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IN THE COURT OF MS. MADHU JAIN, ADDL. CHIEF
METROPOLITAN MAGISTRATE, DELHI

In the matter of :

SEBI VERSUS SETH DHAN RAJ AGRO IND. LTD.

Judgment

a) Sl. NO. of the case 701/01

- b) Date of commission of Offences
- c) Name of the complainant : SEBI
- d) Name of the accused:
 - 1. SETH DHAN RAJ AGRO (INDIA) LTD.
 - 2. RAKESH SHARMA
 - 3. PARVEEN HANDA
 - 4. MINTOO SHARMA
 - 5. MANOHAR LAL

of SEBI Act.

. f) Plea of the accused : Accused persons pleaded not

guilty.

g) Final order : Convicted

h) Date of such order: ·01.04.2004

Brief reasons for the decision:

The case of the complainant against the accused person is that accused NO.1 and accused no.2 to 5 being the Directors of accused NO.1 company i.e. Seth Dhan Raj Agro (India) Ltd and persons responsible for conduct of its business were found operating collective investment scheme namely Cash Crops Project, Goat Project and Rose vegetables project and raised an aggregate amount of RS. 1.60

crores, from the General public when press release was issued by Govt of India for treating plantation activity and instruments like Agro Farm, plantation Farm as collective investment scheme under the SEBI Act and the accused were required to furnish the information to the SEBI but the Company as well as the accused persons being the Directors of the company failed to comply with the regulations issued by SEBI and also failed to take steps for winding up of the scheme and repayment to the investors as per the regulations issued by the SEBI and thereby all the accused committed offence punishable U/s 24 R/W section 27 of the SEBI Act. Hence the present complaint.

- 2. On appearance of the accused persons, copies were supplied to them. Notice U/s 251 Cr.P.C.for offence punishable under section 24 read with section 27 of SFBI Act was served upon the accused persons. Notice was also served upon the accused NO.1 Company through accused NO.2. All the accused persons pleaded not guilty and claimed trial.
- in support of its case. This witness fully reiterated the facts mentioned in the complaint. The testimony of this witness remained un-rebutted and unshattered as the witness was not cross examined by the accused persons.
- 4. After examination of PW-1, the accused persons moved application pleading guilty. As such the P.E. was closed and statement of the accused persons was recorded u/s 281 Cr.P.C. in which the accused persons pleaded guilty. I am satisfied

that the plea of guilt made by the accused persons is voluntary without any threat, pressure or coercion.

- 5. In view of the testimony of Pw-l coupled with the plea of guilty made by the accused persons I am satisfied that the complainant has been able to prove its case against the accused persons. As such the accused persons are held guilty for offence punishable under section 24 read with section 27 of SEBI Act and convicted thereunder.
- I have heard the accused persons on the point of the sentence. The accused persons have prayed for lenient view. They have further submitted that they have also made repayment to the investors. Accused No.5 is a Senior Citizen more than 65 years of age.

Keeping in view the facts and circumstances explained, all the accused are sentenced to pay a fine of Rs. 5,000/- each. In default of payment of fine they shall undergo S.I. for three months. A total fine of Rs. 25,000/- is imposed upon the accused persons.

Fine paid. The accused persons are on bail. Their bail bond are canceled and sureties discharged.

File he consigned to record room.

(MADHU JAIN)

ADDL. CHIEF METROPOLITAN MAGISTRATE

DELHI

ANNOUNCED

DATED : 01.04.2004