

Department: Investigation	Segment: All
Circular No: MSE/ID/13560/2023	Date : June 01, 2023

Subject: SEBI Order in the matter of Capacious Farming Pvt Limited

To All Members,

This is with reference to Exchange circular no. MSE/ID/3104/2015 dated June 18, 2015, regarding SEBI order no. WTM/PS/18/CIS-NRO/JUNE/2015 dated June 16, 2015, Exchange circular no. MSE/ID/10667/2021 dated July 14, 2021, regarding SEBI order no. WTM/GM/EFD/DRA3/12523/2021-22 dated July 12, 2021, in the matter of Capacious Farming Pvt. Ltd.

Now SEBI vide order no WTM/SM/EFD/DRA3/26974/2023-24 dated May 31, 2023 has issued the following directions for the below mentioned noticees:

Sr.No.	Noticees	PAN
1	Capacious Farming Pvt. Ltd.	AAECC3138N
2	Gaurav Yadav	ACQPY5145E
3	Gurbakhsh Singh	BCLPS1117G
4	Narmin Kaur Yadav	-

- Capacious Farming Pvt. Limited (Noticee no.1) [PAN: AAECC3138N] shall within a period of 30 days from the date of issue of SEBI order, cause to effect a newspaper publication in one national daily in English and in Hindi each, and in a local daily with wide circulation in each of the States wherein the investors reside, inviting claims from the investors in respect of its collective investment schemes. The newspaper publications shall also contain an advisory, informing the investors to forward a copy of their claims, with the superscription "Complaints/Claims in the matter of Capacious Farming Pvt. Limited", to SEBI at the following address: The Division Chief, IMD-CIS Division SEBI, SEBI Bhawan, Plot no. C-4A, G Block Bandra Kurla Complex, Bandra East Mumbai-400051 Email: cis@sebi.gov.in;
- A copy of the public notice shall also be sent to the investors of the Noticee no. 1, by way of Registered Post- Acknowledgement due.
- A period of six (06) months from the date of the advertisement shall be provided to investors for submitting any claim as stated aforesaid.
- The Noticee no. 1 shall make refunds to the investors/claimant within a further period of three (03) months from the last of submission of claims provided in the public notice.
- All the refunds to the contributors/investors shall be made through 'Bank Demand Draft' or 'Pay Order' (both of which shall be crossed as "Non-Transferable") or through any other appropriate banking channels such as NEFT or RTGS with appropriate audit trail.

Metropolitan Stock Exchange of India Limited

- f) The Noticee no. 1 and the present incumbent Directors (Noticees nos. 2 and 3) shall submit to SEBI a final Winding Up and Repayment Report (WRR) in the prescribed format for the purpose along with information on the claims so received, the details of the contributors/investors who have been so refunded duly supported by list of all contributors/investors, their contact details, details of investments and corresponding refunds made to such investors, the supporting bank account statements of the Noticee no. 1 Company, indicating refunds so made to the investors and the receipts taken from the investors acknowledging such refunds, along with a consolidated statement of such repayments having been made, duly certified by two Independent Chartered Accountants, within a period of 30 days from the date of completion of refunds.
- g) The remaining balance amount, if any, shall be deposited with SEBI which shall be kept in an interest bearing escrow account for a period of one (01) year for distribution to the investors who had subscribed to the scheme floated by the Noticee no. 1. Thereafter, the said remaining amount shall be deposited in the Investors Protection and Education Fund, maintained by SEBI.
- h) The present incumbent Directors (Noticees nos. 2 and 3) shall ensure that the aforesaid directions are complied with.
- i) The Noticee nos. 1, 2 and 3 are restrained from accessing the securities market including by issuing prospectus, offer document or advertisement soliciting money from the public and are further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, from the date of SEBI order, till the expiry of 03 years from the date of SEBI order or from the date of completion of the refunds to the investors or payment of balance amount to IPEF, whichever is later.
- j) The proceedings against Noticee no. 4 are disposed of in terms of paragraph no. 34 of SEBI order.
- k) The Noticee nos. 1, 2 and 3 shall not divert any funds raised from public at large and shall not alienate or dispose of or sell any of the assets of the Noticee no. 1 except for the purpose of making refund to its investors as directed in SEBI order.
- l) The Noticee nos. 1, 2 and 3 are directed to provide a full inventory of all assets held in their names, individually or jointly, whether movable or immovable, or any interest or investment or charge on any of such assets, including details of all bank accounts, demat accounts and mutual fund investments, immediately but not later than 30 working days from the date of receipt of SEBI order.

It is further clarified that during the period of restraint, the existing holding of securities including the holding of units of mutual funds of the debarred Noticees shall remain frozen.

Obligation of the aforesaid debarred Noticees, 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 SEBI Order, only in respect of pending unsettled transactions, if any. Further, all open positions, if any, of the aforesaid Noticees in the F & O segment of the stock exchange, are permitted to be squared off, irrespective of the restraint/prohibition imposed by this Order.

This Order shall be without prejudice to the right of SEBI to initiate any other proceedings under the securities laws against the Noticees.

This order comes 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

Vipul Vaishnav
Assistant Vice President