



Metropolitan Stock Exchange of India Limited

Department: Investigation

Segment: All

Circular No: MSE/ID/7484/2019

Date : April 1, 2019

SEBI order in the matter of M/s. Tarini International Ltd

To All Members,

SEBI vide order no WTM/SKM/EFD1-DRAIII/ 15 /2019 dated March 29, 2019, has issued, the following directions, for below mentioned entities:-

Sr. No.	Name of the Noticees	PAN
1	M/s. Tarini International Ltd.	AABCT7379R
2	Mr. Vakamulla Chandra Shekhar	AOBPS6042M
3	Mrs. Vakamulla Anu Naidu	ADPPN6394L

- A. Noticee no. 1(Tarini International Limited) is directed to bring back/ recover the proceeds of IPO aggregating to ₹11,71,99,000, as identified in this order which have been transferred/ passed to it group/associate entities. The diverted amount shall be brought back along with interest (as per the terms of the loan agreements executed with the respective group entities) within a period of 45 days from the date of this order.
- B. All the Noticees are directed to furnish the latest/ updated inventory of all their assets and properties, both immovable and movable, and details of their bank accounts, demat accounts and holdings of mutual funds/shares/securities, held in physical form and demat form, within 21 days from the date of receipt of this order.
- C. All the Noticees are further directed to provide the latest/ updated inventory of all assets, properties (both immovable and movable), details of all bank accounts, demat accounts and holdings of mutual funds/shares/securities, held in physical form and demat form as on date in respect of the group entities mentioned viz; Tarini Infrastructure Ltd., Tarini Sugars & Distilleries Ltd., B. Soilmec India Private Ltd., Venture Infrastructure Ltd. and Tarini Wilderness Innovation Pvt. Ltd. The said information shall be provided by the Noticees within 21 days from the date of receipt of this order.
- D. All the Noticees are prohibited from selling, transferring, directly or indirectly, assets, properties (both immovable and movable) and holding of mutual funds/shares/securities held in both demat and physical form by them as well as held by group entities from whom IPO proceeds is directed to be called back, except for the sole purpose of restoring the diverted funds to the accounts of Tarini in compliance with the direction at para (A), it is clarified that the Noticee no. 2 & 3 shall have to ensure and facilitate the compliance of the directions by Noticee No 1.
- E. All the Noticees shall file a compliance report with SEBI, with details of restoration/ recovery of IPO proceeds with interest from the group entities, within a period of 60 days from the date of this order. The said report shall be certified by a peer reviewed Chartered Accountant, already empanelled by a public authority or public financial institution. For the purpose of this Order, a peer reviewed Chartered Accountant shall mean a Chartered Accountant, who has been categorized so by the Institute of Chartered Accountants of India ("ICAI") holding such a certificate.

- F. Noticee no. 1 (Tarini International Limited) and the directors namely, Noticee no. 2 (Mr.Vakamulla Chandra Shekhar) and Noticee no. 3 (Mrs. Vakamulla Anu Naidu), are directed not to, access the securities market, directly or indirectly by issuing prospectus, offer document or advertisement soliciting money from the public and are further restrained and prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, from the date of the direction becoming effective, till the expiry of four years from the date of completion of recovery of the diverted funds with interest from the group entities into the account of Noticee no 01. It is clarified that during the period of restraint, the existing holding, including units of mutual funds, of the aforesaid directors shall remain frozen.
- G. All the Noticees are restrained from associating themselves with any listed public company and/or any public company which intends to raise money from the public, or any intermediary registered with SEBI from the date of this direction becoming effective till the expiry of four years from the date of recovery of the IPO proceeds as directed above at para (F).
- H. This Order is hereby being issued without prejudice to any other action that SEBI may initiate under securities laws, as deemed appropriate.
- I. The above directions shall come into force with immediate effect.

The order shall come into force with immediate effect.

Members of the Exchange are advised to take note of the full text of the order available on SEBI's website [www.sebi.gov.in] and ensure compliance.

**For and on behalf of
Metropolitan Stock Exchange of India Limited**

Prachi Lendhe
Assistant Vice President