

THE FIRST CUSTODIAN FUND (INDIA) LTD.



CORPORATE OFFICE : SURYA MAHAL 3RD FLOOR, NAGINDAS MASTER ROAD, FORT, MUMBAI-400 023. INDIA
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Date: 28th December, 2018

To,
Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Dear Sir,

REF: Order passed by SEBI dated 29th November, 2018

SUB: Stay Order passed by SAT dated 27th December, 2018

With reference to above SAT has passed the following order at the para 6 of the said Order:

6. *Accordingly, operationalisation of directions (ix), (xi) and (xii) in para 52 of the impugned order in respect of appellant no. 2, 3, 4 and 5 shall not be effected till the next date of hearing subject to the condition that these appellants shall submit to SEBI lists of listed securities worth Rs. 50 lac which would be kept as lien and without trading. For clarity, it is stated that these securities will be in addition to the amount kept in a separate escrow account.*

The original Order passed by the SEBI dated 29th November, 2018 was filed with BSE on 04th December, 2018. The copy of the order is enclosed herewith for your information.

Kindly take the same on record.

Yours faithfully,

For THE FIRST CUSTODIAN FUND (INDIA) LIMITED


GIRIRAJ KUMAR DAMMANI
MANAGING DIRECTOR

Encl: as above

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

DATE : 26.12.2018

Appeal No. 479 of 2018

Paradigm Agro Products Ltd. & Ors.

.... Appellants

Versus

Securities and Exchange Board of India

.... Respondent

Mr. Gaurav Joshi, Senior Advocate with Mr. Kazan Shroff, Mr. Sunil Gangan, Advocates i/b RMG Law Associates for the Appellants.

Ms. Vidhi Jhawar, Advocate i/b The Law Point for the Respondent.

ORDER :



1. This appeal is filed challenging the order passed by the Whole Time Member ('WTM' for short) of Securities and Exchange Board of India ('SEBI' for short) dated November 29, 2018 by which various directions have been issued against the appellants.

2. Learned senior counsel for the appellants submits that an amount of only Rs. 12,39,000/- is due to the investors out of the total amount of Rs. 2,18,55,000/- collected during the period from July 1994 to January 1996. It is also submitted by him that out of total amount of Rs. 2,18,55,000/- collected Rs. 1.5 Crore (approximately) was invested by the promoters and family members. During 2000-2015 substantive amounts have been refunded and the remaining amount, where the cheques were returned undelivered because of change of address or other reasons, has been deposited in a separate account with Oriental Bank of Commerce. Amounts invested by promoters have been converted into preference shares.

3. The impugned order, while explaining all these facts, however, does not crystallize the exact amount of liability of the appellants, which needs detailed hearing. In this context, learned senior counsel for the appellants, on instruction, further submits that the appellants, without prejudice to their rights and contentions, are fully willing to comply with the directions in para 52(i) to (viii) of the impugned order subject to the following :

1. Bank account details of Appellant no. 1 for the period 1994-1996 in Canara Bank and bank account details of appellant no. 2 in Nedungadi Bank (subsequently merged with PNB) for the period 2000-2004 are not available with them and the banks are not providing the same to them.
2. Amounts deposited by the promoters have been converted into preference shares which cannot be refunded now.
3. Instead of certificates from two Chartered Accountants certificate from only one Chartered Accountant may be agreed to.
4. The application forms and unit certificates in respect of allotment are available on CD from which print outs can be taken out by their print screen only.



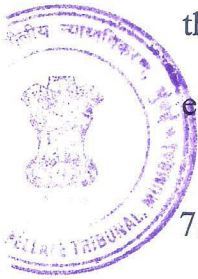
4. While agreeing to comply with the various directions appellant Nos. 2, 3, 4 and 5 seek stay for directions (ix), (xi) and (xii) in para 52 of the impugned order. On instruction, senior counsel for the appellants further submits that these appellants will give list of listed securities worth Rs. 20 to 25 lac to SEBI which will not be traded and will be kept as lien.

5. Given the above background; the fact that part of the collected amount has been repaid is not disputed in the impugned order and the

appellants are willing to comply with the directions as stated above, this is a case of only crystallizing the amount which is due to the investors in terms of the scheme. Therefore, a limited, immediate relief to the appellants, except appellant no. 1, may serve the cause of justice.

6. Accordingly, operationalisation of directions (ix), (xi) and (xii) in para 52 of the impugned order in respect of appellant no. 2, 3, 4 and 5 shall not be effected till the next date of hearing subject to the condition that these appellants shall submit to SEBI lists of listed securities worth Rs. 50 lac which would be kept as lien and without trading. For clarity, it is stated that these securities will be in addition to the amount kept in a separate escrow account.

7. By consent, stand over to March 25, 2019.



Sd/-
Dr. C. K. G. Nair
Member

26.12.2018
Prepared & Compared by
PTM

[Handwritten signature]

CERTIFIED TRUE AND FREE COPY

[Handwritten signature]
SECTION OFFICER - COURT OFFICER
SECURITIES APPELLATE TRIBUNAL
MUMBAI

27 DEC 2018