Claims

1. Bacterium belonging to *Bacillus* species exhibiting antimicrobial and/or antifungal and plant growth promoting activity, wherein the bacterium is isolated *Bacillus subtilis* ssp. *shriramensis* having the accession number MTCC-5674.

2. An extract of the bacterium as claimed in claim 1, wherein the extract is obtained by a process comprising (a) growing the bacterium in a T3 medium comprising tryptone, trypose, yeast extract, NaH_2PO_4, Na_2PO_4 and $MnCl_2$ having pH 6.8 in a shaking incubator at 30°C for 60 h to obtain the extract and (b) recovering the extract having antimicrobial and/or antifungal activity

3. A pure culture of the bacterium as claimed in claim 1.

4. The extract as claimed in claim 2, wherein the *Bacillus subtilis* ssp. *shriramensis* is grown under aerobic conditions.

5.The extract as claimed in claim 2, wherein the process further comprises step of concentrating the extract using conventional methods.

6. A composition comprising the bacterium as claimed in claim 1, wherein the composition has antimicrobial and/or antifungal and plant growth promoting activity at a concentration $5x10^s$ cfu/ml to $5xl0^7$ cfu/ml of the bacterium.

7. A composition comprising the extract as claimed in claim 2, wherein the composition has antimicrobial and/or antifungal activity at a concentration of 4 μg/μ to 20 μg μl of the extract.

8. The composition as claimed in any of the preceding claims optionally comprises one or more antimicrobial and/or antifungal and plant growth promoting agents.

9. The composition as claimed in any of the preceding claims optionally comprises agriculturally acceptable carrier.

10. A method for inhibiting growth of pathogenic fungi and/or bacteria, wherein said method comprises contacting the pathogenic fungi and/or bacteria with an effective amount of $5x10^s$ cfu/ml to $5xl0^7$ cfu/ml of the bacterium as claimed in claim 1 or the composition as claimed in any of the preceding claims.

11. The bacterium as claimed in claim 1 or the extract as claimed in claim 2 or the composition as claimed in any of the preceding claims whenever used for the preparation of an antimicrobial and/or antifungal and plant growth promotion composition for inhibiting the growth of pathogenic fungi and/or bacteria.