

IN THE COURT OF ADDITIONAL CHIEF METROPOLITAN

MAGISTRATE, DELHI

CC NO: 37 OF 2004

14/01/04



02401R

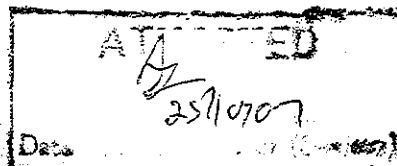
Securities and Exchange Board of India, a statutory body established under the provisions of Securities and Exchange Board of India Act, 1992; having its Head office at Mittal Court, B - Wing., 224 Nariman Point, Mumbai 400 021 represented by its Legal Officer, Shri Sharad Bansode .

...Complainant

VERSUS .

1. Lyra Agritech Ltd. a Company incorporated Under the Companies Act, 1956, having its Regd. Office at : 3-4, CSC, Pocket E, Mayur Vihar, Phase II, Delhi-110091.
2. Shri Subash Arora S/o Shri H.S. Thukral, Director of Accused No.1, R/o: 253, Janakpuri, Bareilly, U.P.
3. Shri Sanjeev Kr. Narula S/o Shri S.K. Narula, Director of Accused No.1, R/o: A-355/4, Rajendra Nagar, Bareilly, U.P.
4. Shri Ravinder Kumar, Director of Accused No.1, R/o: 322, Guddar Bagh, Bareilly, U.P.

.....Accused

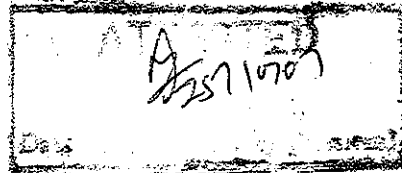




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COMPLAINT UNDER SECTION 190 AND SECTION 200 OF THE CODE OF CRIMINAL  
PROCEDURE, 1973 READ WITH SEC. 24(1), 27 OF SECURITIES AND EXCHANGE  
BOARD OF INDIA ACT, 1992

May It Please Your Honour:



CC No. 173/2005

27.09.2007

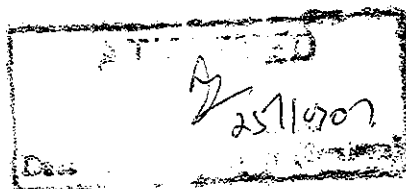
Present: Sh. Rahul Dabas, proxy for Sh. Sanjay Maan, Advocate

SEBI

Accused nos. 2 to 4 are present on bail for self as well as for accused no.1 with Sh. Rashid Hussain, Advocate.

Vide separate order of date, dictated and announced each convict is ordered to pay a fine of Rs.7,000/- and in default of payment thereof, the defaulting convict (except convict no.1) would undergo S.I. for one month. In addition, in exercise of my powers under Section 359 of Code of Criminal Procedure, 1973, I also order that each convict shall also pay a sum of Rs.1,000/- to the complainant for defraying the cost incurred by it in the prosecution and in case of default, the defaulter (except convict no.1) shall undergo S.I. for 15 days. The convicts shall also file a winding up and repayment report as contemplated by Securities and Exchange Board of India (Collective Investment Schemes), 1999 within two months with Securities and Exchange Board of India who shall get the same audited and would be free to initiate further action thereon, if any, as per law. Bail bonds of convict nos. 2 to 4 would stand cancelled and their sureties shall stand discharged after payment of aforesaid fine and cost.

Accused nos. 2 to 4 have paid Rs.8,000/- each. On behalf of accused no.1 an application has been moved seeking time to pay the



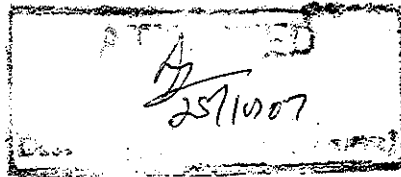
fine. Allowed.

Put up for payment of fine by accused no.1 on 27<sup>th</sup> October,  
2007.



*[Handwritten signature]*

(PADAM KANT SAXENA)  
ADDL. SESSIONS JUDGE:  
Delhi/27.09.2007



IN THE COURT OF Sh. PADAM KANT SAXENA,  
ADDITIONAL SESSIONS JUDGE: DELHI.

CS 173/05 (New)

SEBI

Versus Lyra Agritech Ltd. and others

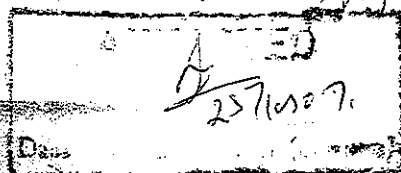


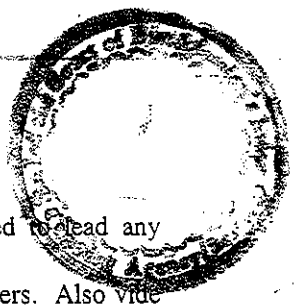
ORDER ON SENTENCE

Vide judgment dated 19.09.2007 accused nos. 1 to 4 had been held guilty for violating provisions of Securities and Exchange Board of India Act, 1992 and Securities and Exchange Board of India (Collective Investment Schemes) Regulations, 1999.

Arguments on the point of sentence were heard. Sh. S.K. Jain, Advocate for convict nos. 1 to 3 has argued that the investments to the tune of Rs.2.66 lacs made by public/investors already stand repaid and no investor made any complaint regarding non refund of money. Therefore there is a prayer for a lenient view in the matter. Sh. Rashid\* Hussain, Advocate for convict no. 4 has argued that affairs of convict no.1 used to be looked after by convict nos. 2 and 3 while convict no.4 was only a director on papers. Consequently there is a prayer for imposition of token fine on this convict.

Vide judgment dated 19.09.2007, it has already been held by this Court that convict nos. 2 to 4 being directors of convict no. 1 were presumed to be in charge of and responsible to it i.e. convict no.1 for its

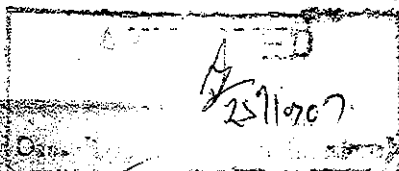


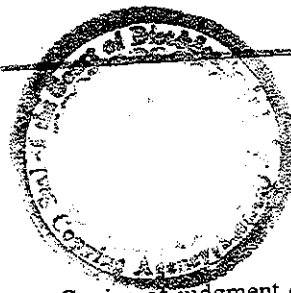


affairs. It was further held that convict nos. 2 to 4 failed to lead any evidence to show that there was any restriction on their powers. Also vide the said judgment it was held that convicts failed to prove that repayments had been made to investors and in fact winding up and repayment report was also not filed with Securities and Exchange Board of India.

In the face of aforesaid facts, I am satisfied that no fruitful purpose shall be served by sending the convict nos. 2 to 4 to jail. Therefore each one of them, viz. Convict nos. 1 to 4, is ordered to pay a fine of Rs.7,000/- and in default of payment thereof, the defaulting convict (except convict no.1) would undergo S.I. for one month. In addition, in exercise of my powers under Section 359 of Code of Criminal Procedure, 1973, I also order that each convict shall also pay a sum of Rs.1,000/- to the complainant for defraying the cost incurred by it in the prosecution and in case of default, the defaulter (except accused no.1) shall undergo S.I. for 15 days. The convicts shall also file a winding up and repayment report as contemplated by Securities and Exchange Board of India (Collective Investment Schemes), 1999 within two months with Securities and Exchange Board of India who shall get the same audited and would be free to initiate further action thereon, if any, as per law. Bail bonds of convict nos. 2 to 4 would stand cancelled and their sureties shall stand discharged after payment of aforesaid fine and cost.

*Sum*  
*27/11/07*





File be consigned to Record Room. Copies of judgment dated  
15.09.2007 and this order be given to each convict, free of cost.

*Padam Kant Saxena*

(PADAM KANT SAXENA)  
ADDITIONAL SESSIONS JUDGE:  
DELHI.

Dictated and announced  
in the open court  
today i.e. on 27.09.2007

Office of The District & Sessions Judge Delhi.	
Certified to be True Copy	
Date	<i>25/10/07</i> (Sessions)
Authenticated under Section 78 of the Indian Evidence Act-1978	