

**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 Suvidha Land Developers India Limited (CIN:U45201MP2010PLC024330; PAN:AAPCS0366M) and its Directors viz. Shri Vinod Kumar Shankhwar (DIN:02444432; PAN:ATNPS4287P); Shri Rajendra Karn Rajpoot (DIN: 02444466; PAN:AJAPR9252L) and Shri Rajneesh Dutta (DIN: 06736734; PAN:ALEPD7075R)

1. Securities and Exchange Board of India ("**SEBI**") received a complaint on October 07, 2013 alleging that Suvidha group has been mobilising money from public. The complainant provided certain documents in respect of Suvidha Land Developers India Limited (hereinafter referred to as "**SLDIL**") and its group company Suvidha Farming and Allied Limited and requested for investigation by SEBI. The case of Suvidha Farming and Allied Limited is being examined separately by SEBI from the perspective of Collective Investment Scheme.
- 2.1 SEBI, vide letter dated January 23, 2014 enclosed the copies of documents forwarded by the complainant (brochure, sample application form, sample receipt and sample preference share certificate issued by SLDIL) and advised SLDIL to furnish the following documents/information in respect of the company and its schemes, viz. –
 - a. Details of the past and present directors of the company. Details should contain name, address, PAN and contact details (Email/fax/contact numbers) of the directors.
 - b. Details of the regulatory approvals obtained by the company from Registrar of Companies ("**RoC**") for said preference share issue.
 - c. Date of opening and date of closing of the issue of preference shares.
 - d. Copy of EGM and Board meeting approving the allotment of shares.

- e. Name, address of each investor and amount deposited by each of them with plan details & date of application & date of allotment, distinctive number of shares, dealing branch, name of agent & commission/ brokerage paid to agent for each investor.
 - f. Details of the plan wise amount mobilized by the company till date along with the number of investors in each plan.
 - g. Address of all the branches operating in India.
 - h. List of all the bank accounts of the company (including name of branch of bank) from start till date.
 - i. Certified copies of audited financial statement for the FY 2011-12 & 2012-13 and detailed trial balance for 2013-14 till date.
 - j. Copy of Income Tax Return filed by the company for the last two years.
 - k. The list of all group companies/ companies under same management and inform about the activities performed by them with their addresses.
- 2.2 SLDIL, vide fax letter dated February 04, 2014 sought fifteen days time to submit the information/documents. Further, vide letters dated February 17, 2014, February 27, 2014 and February 28, 2014, SLDIL *inter alia* provided details of its Directors, copies of board/shareholders resolution approving allotment of *Cumulative Redeemable Preference Shares*, list of group companies, some details of investors, plan and amount deposited, details of plan wise amount mobilised, copies of audited financial statement for the financial year 2011-12, 2012-13, provisional balance sheet for the period April 01, 2013 to January 31, 2014 and copies of Income Tax Return filed for AY 2012-13 and 2013-14.
- 2.3 SEBI, vide letter dated March 14, 2014, *inter alia* sought additional information with regard to investor data, details of funds raised by group companies from public, details of advertisement, copies of application forms, etc.
- 2.4 In response SLDIL, vide letter dated March 21, 2014, submitted the details regarding investor data, copy of specimen application form and *inter alia* submitted:
"M/s Suvidha Farming & Allied Limited is one of the group company, which is raising funds from the Public...."
3. I have perused the material available on record i.e. the complaint received by SEBI along with the documents contained therein, correspondence exchanged between SEBI and

SLDIL and information obtained from the Ministry of Corporate Affairs' website i.e. 'MCA21 Portal'. On an examination of the same, it is observed that –

- a. SLDIL was incorporated on September 14, 2010 with CIN U45201MP2010PLC024330, having its registered office at House No. 176, Near Habibganj, Behind Railway Track, Narayan Nagar, Hushangabad Road, Bhopal, Madhya Pradesh-462026. The corporate office of SLDIL is at G-13, Sector 6, Noida (Uttar Pradesh)-201301.
- b. The Directors of SLDIL are Shri Vinod Kumar Shankhwar, Shri Rajendra Karn Rajpoot, and Shri Rajneesh Dutta.
- c. The copy of Special Resolution passed at the Extra Ordinary General Meeting of the members of SLDIL held on May 15, 2013 submitted to SEBI by SLDIL vide their letter dated February 17, 2014, *inter alia* states, "*the Board of Directors of the Company ...is hereby authorised to create, offer, issue and allot, on a preferential basis, upto 3,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each at par aggregating to Rs.3,00,00,000/- (Rupees Three Crores only) on private placement basis to various persons as identified by the Board from time to time.....*"
- d. As per the details in the application form:
 - i. *Allotment was for Cumulative Redeemable Preference Shares of Rs.100/- each on private placement basis.*
 - ii. *The allotment was pursuant to the resolution passed by the Board of Directors of the company in its meeting held on March 01, 2013 and subsequent resolution passed by the shareholders of the company in their general meeting held on March 25, 2013.*
 - iii. *The application is to be for a minimum 100 Cumulative Redeemable Preference Shares and in multiples of 10 thereafter.*
- e. The brochure issued by SLDIL indicates four plans viz. Plan SLD3 for 3 years with indicative yield of 11.60%, Plan SLD6 for 6 years with indicative yield of 12.72%, Plan SLD8 for 8 years with indicative yield of 14.75%, and Plan SLD11 for 11 years with indicative yield of 14.25%. The number of shares indicated in the plan are in the range of 100 to 500 shares and it is also indicated "*Effective from 01.05.2013*".

The table for one such plan is given below: -

Plan SLD3

No. of shares	Investment Amount in (Rs.)	Indicative Yield (P.A.)	Expected Redemption Value in (Rs.)
100	10000	11.60%	13899
150	15000	11.60%	20849
200	20000	11.60%	27799
250	25000	11.60%	34748
300	30000	11.60%	41697
350	35000	11.60%	48647
400	40000	11.60%	55596
450	45000	11.60%	62546
500	50000	11.60%	69495

** The brochure mentions "Effective from 01/5/2013"*

- f. As per the information submitted by SLDIL, the details of preference shares issued are as under:

(i) Plan-wise mobilization:

Plan Code	Number of Investors	Amount Mobilized (Rs.)
SLD11	56	12,20,000
SLD3	15	5,85,000
SLD6	152	26,35,000
SLD8	914	1,71,25,000
Total	1137	2,15,65,000

(ii) Date-wise allotment:

S.No.	Date of Allotment	Number of investors
1.	29/6/2013	83
2.	15/7/2013	87
3.	31/7/2013	73
4.	14/8/2013	41
5.	31/8/2013	115
6.	30/9/2013	115
7.	18/10/2013	41
8.	25/10/2013	45
9.	31/10/2013	55
10.	20/11/2013	48
11.	30/11/2013	97
12.	20/12/2013	44
13.	31/12/2013	80
14.	25/1/2014	109
15.	10/2/2014	104
	Total	1137

- g. As per the investor data provided by SLDIL, applications were received from June 2013 onwards and the investors were largely people of various villages from the states of Madhya Pradesh, Uttar Pradesh & Chhattisgarh.
- h. As per the unaudited provisional balance sheet as on January 31, 2014 provided by SLDIL vide their letter dated February 27, 2014, SLDIL had mobilised an amount of ₹2,15,65,000/- through issuance of preference shares during 2013-14.
- i. As per the details of allotment mentioned above, SLDIL had issued and allotted **Cumulative Redeemable Preference Shares ("Offer of RPS")** in series of allotments to 1137 investors and raised an amount of ₹2,15,65,000/- during the financial year 2013-14.

4.1 In the context of the abovementioned details, the issue for determination in the instant matter is whether the mobilization of funds by SLDIL through the *Offer 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 and with the provisions of SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 notified on June 12, 2013.

4.2 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 public companies which intend to get their securities listed on a recognized stock exchange in India."

4.3 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 *Sabara Case* observed that:

"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. ..."

- iii. For ascertaining whether the *Offer of RPS* are public issues or issues on private placement basis in accordance with Section 67 of the Companies Act, 1956, the number of subscribers is of utmost importance.
 - a) In the facts of the instant case, it is observed from the details of allotment submitted by SLDIL, that SLDIL issued and allotted *Cumulative Redeemable Preference Shares* in series of allotments and raised an amount of approximately ₹2.16 Crores from 1137 investors during the financial year 2013-14. It is pertinent to mention that for a single issue of preference shares, allotment was made on fifteen occasions and out of this on ten occasions *Cumulative Redeemable Preference Shares* was issued to more than fifty investors.
 - b) Further, although the *Offer of RPS* is stated to have been made on a private placement basis by SLDIL, from the terms and conditions indicated in the application form, it is observed that "*Application shall be in the names of Individuals, Partnership Firm, Companies, Statutory Societies or Statutory Institutions AND NOT in the names of minors, non-residents or their nominees or a trust/societies (unless the trust/ societies is registered under the Societies Registration Act, 1860....*". Such a generalized category of investor(s) cannot be said to satisfy the condition of specificity as required under Section 67(3) of the Companies Act. From the investor data details provided by SLDIL, it is observed that the investors were from various villages of the states of Madhya Pradesh, Uttar Pradesh and Chhattisgarh. In view of the above stated facts, the *Offer of RPS* by SLDIL *prima facie* qualifies as 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 Sahara Case.

- c) In addition, SLDIL 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 and therefore, is not covered under the *second proviso* to Section 67(3).
- d) 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.

4.4 I note that –

- i. From the abovementioned para, it will follow that since the *Offer 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 Section 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 1 [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.

...

*... Section 73(2) says that every company and every director of the company who is an officer in default, shall 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. The scope of the above mentioned provisions came up for consideration before this Court in *Raymond Synthetics Ltd. & Ors. V. Union of India* (supra), wherein the Court held that in a case where the company has not*

applied for listing on a stock exchange, the consequences will flow from the company's disobedience of the law, the liability to pay interest arises as from the date of receipt of the amounts, for the company ought not to have received any such amount in response to the prospectus. I am, therefore, of the view that since Saharas had violated the listing provisions and collected huge amounts from the public in disobedience of law, SEBI is justified in directing refund of the amount with interest."

- iii. Having regard to the abovementioned observations of the Hon'ble Supreme Court of India, since the *Offer of RPS* is *prima facie* a public issue in accordance with the provisions of the Companies Act, 1956, the same will attract the requirement of compulsory listing before a recognized stock exchange in terms of Section 73(1) of the Companies Act, 1956 and also compliance with provisions of Sections 73(2) and 73(3) of that Act.
- iv. In the facts of the instant case, it *prima facie* appears that SLDIL has violated the provisions of Section 73 of the Companies Act, 1956, in respect of the *Offer of RPS*.

4.5 Under Section 2(36) read with 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 the aforesaid 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 *Offer of RPS* was made to fifty persons or more, it has to be construed as a public offer. Having made a public offer, SLDIL 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 SLDIL has *prima facie* not complied with the provisions of Section 60 of the Companies Act, 1956.

4.6 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

SLDIL 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.

4.7 In addition to the above, reference may be made to the SEBI (Issue and Listing of Non-Convertible Redeemable Preference shares) Regulations, 2013, which were framed by SEBI in exercise of its powers under Section 30 of the SEBI Act and are applicable to the public issue and listing of non-convertible redeemable preference shares. It may be relevant to note that under the aforesaid Regulations, '*non-convertible redeemable preference share*' has been defined as '*a preference share which is redeemable in accordance with the provisions of the Companies Act, 1956 and does not include a preference share which is convertible into or exchangeable with equity shares of the issuer at a later date, with or without the option of the holder*'. In this context, I find that SLDIL, through the *Offer of RPS*, which is a public issue of non-convertible redeemable preference share, has *prima facie* violated the following provisions of the aforesaid Regulations, which contain *inter alia* conditions for public issue and listing of non-convertible redeemable preference shares, viz.

- i. Regulation 4(2)(a) and 16(1) - SLDIL has not made applications to recognized stock exchange for listing of preference shares.
- ii. Regulation 4(2)(b)- SLDIL failed to obtain in-principle approval for listing of its preference shares on recognized stock exchanges.
- iii. Regulation 4(2)(c)- SLDIL failed to obtain credit rating from at least one credit rating agency registered with SEBI.
- iv. Regulation 4(2)(d)- SLDIL failed to enter into an arrangement with a depository registered with SEBI.
- v. Regulation 4(3)-SLDIL has not created capital redemption reserve in accordance with the provisions of the Companies Act, 1956.
- vi. Regulation 4(5)- SLDIL failed to appoint one or more merchant bankers registered with SEBI.
- vii. Regulation 5(1) - The offer document does not contain all material disclosure, which are necessary for subscribers of preference shares to take an informed investment decision.
- viii. Regulation 6(1), 6(2), 6(3) and 7- SLDIL made public issue of preference shares despite its offer document not being filed with designated stock exchange. The said offer document has not been posted on the website of stock exchange.

- ix. Regulation 6(6) - The copy of draft and final offer document has not been forwarded to SEBI.
- x. Regulation 8(1)- No advertisement has been made in national daily on or before the issue opening date.
- xi. Regulation 9(1)- SLDIL has not issued an abridged prospectus with its application form.
- xii. Regulation 13(1), 13(2)-SLDIL has not complied with minimum subscription requirement and refund of application money in respect of issue of preference shares.
- xiii. Regulation 14- SLDIL has not appointed an underwriter registered with SEBI.
- xiv. Regulation 15 -SLDIL has made misstatements by omitting disclosure of material facts and had given false / misleading statement in the advertising brochure cum application form that the issue is privately placed.

4.8 Upon a consideration of the aforementioned paragraphs, I am of the view that SLDIL is *prima facie* engaged in fund mobilising activity from the public, through the *Offer of RPS* and as a result of the aforesaid activity has violated the aforementioned provisions of the Companies Act, 1956 (Section 56, Section 60 read with Section 2(36), Section 73) and the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013.

5. SEBI has a statutory duty to protect the interests of investors in securities and promote the development of, and to regulate, the securities market. Section 11 of the SEBI Act has empowered it to take such measures as it deems fit for fulfilling its legislative mandate. Further, as per the provisions of Section 55A of the Companies Act, 1956, the administrative authority on the subjects relating to public issue of securities is exclusively with SEBI. For this purpose, SEBI can exercise its jurisdiction under Sections 11(1), 11A, 11B and 11(4) of the SEBI Act read with Section 55A of the Companies Act, 1956 over companies who issue *Cumulative Redeemable Preference Shares* to fifty persons or more, but do not comply with the applicable provisions of the aforesaid Companies Acts and the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013. Steps therefore, have to be taken in the instant matter to ensure only legitimate fund raising activities are carried on by SLDIL and no investors are defrauded. In light of the facts in the instant matter, I find that there is no other alternative but to

take recourse to an interim action against SLDIL and its Directors, for preventing that company from further carrying on with its fund mobilising activity under the *Offer of RPS*.

6. In view of the foregoing, I, in exercise of the powers conferred upon me under Sections 11(1), 11(4), 11A and 11B of the SEBI Act and Regulation 25 of the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 hereby issue the following directions –
- i. SLDIL shall not mobilize any fresh funds from investors through the *Offer of RPS* or through any other securities, to the public and/or invite subscription, in any manner whatsoever, either directly or indirectly, till further directions;
 - ii. SLDIL(CIN: U45201MP2010PLC024330; PAN:AAPCS0366M) and its Directors viz. Shri Vinod Kumar Shankhwar (DIN:02444432; PAN:ATNPS4287P); Shri Rajendra Karn Rajpoot (DIN: 02444466; PAN:AJAPR9252L) and Shri Rajneesh Dutta (DIN: 06736734; PAN:ALEPD7075R) 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;
 - iii. SLDIL 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.
 - iv. SLDIL shall provide a full inventory of all its assets and properties;
 - v. The Directors of SLDIL shall provide a full inventory of all their assets and properties;
 - vi. SLDIL and its abovementioned Directors shall not dispose of any of the properties or alienate or encumber any of the assets owned/acquired by that company through the *Offer of RPS*, without prior permission from SEBI;

- vii. SLDIL and its abovementioned Directors shall not divert any funds raised from public at large through the *Offer of RPS*, which are kept in bank account(s) and/or in the custody of SLDIL;
7. The above directions shall take effect immediately and shall be in force until further orders.
8. 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 along with the documents contained therein, correspondence exchanged between SEBI and SLDIL and information obtained from the Ministry of Corporate Affairs' website i.e. '*MCA 21 Portal*'. In this context, SLDIL and its abovementioned 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.
9. This Order is without prejudice to the right of SEBI to take any other action that may be initiated against SLDIL and its abovementioned Directors, in accordance with law.

Place: Mumbai
Date: February 12, 2015

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