

Department: Investigation	Segment: All
Circular No: MSE/ID/12934/2023	Date : January 24, 2023

Subject: SEBI Order in the matter Agrich Traders (Proprietor: Mr. Prakash Shyamlal Rathod)

To All Members,

This is with reference to Exchange circular no MSE/ID/9876/2020 dated December 17, 2020, regarding SEBI Order no. WTM/MPB/IMD/WRO/ILO/156/2020 dated December 15, 2020, in the matter of Agrich Traders (Proprietor: Mr. Prakash Shyamlal Rathod).

SEBI now vide order no WTM/SM/WRO/WRO/23094/2022-23 dated January 23, 2023 has issued the following directions for Agrich Traders (Proprietor: Mr. Prakash Shyamlal Rathod) (PAN: CTLPP8213L).

1. The firm/PSR shall within a period of three months from the date of SEBI Order, refund the money received from the clients/investors/complainant, as fees or consideration or in any other form, in respect of their unregistered investment advisory activities.
2. The firm / PSR shall within 15 days of coming into force of SEBI Order issue a public notice in all editions of two National Dailies (one English and one Hindi) and in one local daily with wide circulation, detailing the modalities for refund, including the details of its contact person such as names, addresses and contact details. A period of two months from the date of the publication of the public notice shall be provided to the investors/clients for submitting their claims.
3. The repayments to the clients/investors shall be effected only through Bank Demand Draft or Pay Order or electronic fund transfer or through any other appropriate banking channels, which ensures audit trails to identify the beneficiaries of repayments.
4. After completing the aforesaid repayments, the firm / PSR shall file a report of such completion with SEBI addressed to the Division Chief, Division of Post Inspection Enforcement Action, Market Intermediaries Regulation and Supervision Department, SEBI Bhavan II, Plot No. C7, G Block, Bandra Kurla Complex, Bandra(East) Mumbai- 400051, within a period of 15 days, after completion of three months from the coming into force of SEBI Order, duly certified by an independent Chartered Accountant. The above mentioned report should be duly certified by an independent Chartered Accountant and should indicate the amount of refund, mode of payment by bank transactions, name of the parties, communication address, mobile / telephone numbers, etc.
5. The remaining balance amount shall be deposited with SEBI which shall be kept in an escrow account for a period of one year for distribution to clients / investors who were availing the investment advisory services from the Noticee. Thereafter, the remaining amount, if any, shall be deposited in the Investors Protection and Education Fund, maintained by SEBI.
6. The firm / PSR is prevented from selling its assets, properties and holding of mutual funds/shares/securities held by it / him in demat and physical form except for the sole purpose of

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making the refunds as directed above. Further, the banks are directed to allow debit only for the purpose of making refunds to the clients/investors who were availing the investment advisory services from the firm / PSR and for depositing balance amount with SEBI, as directed in SEBI Order, from the bank account of the firm; wherein debit has been frozen by virtue of Interim Order dated December 15, 2020.

7. The firm / PSR shall resolve all the complaints pending against it and file a report of such resolution with SEBI addressed to the Division Chief, Investment Management Department, SEBI Bhavan, Plot No. C4 A, G Block, Bandra Kurla Complex, Bandra (East) Mumbai – 400051, within a period of 30 days from the date of SEBI Order.
8. The firm / PSR is debarred from accessing the securities market, directly or indirectly and is prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of 6 (six) months from the date of SEBI Order or till the expiry of 6 (six) months from the date of completion of refunds to investors / clients along with depositing of balance amount, if any, with SEBI, as directed in paragraphs 36.1 and 36.5 of SEBI order, whichever is later.
9. The firm / PSR is also restrained from associating with any company whose securities are listed on a recognized stock exchange and any company which intends to raise money from the public, or any intermediary registered with SEBI in any capacity for a period of 6 (six) months from the date of this Order or till the expiry of 6 (six) months from the date of completion of refunds to investors / clients along with depositing of balance amount, if any, with SEBI, as directed in paragraphs 36.1 and 36.5 of SEBI order, whichever is later.
10. The firm / PSR shall not undertake, either during or after the expiry of the period of debarment/restraint as mentioned in paragraphs 36.8 and 36.9 of SEBI order, either directly or indirectly, investment advisory services or any other activity in the securities market without obtaining a certificate of registration from SEBI as required under the securities laws.
11. The firm / PSR shall not divert any funds collected from investors, kept in bank account(s) and/or in their custody except for the purpose of refund as directed in paragraph 36.1 of SEBI order.
12. The firm / PSR shall not dispose of or alienate any assets, whether movable or immovable, or any interest or investment or charge on any of such assets held in its / his name, including money lying in bank accounts except for the purpose of refund and for depositing balance amount with SEBI, as directed in paragraphs 36.1 and 36.5 of SEBI order and until the refund and the deposit of balance amount, if any is completed and a report as mandated under paragraph 36.4 of SEBI order is filed with SEBI.

The direction for refund, as given in paragraph 36.1 above, does not preclude the clients/investors of Agrich Traders from pursuing the other legal remedies available under any other law, against Agrich Traders / Mr. Prakash Shyamlal Rathod for refund of money or deficiency in service before any appropriate forum of competent jurisdiction.

This Order shall come into force with immediate effect.

Obligation of the firm / PSR, in respect of settlement of securities, if any, purchased or sold in the cash segment of the recognized stock exchange(s), as existing on the date of SEBI Order, can take place irrespective

of the restraint/prohibition imposed by the SEBI Order, only in respect of pending unsettled transactions, if any. Further, all open positions, if any, of any of the firm / PSR in the F & O segment of the Stock Exchange, are permitted to be squared off, irrespective of the restraint/prohibition imposed by SEBI Order.

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**

**Vipul Vaishnav
Assistant Vice President**