

MHCC020092402014



IN THE DESIGNATED SPECIAL COURT UNDER SEBI ACT, 1992
FOR MAHARASHTRA STATE
AT COURT ROOM NO.22, SESSIONS COURT, GREATER MUMBAI
SPECIAL CASE (SEBI) NO. 118 OF 2014
CNR No.MHCC02-009240-2014

Securities and Exchange Board of India. ... Complainant

Vs.

M/s Youth Agro and Housing

Development Ltd. & Ors

... Accused

Appearances :-

Ld. Adv. Mr. Adity Mokashi alongwith Adv. Ms. Rekha Adsul for applicant/accused.

Ld. SPP Mr. Kushal Mor for SEBI/complainant.

**CORAM : H. H. THE SEBI SPECIAL JUDGE,
SHRI A. A. KULKARNI (C.R. NO.22)**

DATED : 16th January, 2024.

COMMON ORDER BELOW EXH. 97 and 01.

The complainant has prosecuted M/s. Youth Agro and Housing Development Ltd. and its directors. Charge is framed against accused No. 1 to 4 and 6 vide Exh. 36. Today, accused No.2, 3 4 and 6 filed application and stated that they wants to plea guilty.

2. Heard Ld. Advocate for accused as well as Ld. SPP for complainant SEBI. As per allegation of complainant accused committed violation of Section 11-B, 12(a-B) of Securities and Exchange Board of

India Act, 1992 and Regulation 5(1) r/w Regulations 68(1), 68(2), 73 and 74 of the Securities and Exchange Board of India (Collective Investment Schemes) Regulations, 1999 which is punishable under Section 24(1) of SEBI Act. In brief, it is alleged by the complainant that accused No. 1 company was running collective investment scheme in violation of Section 11 as well as Regulations of SEBI. They have collected amount from investors and failed to take registration for running CIS scheme as well as failed to repay amount of investors and winding up scheme in spite of directions from SEBI.

3. The Ld. Advocate for accused submitted that accused are facing prosecution since 2003 i.e. almost 20 years and coming from State of Madhya Pradesh. In such circumstances by taking into consideration long pendency of the case punishment of only fine may be awarded to the accused by accepting their prayer of plead guilty.

4. The Ld. SPP submitted that in view of nature of offence accused have collected huge amount from common people hence, maximum punishment may be awarded.

5. On perusal of the complaint though there are allegations that accused No.1 company was running collective investment scheme, there are no documents on record in support of amount collected by accused No.1 company from common people. Accused are facing trail since more than 20 years. At relevant time alleged offence under Section 24(1) of SEBI Act was punishable with imprisonment, fine or both. There is no specific minimum punishment for the said offence is provided. In view of long pendency of the case and nature of offence, I

am of the opinion that, it will be appropriate to impose monetary punishment by way of imposing fine on accused. Present accused are admittedly directors of accused No.1 company and being prosecuted as responsible person for the conduct of business of company. Hence, I am of the opinion that by imposing fine purpose of prosecution will be fulfilled. Hence, I pass following Order :-

ORDER

1. Accused No. 1 M/s. Youth Agro and Housing Development Limited, Accused No.2 Ajay Pandey, Accused No. 3 Mr. Shiv Pandey, Accused No. 4 Mr. Arjun Tiwari and accused No. 6 Nandni Lokhenday Directors of M/s. Youth Agro and Housing Development Limited are hereby convicted for the offence punishable under Section 24(1) of SEBI Act.
2. Accused No.2 Ajay Pandey, Accused No. 3 Mr. Shiv Pandey, Accused No. 4 Mr. Arjun Tiwari and accused No. 6 Nandni Lokhenday are sentenced to pay fine of Rs.1,00,000/- (Rs. One lakh only) each in default shall suffer simple imprisonment of three months.
2. On depositing amount of fine, it shall be paid to complainant SEBI as a compensation.
3. Accordingly, SEBI Spl Case No. 118 of 2014 is disposed off.

Date : 16.1.2024

[A. A. KULKARNI]
SEBI SPECIAL JUDGE,
GREATER MUMBAI.

Dictated on : 16.01.2024
Transcribed on : 16.01.2024
HHJ signed on : 16.01.2024

**“CERTIFIED TO BE TRUE AND CORRECT COPY OF THE ORIGINAL
SIGNED JUDGMENT/ORDER.”**

Upload Date	Upload Time	Name of Stenographer
16.01.2024	5.30 p.m.	Manasi Kadam Stenographer (Grade-I)

Name of the Judge (With Court Room No.)	HHJ A. A. KULKARNI (Court Room No. 22)
Date of Pronouncement of JUDGMENT/ORDER	16.01.2024
JUDGMENT/ORDER signed by P.O. on	16.01.2024
JUDGMENT/ORDER uploaded on	16.01.2024