

IN THE COURT OF MS. MADHU JAIN, A.C.M.M. TIS HAZARI, DELHI.

COMPLAINT NO. 48/2004.

14/01/04

IN THE MATTER OF:

SECURITIES AND EXCHANGE BOARD OF INDIA,
a statutory body established under the
provisions of Securities and Exchange
Board of India Act, 1992, having its
Regional Office at New Delhi, represented
by its Legal Officer/Manager/Asst.
General Manager Mr. Sharad Bansode.

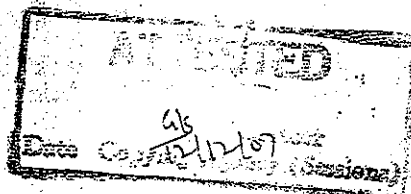
COMPLAINANT

VERSUS

1. VATIKA AGRO INDUSTRIES (I) LTD.
Andhiyari Bagh North,
Gorakhpur-273015.
2. Shri. Rishi Kumar Pandey,
S/o. Late Rama Kan Pandey,
R/o. P.O. Gorakhnath,
P.S. Tiwaripur,
Distt. Gorakhpur.
3. Shri. Amar Nath Shukla,
S/o. Shri. Ram Kripla Shukla,
R/o. Moh. Humayunpur (North),
Distt. Gorakhpur.
4. Ms. Sheela Pandey,
W/o. Rishi Kumar Pandey,
R/o. P.O. Gorakhnath,
P.S. Tiwaripur,
Distt. Gorakhpur.

ACCUSED

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





CC no. 31/2004

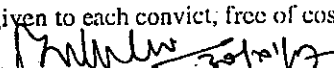
30.11.2007

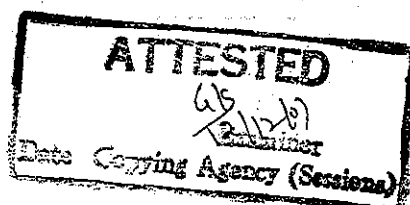
Present: Sh. Sanjay Maan, advocate for SEBI.

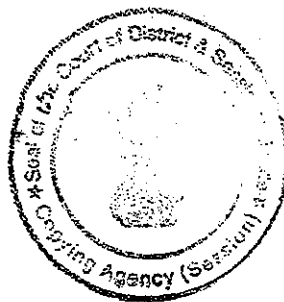
Accused nos. 2 to 4 are present on bail for self and for accused no. 1 with Sh. Shakil Ahmed and U.N. Tripathi, advocates.

Vide separate order on sentence of date, dictated and announced, 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 SEBI 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.

File be consigned to Record Room. Copies of judgment dated 29.11.2007 and this order be given to each convict, free of cost.


(PADAM KANT SAXENA)
ADDL. SESSIONS JUDGE:
Delhi/30.11.2007





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

CC 31/2004 (New)

SEBI

Versus

Vatika Agro Industries (I) Ltd. etc.

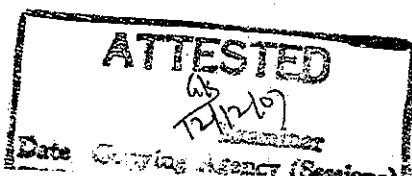
ORDER ON SENTENCE

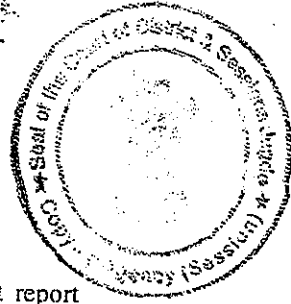
Vide judgment dated 29.11.2007 accused nos. 1 to 4 had been held guilty for violating provisions of Securities and Exchange Board of India Act, 1992 and Securities and Exchange Board of India (Collective Investment Schemes) Regulations, 1999.

Arguments on the point of sentence were heard. Sh. Shakeel Ahmed, Advocate for convict nos. 1 to 4 has argued that the investments to the tune of Rs.32.00 lacs made by public/investors already stands repaid and no investor made any complaint regarding non refund of money. Therefore there is a prayer for a lenient view in the matter.

Vide judgment dated 29.11.2007, 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.

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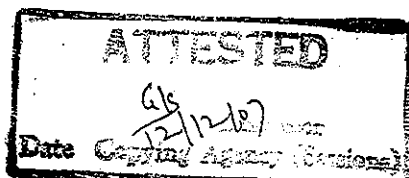


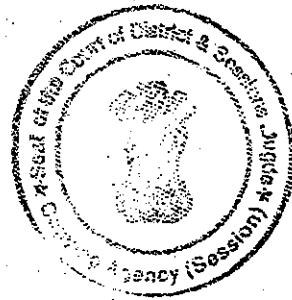


had been made to investors and in fact winding up and repayment report (for short referred to as 'WRR') was also not filed with Securities and Exchange Board of India (for short referred to as 'SEBI'). In any case question of repayment to investors would be decided by SEBI after WRR is filed with it.

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 SEBI 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.

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File be consigned to Record Room. Copies of judgment dated

29.11.2007 and this order be given to each convict, free of cost.

Padam Kant Saxena
30/11/07

Dictated and announced
in the open court
today i.e. on 30.11.2007

(PADAM KANT SAXENA)
ADDITIONAL SESSIONS JUDGE:
DELHI.

① Copy given to convicts in
the Court at free of cost on
30/11/07

अतिरिक्त प्रतियाँ

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