SEBI and SURAKSHA AGROTECH and information obtained from the website of the Ministry of Corporate Affairs i.e. 'MCA21 Portal' have been perused. On an examination of the said documents/information, it is observed as under:
- a. SURAKSHA AGROTECH was incorporated on November 24, 2008 with RoC, Kolkata with CIN U01400400WB2008PLC130787. Its registered office is at 84, Nabapally, P.O.Joka, Kolkata, West Bengal 700104.

- b. The present Directors of SURAKSHA AGROTECH are Shri Indranil Das (DIN-00566904; PAN-AFTPD7822F), Shri Arunabha Mukhopadhyay (DIN-00566929; PAN- AEYPM2888J), Shri Akhil Chandra Saha (DIN-02243929; PAN-AQMPS4454N), and Shri Subrata Das (DIN-02262940; PAN-AJEPD3008L).
- c. Shri Ranjit Daspattanayak (DIN-02821903; PAN-AKDPD9098A) and Shri Barun Kumar Nandi (DIN - 00566937; PAN-ABFPN4182J), who were earlier Directors in SURAKSHA AGROTECH have since resigned.
- d. The details of allotment made by issue of *Redeemable Preference Shares* such as number of allottees and amount raised etc. as noted from Form 2 (Form for Return of Allotment filed by SURAKSHA AGROTECH with the RoC in accordance with the provisions of the Companies Act, 1956) obtained from 'MCA21 portal' are as under:

Year	Date of allotment	Type of Security	No of securities	No. of persons to whom issued(approx)	Total Amount (Rs)
2009-10	01/04/2009	Preference shares of Rs. 10/ with premium Rs. 40/-	32420	125	16,21,000.00
	30/04/2009	-Do-	5200	7	2,60,000.00
	02/05/2009	-Do-	30590	158	15,29,500.00
	01/06/2009	-Do-	39930	193	19,96,500.00
	01/07/2009	-Do-	35965	193	17,98,250.00
	01/08/2009	-Do-	48110	217	24,05,500.00
	01/09/2009	-Do-	43292	221	21,64,600.00
	01/10/2009	-Do-	34150	221	17,07,500.00
	01/11/2009	-Do-	72313	372	36,15,650.00
	01/12/2009	-Do-	48738	253	24,36,900.00
	01/01/2010	-Do-	52330	269	26,16,500.00
	01/02/2010	-Do-	53044	305	26,52,200.00
Total in 2009-10			496082	2534	2,48,04,100.00

Year	Date of allotment	Type of Security	No of securities	No. of persons to whom issued(approx)	Total Amount (Rs)
2010-11	01/04/2010	-Do-	109078	561	54,53,900.00
	02/05/2010	-Do-	58864	331	29,43,200.00
	01/06/2010	-Do-	79024	432	39,51,200.00
	01/07/2010	-Do-	96751	547	48,37,550.00
	01/08/2010	-Do-	108374	590	54,18,700.00
	01/09/2010	-Do-	108834	590	54,41,700.00
	01/10/2010	-Do-	118812	639	59,40,600.00
	01/11/2010	-Do-	144702	843	72,35,100.00
	01/12/2010	-Do-	104840	701	52,42,000.00
	01/01/2011	-Do-	101355	675	50,67,750.00
	01/02/2011	-Do-	90852	523	45,42,600.00
Total in 2010-11			1121486	6432	5,60,74,300.00
2011-12	01/04/2011	-Do-	208286	1994	1,04,14,300.00
	02/05/2011	-Do-	128574	877	64,28,700.00
	01/06/2011	-Do-	124605	773	62,30,250.00
	11/08/2011	-Do-	212919	1002	1,06,45,950.00
Total in 2011-12			674384	4646	3,37,19,200.00
Grand Total			2291952	13612	11,45,97,600.00

- e. As per details of allotment mentioned above, SURAKSHA AGROTECH had issued and allotted Redeemable Preference ("**issue of RPS**") to **13612** subscribers/investors and raised an amount of **Rs.11,45,97,600/-** during the financial years 2009-10, 2010-11 and 2011-12.
5. The issue for determination in the instant matter is whether the mobilization of funds by SURAKSHA AGROTECH through the *issue of RPS*, is in accordance with the provisions of the SEBI Act, 1992 ("SEBI Act"); the Companies Act, 1956 read with the Companies Act, 2013; the SEBI (Disclosure and Investor Protection) Guidelines, 2000 ("**DIP Guidelines**") read with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**ICDR Regulations**").
6. I note that the jurisdiction of SEBI over various provisions of the Companies Act in the case of public companies, whether listed or unlisted, when they issue and transfer securities, at

the relevant point of time flows from the provisions of Section 55A of the Companies Act. While examining the scope of Section 55A of the Companies Act, 1956, the Hon'ble Supreme Court of India in ***Sahara India Real Estate Corporation Limited & Ors. vs. SEBI*** (Civil Appeal no. 9813 of 2011) (Judgment dated August 31, 2012) (hereinafter referred to as the "***Sahara Case***"), had observed that:

"We, therefore, hold that, so far as the provisions enumerated in the opening portion of Section 55A of the Companies Act, so far as they relate to issue and transfer of securities and non-payment of dividend is concerned, SEBI has the power to administer in the case of listed public companies and in the case of those companies which intend to get their securities listed on a recognized stock exchange in India."

7. In this regard-

- i. Reference is also made to Sections 67(1) and 67(3) of the Companies Act, 1956, which are reproduced as under:

"67. Construction of reference to offering shares or debentures to the public, etc.

"67. (1) Any reference in this Act or in the articles of a company to offering shares or debentures to the public shall, subject to any provision to the contrary contained in this Act and subject also to the provisions of sub-sections (3) and (4), be construed as including a reference to offering them to any section of the public, whether selected as members or debenture holders of the company concerned or as clients of the person issuing the prospectus or in any other manner.

(2) Any reference in this Act or in the articles of a company to invitations to the public to subscribe for shares or debentures shall, subject as aforesaid, be construed as including a reference to invitation to subscribe for them extended to any section of the public, whether selected as members or debenture holders of the company concerned or as clients of the person issuing the prospectus or in any manner.

(3) No offer or invitation shall be treated as made to the public by virtue of sub-section (1) or sub-section (2), as the case may be, if the offer or invitation can properly be regarded, in all the circumstances-

(a) as not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer or invitation; or

(b) otherwise as being a domestic concern of the persons making and receiving the offer or invitation ...

Provided that nothing contained in this sub-section shall apply in a case where the offer or invitation to subscribe for shares or debentures is made to fifty persons or more:

Provided further that nothing contained in the first proviso shall apply to non-banking financial companies or public financial institutions specified in section 4A of the Companies Act, 1956 (1 of 1956).”

- ii. While examining the scope of Section 67 of the Companies Act, 1956, the Hon'ble Supreme Court of India in the *Sahara Case* observed :

"Section 67(1) deals with the offer of shares and debentures to the public and Section 67(2) deals with invitation to the public to subscribe for shares and debentures and how those expressions are to be understood, when reference is made to the Act or in the articles of a company. The emphasis in Section 67(1) and (2) is on the "section of the public". Section 67(3) states that no offer or invitation shall be treated as made to the public, by virtue of subsections (1) and (2), that is to any section of the public, if the offer or invitation is not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer or invitation or otherwise as being a domestic concern of the persons making and receiving the offer or invitations. Section 67(3) is, therefore, an exception to Sections 67(1) and (2). If the circumstances mentioned in clauses (1) and (b) of Section 67(3) are satisfied, then the offer/invitation would not be treated as being made to the public.

The first proviso to Section 67(3) was inserted by the Companies (Amendment) Act, 2000 w.e.f. 13.12.2000, which clearly indicates, nothing contained in Sub-section (3) of Section 67 shall apply in a case where the offer or invitation to subscribe for shares or debentures is made to fifty persons or more.

...

Resultantly, if an offer of securities is made to fifty or more persons, it would be deemed to be a public issue, even if it is of domestic concern or proved that the shares or debentures are not available for subscription or purchase by persons other than those received the offer or invitation. ...

I may, therefore, indicate, subject to what has been stated above, in India that any share or debenture issue beyond forty nine persons, would be a public issue attracting all the relevant provisions of the SEBI Act, regulations framed thereunder, the Companies Act, pertaining to the public issue. ..."

8. In the instant matter, for ascertaining whether the *issue of RPS* is a public issue or an issue on private placement basis in accordance with Section 67 of the Companies Act, 1956, the number of subscribers is of utmost importance.

- a) Under the *issue of RPS*, it is observed from the details of allotment obtained from 'MCA 21 portal', that SURAKSHA AGROTECH allotted *redeemable preference shares* to **13612** subscribers/ investors and raised an amount of **Rs.11,45,97,600/-** during the financial years 2009-10, 2010-11 and 2011-12. The number of subscribers/ investors to whom allotments were made under the *issue of RPS* alongwith the amount mobilized therein would *prima facie* indicate that the *issue of RPS* by SURAKSHA AGROTECH was a public issue of securities under the *first proviso* to Section 67(3) of the Companies Act, 1956, which has been elucidated by the Hon'ble Supreme Court of India in the *Sabara Case*.
- b) In addition, SURAKSHA AGROTECH is not stated to be a non-banking financial company or a public financial institution within the meaning of Section 4A of the Companies Act, 1956 and hence is not covered under the *second proviso* to Section 67(3) of the Companies Act, 1956.
- c) In this regard, it is pertinent to note that by virtue of Section 55A of the Companies Act read with Section 67 of the said Act, so far as it relates to issue and transfer of securities, shall also be administered by SEBI.

9. I note that -

- i. From the abovementioned, it will follow that since the *issue of RPS* is a public issue of securities, such securities shall also have to be listed on a recognized stock exchange, as mandated under Section 73 of the Companies Act, 1956. In this regard, reference is made to Sections 73 of the Companies Act, 1956, of which sub-Sections (1), (2) and (3) are relevant for the instant case, which is reproduced as under:

"73. (1) Every company intending to offer shares or debentures to the public for subscription by the issue of a prospectus shall, before such issue, make an application to one or more recognised stock exchanges for permission for the shares or debentures intending to be so offered to be dealt with in the stock exchange or each such stock exchange.

(1A) Where a prospectus, whether issued generally or not, states that an application under sub-section (1) has been made for permission for the shares or debentures offered thereby to be dealt in one or more recognised

stock exchanges, such prospectus shall state the name of the stock exchange or, as the case may be, each such stock exchange, and any allotment made on an application in pursuance of such prospectus shall, whenever made, be void, if the permission has not been granted by the stock exchange or each such stock exchange, as the case may be, before the expiry of ten weeks from the date of the closing of the subscription lists :

Provided *that where an appeal against the decision of any recognised stock exchange refusing permission for the shares or debentures to be dealt in on that stock exchange has been preferred under section 22 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), such allotment shall not be void until the dismissal of the appeal.*

(2) Where the permission has not been applied under subsection (1) or such permission having been applied for, has not been granted as aforesaid, the company shall forthwith repay without interest all moneys received from applicants in pursuance of the prospectus, and, if any such money is not repaid within eight days after the company becomes liable to repay it, the company and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, 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, as may be prescribed, having regard to the length of the period of delay in making the repayment of such money.

(3) All moneys received as aforesaid shall be kept in a separate bank account maintained with a Scheduled Bank until the permission has been granted, or where an appeal has been preferred against the refusal to grant such permission, until the disposal of the appeal, and the money standing in such separate account shall, where the permission has not been applied for as aforesaid or has not been granted, be repaid within the time and in the manner specified in sub-section (2); and if default is made in complying with this sub-section, the company, and every officer of the company who is in default, shall be punishable with fine which may extend to fifty thousand rupees."

- ii. In the *Sabara Case*, the Hon'ble Supreme Court of India also examined Section 73 of the Companies Act, 1956, wherein it observed that –

"Section 73(1) of the Act casts an obligation on every company intending to offer shares or debentures to the public to apply on a stock exchange for listing of its securities. Such companies have no option or choice but to list their securities on a recognized stock exchange, once they invite subscription from over forty nine investors from the public. If an unlisted company expresses its intention, by conduct or otherwise, to offer its securities to the public by the issue of a prospectus, the legal obligation to make an application on a recognized stock exchange for listing starts. Sub-section (1A) of Section 73 gives indication of what are the particulars to be stated in such a prospectus. The consequences of not applying for the permission under sub-section (1) of Section 73 or not granting of permission is clearly stipulated in sub-section (3) of Section 73. Obligation to refund the amount collected from the public with interest is also mandatory as per Section 73(2) of the Act.

Listing is, therefore, a legal responsibility of the company which offers securities to the public, provided offers are made to more than 50 persons."

- iii. In the facts of the instant case, since the *issue of RPS* was made to fifty persons or more by SURAKSHA AGROTECH, the same will attract the requirement of compulsory listing with a recognized stock exchange in terms of Section 73(1) of the Companies Act, 1956. It therefore, *prima facie*, appears that SURAKSHA AGROTECH has violated the provisions of Section 73(1) of the Companies Act, 1956, since it has failed to ensure listing of the securities issued under the *issue of RPS* with a recognized stock exchange.
 - iv. As per Section 73(2) of the Companies Act, 1956, the obligation to refund the amount with interest that was collected from investors under the *issue of RPS* is mandatory on SURAKSHA AGROTECH. In this regard, there is no evidence on record to indicate whether or not SURAKSHA AGROTECH has paid interest to the investors where such RPS are not allotted within 8 days, as per the aforesaid Section. In the absence of any evidence and information submitted by SURAKSHA AGROTECH, I find that *prima facie* SURAKSHA AGROTECH has not complied with the provisions of Section 73(2) of the Companies Act, 1956.
 - v. Section 73(3) of Companies Act, 1956, states that all moneys received shall be kept in a separate bank account maintained with a Scheduled Bank and if default is made in complying with this sub-Section, the company and every officer of the company who is in default shall be punishable with fine which may extend to fifty thousand rupees. In the instant case, there is no evidence on record to indicate whether or not funds received from the investors under the *issue of RPS* have been kept in separate bank account by SURAKSHA AGROTECH. In view of the same, I find that SURAKSHA AGROTECH has *prima facie* not complied with the provisions of Section 73(3) of Companies Act, 1956.
10. Under Section 60 of the Companies Act, 1956, a company needs to register its prospectus with the RoC, before making a public offer or issuing the prospectus to the public. As per Section 2(36), "*prospectus*" means any document described or issued as a prospectus and includes any notice, circular, advertisement or other document inviting deposits from the public or inviting offers from the public for the subscription or purchase of any shares in, or debentures of, a body corporate. As mentioned above, since the *issue of RPS* was made to fifty persons or more, it has to be construed as a public offer. Having made a public offer,

SURAKSHA AGROTECH was required to register a prospectus with the RoC under Section 60 of the Companies Act, 1956. Based on the material available on record, I find that SURAKSHA AGROTECH has *prima facie* not complied with the provisions of Section 60 of Companies Act, 1956.

11. Under Section 56(1) of the Companies Act, 1956, every prospectus issued by or on behalf of a company, shall state the matters specified in Part I and set out the reports specified in Part II of Schedule II of that Act. Further, as per Section 56(3) of the Companies Act, 1956, no one shall issue any form of application for shares in or debentures of a company, unless the form is accompanied by abridged prospectus, contain disclosures as specified. Based on the material available on record, I find that SURAKSHA AGROTECH has not complied with the provisions of Section 56(1) and 56(3) of the Companies Act, 1956 and therefore, has *prima facie* violated the aforesaid provisions.

12. It is pertinent to note that though the Companies Act, 1956, has been repealed by the Companies Act, 2013, anything done or any action taken or purported to have been done or taken under the Companies Act, 1956, is deemed to have been done or taken under the corresponding provisions of the Companies Act, 2013, by virtue of Section 465(2) of the Companies Act, 2013, and is therefore saved regardless of the repeal of the Companies Act, 1956. Section 465(2)(a) of the Companies Act, 2013, provides that:

"(2) Notwithstanding the repeal under sub-section (1) of the repealed enactments,—

(a) anything done or any action taken or purported to have been done or taken, including any rule, notification, inspection, order or notice made or issued or any appointment or declaration made or any operation undertaken or any direction given or any proceeding taken or any penalty, punishment, forfeiture or fine imposed under the repealed enactments shall, insofar as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act;"

13. I also note that SEBI had framed the DIP Guidelines, 2000 in exercise of the powers conferred under the SEBI Act. In the words of the Hon'ble Supreme Court in the *Sahara Case*, "DIP Guidelines had statutory force since they were framed by SEBI in exercise of its powers conferred on it under Sections 11 and 11A of the SEBI Act. Powers have been conferred on SEBI to protect the

interests of the investors in securities and regulate the issue of prospectus, offer documents or advertisement soliciting money through the issue of prospectus. Section 11 of the Act, it may be noted has been incorporated, evidently to protect the interests of investors whose securities are legally required to be listed. DIP Guidelines were implemented by SEBI with regard to the listed and unlisted companies, which made public offer, until it was replaced by ICDR 2009". In this regard, I observe prima facie that the Company has not complied with the provisions of the DIP Guidelines including the following clauses:

- a. Clause 2.1.1. – (*Filing of offer document*)
- b. Clause 2.1.4 – (*Application for listing*)
- c. Clause 2.1.5 – (*Issue of securities in dematerialized form*),
- d. Clause 2.8 – (*Means of finance*),
- e. Clause 4.1 – (*Promoters contribution in a public issue by unlisted companies*),
- f. Clause 4.11 – (*Lock-in of minimum specified promoters contribution in public issues*),
- g. Clause 4.14 – (*Lock-In of pre-issue share capital of an unlisted company*)
- h. Clause 5.3.1 – (*Memorandum of understanding*),
- i. Clause 5.3.3 – (*Due Diligence Certificate*)
- j. Clause 5.3.5 – (*Undertaking*),
- k. Clause 5.3.6 – (*List Of Promoters Group And Other Details*),
- l. Clause 5.4 – (*Appointment of intermediaries*)
- m. Clause 5.6 – (*Offer document to be made public*)
- n. Clause 5.6A – (*Pre-issue Advertisement*)
- o. Clause 5.7 – (*Despatch of issue material*)
- p. Clause 5.8 – (*No complaints certificate*)
- q. Clause 5.9 – (*Mandatory collection centres including Clause 5.9.1 (Minimum number of collection centres)*)
- r. Clause 5.10 – (*Authorised Collection Agents*)
- s. Clause 5.12.1 – (*Appointment of compliance officer*)
- t. Clause 5.13 – (*Abridged prospectus*)
- u. Clause 6.0 – (*Contents of offer documents*)
- v. Clause 8.3 – (*Rule 19(2)(b) of SC(R) Rules, 1957*)
- w. Clause 8.8.1 – (*Opening & closing date of subscription of securities*)
- x. Clause 9 – (*Guidelines on advertisements by Issuer Company*)
- y. Clause 10.1 – (*Requirement of credit rating*)
- z. Clause 10.5 – (*Redemption*)

14. As per Regulation 111(1) of the ICDR Regulations, the DIP Guidelines, "*shall stand rescinded*". However, Regulation 111(2) of the ICDR Regulations, 2009, provides that:

"(2)Notwithstanding the repeal under sub-section (1) of the repealed enactments,—

(a) anything done or any action taken or purported to have been done or taken including observation made in respect of any draft offer document, any enquiry or investigation commenced or show cause notice issued in respect of the said Guidelines shall be deemed to have been done or taken under the corresponding provisions of these regulations;

(b) any offer document, whether draft or otherwise, filed or application made to the Board under the said Guidelines and pending before it shall be deemed to have been filed or made under the corresponding provisions of these regulations."

15. Upon a consideration of the aforementioned paragraphs, I am of the view that SURAKSHA AGROTECH is *prima facie* engaged in fund mobilizing activity from the public, through the *issue of RPS* and a result of the aforesaid activity has violated the provisions of the Companies Act, 1956 (Section 56, Section 60, 67 read with Section 2(36), Section 73) read with Section 465 of the Companies Act, 2013; the DIP Guidelines read with ICDR Regulations, 2009.
16. Protecting the interests of investors is the foremost mandate for SEBI. For this purpose, SEBI can exercise its jurisdiction under Sections 11(1), 11(4), 11A and 11B of the SEBI Act read with Section 55A of the Companies Act, 1956 and Section 465 of the Companies Act, 2013, over the companies who issue securities to fifty persons or more, but do not comply with the applicable provisions of the aforesaid Companies Acts, the DIP Guidelines read with ICDR Regulations, 2009. In the instant matter, steps have to be taken to ensure that only legitimate fund raising activities are carried on by SURAKSHA AGROTECH and no investors are defrauded. In light of the same and also considering the failure on the part of SURAKSHA AGROTECH to submit relevant information to SEBI, I find that there is no other alternative but to take recourse through an interim action against SURAKSHA AGROTECH and its Directors, for preventing it from further carrying on with its fund mobilising activity under the *issue of RPS*.

17. In view of the foregoing, I, in exercise of powers conferred upon me under Sections 11(1), 11 (4), 11A and 11B of the SEBI Act and Clause 17 of the DIP Guidelines read with Regulation 111 of the ICDR Regulations, 2009, hereby issue the following directions:

- a) SURAKSHA AGROTECH shall not mobilize any further funds from investors through the *issue of RPS* or through the issue of equity shares or any other securities, to the public and/or invite subscription, in any manner whatsoever, either directly or indirectly till further orders;
- b) SURAKSHA AGROTECH (CIN- U01400WB2008PLC130787; PAN- AAMCS7720G) and its past and present Directors viz. Shri Ranjit Dasguptanayak (DIN - 02821903; PAN - AKDPD9098A), Shri Barun Kumar Nandi (DIN - 00566937; PAN - ABFPN4182J), Shri Indranil Das (DIN- 00566904; PAN -AFTPD7822F), Shri Arunabha Mukhopadhyay (DIN- 00566929; PAN- AEYPM2888J), Shri Akhil Chandra Saha (DIN-02243929; PAN- AQMPS4454N), and Shri Subrata Das (DIN-02262940; PAN-AJEPD3008L) are prohibited from issuing 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, till further orders;
- c) SURAKSHA AGROTECH and its abovementioned Directors are restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in the securities market, either directly or indirectly, till further directions;
- d) SURAKSHA AGROTECH and its Directors shall provide a full inventory of all its assets and properties;
- e) SURAKSHA AGROTECH and its Directors shall not dispose of any of the properties or alienate or encumber any of the assets owned/acquired by that company through the *issue of RPS*, without prior permission from SEBI;
- f) SURAKSHA AGROTECH and its Directors shall not divert any funds raised from the public at large through the *issue of RPS*, which are kept in bank account(s) and/or in the custody of SURAKSHA AGROTECH;

g) SURAKSHA AGROTECH and its Directors shall, within 21 days from the date of receipt of this Order, provide SEBI with all relevant and necessary information, as sought vide SEBI letters dated July 26, 2013 and February 05, 2014.

18. The above directions shall take effect immediately and shall be in force until further orders.

19. The *prima facie* observations contained in this Order are made on the basis of the material available on record i.e. the complaint received by SEBI, the correspondence between SEBI and SURAKSHA AGROTECH and information obtained from the 'MCA 21 Portal'. In this context, SURAKSHA AGROTECH and its Directors may, within 21 days from the date of receipt of this Order, file their reply, if any, to this Order and may also indicate whether they desire to avail themselves an opportunity of personal hearing on a date and time to be fixed on a specific request made in that regard.

20. This Order is without prejudice to the right of SEBI to take any other action that may be initiated against SURAKSHA AGROTECH and its abovementioned Directors, in accordance with law.

Place: Mumbai
Date: December 29, 2014

S. RAMAN
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA