

SECURITIES AND EXCHANGE BOARD OF INDIA

INTERIM ORDER CUM SHOW CAUSE NOTICE

UNDER SECTIONS 11(1), 11(4) AND 11B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992, IN THE MATTER OF RELIABLE MULTI MANAGERIAL SERVICES LIMITED –

	NOTICEES	DIN	PAN
COMPANY –			
1.	RELIABLE MULTI MANAGERIAL SERVICES LIMITED	U52390WB2010PLC140984	AAECR5851P
DIRECTORS CUM PROMOTERS –			
2.	SHRI PINTU DUTTA	02795345	AIMPD4441Q
3.	SHRI RAJU ACHARJYA	02795427	AJKPA9285C
4.	SHRI SANJAY KARMAKAR	02819516	AMUPK1443K
DIRECTORS –			
5.	SHRI OM PRAKASH GUPTA	02991510	AWBPG1988J
6.	SHRI KANHAIYA SINGH KUSHWAHA	03049285	AQVPK5541K
7.	SHRI ARJUN MAJUMDAR	03198475	ALIPM6848H
8.	SHRI ASHIM BOSU	06565255	AIPPB3421P
PROMOTERS –			
9.	SHRI GANESH CHANDRA SAHA	02801938	BHBPS2976Q
10.	SHRI PIJUS KUMAR PATRA	02801972	AKEPP1290R
11.	SHRI PIJUSH KANTI DEY	02801989	AIDPD8349L
12.	SHRI SUJIT KUMAR DAS	NOT AVAILABLE	AJMPD0349L
DEBENTURE TRUSTEE –			
13.	RAMAVATAR & ASSOCIATES (REPRESENTED BY ITS PROPRIETOR RAMAVATAR R. JHANWAR)	NOT AVAILABLE	AEVPJ6885R [PAN OF RAMAVATAR R JHANWAR]

- Securities and Exchange Board of India (“SEBI”) received a reference dated November 17, 2016, from the RoC, Kolkata, stating that Reliable Multi Managerial Services Limited (“RMMSL/Company”) had mobilized funds from the public through issuance of *Secured Redeemable Non-Convertible Debentures*.

2.1 As a matter of preliminary inquiry, vide separate letters dated December 14, 2016, SEBI sought the following information from RMMSL and its Directors –

- i. Copy of Audited Balance Sheet and Annual Returns of the company for the last 3 years.
- ii. Name, addresses, PAN and occupation of all the Promoters/Directors and Key Managerial Personnel of the company.
- iii. Nature of business of the company.
- iv. Other Information in respect of issue of Shares/Debentures:
 - a. Copy of Prospectus/Red Herring Prospectus/Statement in lieu of prospectus/Information Memorandum filed with RoC for issuance of Shares/Debentures.
 - b. Date of opening and closing of the subscription list for the said Shares/Debentures.
 - c. Details regarding the number of application forms circulated inviting subscription for Shares/Debentures and number of applications received.
 - d. Details of allottees in the format given below (in hard copy as well as soft copy).

SR. NO.	DATE OF ALLOTMENT (DD/MM/YYYY)	FINANCIAL YEAR	NAME OF ALLOTTEE	ADDRESS OF ALLOTTEE/ CONTACT DETAILS	AMOUNT OF SHARES / DEBENTURES ALLOTTED (₹)
TOTAL					

- v. Copies of the minutes of Board/committee meeting in which the resolution has been passed for raising such additional capital and also for allotment of Shares/Debentures.
- vi. Copies of application forms, pamphlets, advertisements and other promotional material circulated for issuance of Shares/Debentures.
- vii. Terms and conditions of the issue of Shares/Debentures.
- viii. Whether the company has applied for listing of its securities with any of the Stock Exchanges.
- ix. Copies of Form 2 and Form 10 filed with the RoC.
- x. Details of Debenture Trustee viz. Name, address, board resolution authorizing their appointment, etc.

2.2 The status of service of the above-mentioned letters dated December 14, 2016 and the subsequent letter to RMMSL including replies received by SEBI are provided as under –

TABLE I				
	NAME	LETTER STATUS (RETURNED/ DELIVERED)	REMINDE R LETTER (IF ANY)	REPLY RECEIVED (IF ANY)
1.	RELIABLE MULTI MANAGERIAL SERVICES LIMITED	RETURNED UNDELIVERED WITH THE COMMENT “ADDRESSEE CANNOT BE LOCATED”. HOWEVER, REPLY RECEIVED VIDE LETTER DATED 28.12.2016 THROUGH SANJAY KARMAKAR	24.02.2017	RETURNED UNDELIVERED “ADDRESSEE CANNOT BE LOCATED”.
2.	PINTU DUTTA	DELIVERED. REPLY RECEIVED ON 28.12.2016	NOT APPLICABLE	
3.	RAJU ACHARJYA	DELIVERED. REPLY RECEIVED VIDE LETTER DATED 26.12.2016	NOT APPLICABLE	
4.	RAM PROSHAD RAHA	REPLY RECEIVED ON 28.12.2016	NOT APPLICABLE	
5.	GANESH CHANDRA SAHA	REPLY RECEIVED VIDE LETTER DATED 20.12.2016	NOT APPLICABLE	
6.	PIJUS KUMAR PATRA	REPLY RECEIVED VIDE LETTER DATED 23.12.2016.	NOT APPLICABLE	
7.	PIJUSH KANTI DEY	DELIVERED. REPLY RECEIVED VIDE LETTER DATED 27.12.2016.	NOT APPLICABLE	
8.	SANJAY KARMAKAR	DELIVERED. REPLIED ON BEHALF OF RMMSL VIDE LETTER DATED 28.12.2016	24.02.2017 10.03.2017	LETTER DATED 24.02.2017 DELIVERED. HOWEVER, NO REPLY RECEIVED. LETTER DATED 10.03.2017 NEITHER RETURNED UNDELIVERED NOR REPLY RECEIVED
9.	OM PRAKASH GUPTA	NEITHER RETURNED UNDELIVERED NOR REPLY RECEIVED	10.01.2017	NEITHER RETURNED UNDELIVERED NOR REPLY RECEIVED
10.	KANHAIYA SINGH KUSHWAHA	NEITHER RETURNED UNDELIVERED NOR REPLY RECEIVED	10.01.2017	RETURNED UNDELIVERED
11.	SANJAY ACHARYA	RETURNED UNDELIVERED WITH THE COMMENT “NOT KNOWN. INSUFFICIENT ADDRESS”. HOWEVER, REPLY RECEIVED VIDE LETTER DATED 27.12.2016.	NOT APPLICABLE	
12.	ARJUN MAJUMDAR	RETURNED UNDELIVERED WITH THE COMMENT “INSUFFICIENT ADDRESS”. HOWEVER, REPLY RECEIVED VIDE LETTER DATED 27.12.2016.	NOT APPLICABLE	
13.	ASHIM BOSU	RETURNED UNDELIVERED WITH THE COMMENT “LEFT”	NOT APPLICABLE	

2.3 Of the 13 entities to whom letters were issued by SEBI, replies were received from only 9 entities (all Directors). 8 of the aforementioned Directors i.e. entities at Serial nos. 2 to 7 and 11 to 12, stated that they had resigned from RMMSL. The remaining entity i.e. Sanjay Karmakar (Director of RMMSL), replied on behalf of the Company and informed SEBI that the Company is virtually closed and all its employees have left. He also requested for additional time of 30 days to reply to SEBI. Subsequent to expiry of the aforementioned period of 30 days, reminder letters were issued to RMMSL (dated February 24, 2017) and Sanjay Karmakar (dated February 24, 2017 and March 10, 2017). However, no reply has been received by SEBI to the aforementioned letters.

2.4 Thereafter, a physical verification of the Registered Office address of RMMSL i.e. Madhyamgram Doltola near Police Line, Kolkata, West Bengal-700132, India, was conducted by SEBI, by a site visit, on May 5, 2017. However, RMMSL could not be located at the aforesaid address.

2.5 Vide a separate letter dated September 13, 2017, SEBI sought the following information from the Debenture Trustee for the issue of *Secured Redeemable Non-Convertible Debentures* of RMMSL, viz. Ramavatar & Associates, Chartered Accountants (represented by its Proprietor, Ramavatar R Jhanwar) –

i. Details of allottees in the format given below (in hard copy as well as soft copy).

SR. NO.	DATE OF ALLOTMENT (DD/MM/YYYY)	FINANCIAL YEAR	NAME OF ALLOTTEE	ADDRESS OF ALLOTTEE/ CONTACT DETAILS	AMOUNT OF SHARES / DEBENTURES ALLOTTED (₹)
TOTAL					

2.6 An attempt was made to serve the letter dated September 13, 2017, to the Debenture Trustee, by way of hand delivery. However, the Debenture Trustee could not be found at that address.

3.1 During the intervening period, details pertaining to RMMSL were sought to be procured by SEBI from the Ministry of Corporate Affairs' website i.e. *MCA 21 Portal*. The following relevant information was taken note of –

- i. **DATE OF INCORPORATION:** January 13, 2010.
- ii. **TYPE OF COMPANY:** Public Limited Company.
- iii. **CORPORATE IDENTITY NUMBER (CIN):** U52390WB2010PLC140984.
- iv. **PAN:** AAECR5851P.
- v. **REGISTERED OFFICE ADDRESS:** Madhyamgram Doltola near Police Line, Kolkata, West Bengal–700132, India.
- vi. **DATE OF FILING OF LAST ANNUAL ACCOUNTS AND ANNUAL REPORTS –** March 31, 2013.
- vii. **TOTAL ISSUED CAPITAL OF THE COMPANY (AS ON 31.03.2013):**
 - a. Equity Shares: 50,000 Shares @ ₹10/– each.
 - b. Preference Shares: Nil.
- viii. **DETAILS OF RELEVANT BOARD MEETING:** NOT AVAILABLE.

3.2 From a perusal of the records available on *MCA21 Portal*, it was apparent that RMMSL issued and allotted *Secured Redeemable Non-Convertible Debentures* to raise a sum of ₹4,77,65,000. Details regarding the aforesaid as available on *MCA21 Portal* and other relevant material on record are reproduced as under –

A. DETAILS OF OUTSTANDING SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES [AS OBTAINED FROM THE DIRECTOR'S REPORT FOR THE YEAR END 31.03.2013] –

TABLE II – DETAILS OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES ISSUED			
FINANCIAL YEAR	AMOUNT OF DEBENTURES ISSUED [OF ₹1000 EACH]	NO. OF DEBENTURE HOLDERS	VALUE (₹)
2012–13	47,765	4055	4,77,65,000

B. DETAILS OF CHARGE CREATED [AS PER FORM 10] –

TABLE III – DETAILS OF CHARGE CREATED FOR ISSUE OF DEBENTURES		
1.	DATE OF CREATION	17.10.2011
2.	AMOUNT	₹25,00,00,000
3.	CHARGE CREATED AGAINST, DETAILS THEREOF	LANDED PROPERTY SITUATED AT NIKHARGACHI, P.O. GHETUGHACHUI, MOUZA NIKHARGACHI/TETULBERIA/KUGHACHI, P.S. CHAKDAH, DIST. NADIA, WEST BENGAL, PIN 747222 AS MENTIONED IN THE SCHEDULE OF MORTGAGE DEED AND SCHEDULE B OF DEBENTURE TRUST DEED HAVING AREA OF 1094.43 KOTTAHS VALUED FOR RS.25.00 CRORE BY APPROVED VALUER M/S. R. K. KAR & ASSOCIATES REGISTERED WITH HON'BLE HIGH COURT, KOLKATA AND APPROVED BY REGISTER OF ASSURANCES, KOLKATA.

C. DETAILS OF DEBENTURE TRUSTEE APPOINTED BY RMMSL [AS PER FORM 10] –

TABLE IV – DETAILS OF DEBENTURE TRUSTEE		
	NAME OF TRUSTEE	DATE OF APPOINTMENT
1.	RAMAVATAR & ASSOCIATES (REPRESENTED BY ITS PROPRIETOR RAMAVATAR R. JHANWAR)	30.09.2011

ISSUE FOR DETERMINATION –

- 3.3 The issue for determination in the instant matter whether the mobilization of funds by RMMSL through the *offer and allotment of Secured Redeemable Non-Convertible Debentures*, as detailed at paragraph 3.2, is in accordance with the provisions of the SEBI Act, 1992 (“**SEBI Act**”) and the Companies Act, 1956 (“**Companies Act**”)?

RELEVANT PROVISIONS OF LAW AND *PRIMA FACIE* FINDINGS –

- 3.4 Section 67 of the Companies Act deals with the conditions or circumstances under which an offer of shares/debentures by a company would be construed as one made to the public. Extracts of the relevant provisions of Section 67 of the Companies Act, dealing with offer of shares or debentures to the public, are reproduced as under:

“Construction of reference to offering shares or debentures to the public, etc.

67. (1) *Any reference in this Act or in the articles of a company to offering shares or debentures to the public shall, subject to any provision to the contrary contained in this Act and subject also to the provisions of sub-sections (3) and (4), be construed as including a reference to offering them to any section of the public, whether selected as members or debenture holders of the company concerned or as clients of the person issuing the prospectus or in any other manner.*

(2) *Any reference in this Act or in the articles of a company to invitations to the public to subscribe for shares or debentures shall, subject as aforesaid, be construed as including a reference to invitations to subscribe for them extended to any section of the public, whether selected as members or debenture holders of the company concerned or as clients of the person issuing the prospectus or in any other manner.*

(3) *No offer or invitation shall be treated as made to the public by virtue of sub-section (1) or sub-section (2), as the case may be, if the offer or invitation can properly be regarded, in all the circumstances- (a) as not being calculated to result, directly or indirectly, in the shares or debentures becoming available for subscription or purchase by persons other than those receiving the offer or invitation; or*

(b) otherwise as being a domestic concern of the persons making and receiving the offer or invitation. Provided that nothing contained in this sub-section shall apply in a case where the offer or invitation to subscribe for shares or debentures is made to fifty persons or more:

Provided further that nothing contained in the first proviso shall apply to non-banking financial companies or public financial institutions specified in section 4A of the Companies Act (1 of 1956)."

3.5 For ascertaining whether the *offer and allotment of Secured Redeemable Non-Convertible Debentures* by RMMSL will fall within the scope of Section 67 of the Companies Act, the number of persons to whom such offers were made by RMMSL is crucial. In terms of the *first proviso* to Section 67(3), *an offer of shares or debentures made to fifty persons or more would constitute an offer to the public*. Further, the Hon'ble Supreme Court of India in *Sabara India Real Estate Corporation Limited vs. SEBI (Civil Appeal no. 9813 and 9833 of 2011)* examined the scope of Section 67 of the Companies Act. At paragraph 86 of the judgment, the Hon'ble Supreme Court observed: "... *if an offer of securities is made to fifty or more persons, it would be deemed to be a public issue, even if it is of domestic concern or proved that the shares or debentures are not available for subscription or purchase by persons other than those received the offer or invitation.*"

3.6 In this context, the following is noted from the information obtained from the *MCA21 Portal* and other relevant material available on record –

A. ***Offer and allotment of Secured Redeemable Non-Convertible Debentures –***

- i. RMMSL offered and allotted *Secured Redeemable Non-Convertible Debentures* to 4055 persons during the Financial Year 2012–13. RMMSL mobilized approximately ₹4,77,65,000 through such issuances.
- ii. Therefore, on the basis of the aforesaid information, the *offer and allotment of Secured Redeemable Non-Convertible Debentures* by RMMSL *prima facie* qualifies to be construed as an offer made to the public in terms of Section 67(3) of the Companies Act.

3.7 It is also observed that RMMSL is not a Non-banking financial company or a public financial institution within the meaning of Section 4A of the Companies Act, and thus, is not covered under the exceptions provided in the *second proviso* to Section 67(3) of the Companies Act.

- 3.8 From the above, it will follow that such public issue makes it imperative for RMMSL to comply with the mandate of Section 73 of the Companies Act. Relevant extract of Section 73 of the Companies Act is reproduced as under:

“Allotment of shares and debentures to be dealt in on stock exchange.

73. (1) Every company intending to offer shares or debentures to the public for subscription by the issue of a prospectus shall, before such issue, make an application to one or more recognised stock exchanges for permission for the shares or debentures intending to be so offered to be dealt with in the stock exchange or each such stock exchange.

(1A)...

*(2) Where the permission has not been applied under subsection (1) or such permission having been applied for, has not been granted as aforesaid, the company shall forthwith repay without interest all moneys received from applicants in pursuance of the prospectus, and, if any such money is not repaid within eight days after the company becomes liable to repay it, **the company and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at such rate, not less than four per cent and not more than fifteen per cent, as may be prescribed, having regard to the length of the period of delay in making the repayment of such money (Emphasis supplied) ...”***

- 3.9 As the offer and allotment of Secured Redeemable Non-Convertible Debentures by RMMSL is *prima facie* a public issue in accordance with the provisions of the Companies Act, the same will attract the requirement for such shares/debentures to be dealt on a recognized stock exchange in terms of Section 73 of the Companies Act, as stated above. I find that RMMSL is *prima facie* in breach of the provisions of Section 73 as well.

- 3.10 Further, in connection with a public issue, Section 56 of the Companies Act mandates that the prospectus issued by a company shall state the matters specified thereunder and Section 60 of the Companies Act mandates registration of such prospectus with the ROC. I find that there is no evidence on record to indicate that RMMSL has complied with the provisions of Sections 56 and 60 of Companies Act, in respect of the offer and allotment of Secured Redeemable Non-Convertible Debentures by RMMSL. In view of the same, I find that RMMSL is *prima facie* in breach of the provisions of Sections 56 and 60 of the Companies

Act in connection with the aforesaid *offer and allotment of Secured Redeemable Non–Convertible Debentures*.

3.11 I note that a public issue of debentures requires compliance with the norms issued by SEBI. The relevant provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (“**ILDS Regulations**”) are listed as under:

- i. Regulation 4(2)(a) – *Application for listing of debt securities;*
- ii. Regulation 4(2)(b) – *In-principle approval for listing of debt securities;*
- iii. Regulation 4(2)(c) – *Credit rating has been obtained;*
- iv. Regulation 4(2)(d) – *Dematerialization of debt securities;*
- v. Regulation 4(4) – *Appointment of Debenture Trustees;*
- vi. Regulation 5(2)(b) – *Disclosure requirements in the Offer Document;*
- vii. Regulation 6 – *Filing of draft Offer Document;*
- viii. Regulation 7 – *Mode of disclosure of Offer Document;*
- ix. Regulation 8 – *Advertisements for Public Issues;*
- x. Regulation 9 – *Abridged Prospectus and application forms;*
- xi. Regulation 12 – *Minimum subscription;*
- xii. Regulation 14 – *Prohibition of mis-statements in the Offer Document;*
- xiii. Regulation 15 – *Trust Deed;*
- xiv. Regulation 16(1) – *Debenture Redemption Reserve;*
- xv. Regulation 17 – *Creation of security;*
- xvi. Regulation 19 – *Mandatory Listing;*
- xvii. Regulation 26 – *Obligations of the Issuer, etc.*

3.12 RMMSL appears to have not complied with the aforesaid provisions of the ILDS Regulations in the context of the *offer and allotment of Secured Redeemable Non–Convertible Debentures*. I therefore find RMMSL to be in *prima facie* breach of Regulations 4(2)(a)–(d), 4(4), 5(2)(b), 6–9, 12, 14, 15, 16(1), 17, 19 and 26 of the ILDS Regulations.

3.13 In the instant case, Form 10 records Ramavatar & Associates, Chartered Accountants (represented by its Proprietor, Ramavatar R Jhanwar) to be Debenture Trustees. Section 12(1) of the SEBI Act states that: “No... *trustee of trust deed ... shall buy, sell or deal in securities except under, and in accordance with, the conditions of a certificate of registration obtained from the Board*

in accordance with the Regulations made under this Act.” Regulation 7 of SEBI (Debt Trustees) Regulations, 1993 (“DT Regulations”), provides that: “no person should act as a debenture trustee unless he is either –

- i. a scheduled bank carrying on commercial activity; or
- ii. a public financial institution within the meaning of section 4A of the Companies Act, 1956; or
- iii. an insurance company; or
- iv. body corporate.”

3.14 Ramavatar & Associates, Chartered Accountants (represented by its Proprietor, Ramavatar R Jhanwar) is not registered in accordance with the mandate of Section 12(1) of the SEBI Act nor are they eligible to seek registration under the DT Regulations. In view of the above, I find Ramavatar & Associates, Chartered Accountants (represented by its Proprietor, Ramavatar R Jhanwar) to be *prima facie* in breach of Section 12(1) of the SEBI Act.

3.15 In terms of Section 73(2), the Company and every director who is an officer in default is jointly and severally liable for repayment of the money raised in breach of provisions of Section 73(1). Further, in terms of Section 62 of the Companies Act, every person who *inter alia* is a director of the company at the time of the issue of the prospectus and every person who is a Promoter of the company, are liable to pay compensation to every person who subscribes for any shares or debentures on the faith of the prospectus for any loss or damage he may have sustained by reason of any untrue statement included therein.

3.16 As per the information available on the *MCA21 Portal*, the details of the present and past Directors and Promoters of RMMSL, including the dates of appointment/cessation as Directors, are as under:

TABLE V							
	NAME	CAPACITY	DIN	PAN	RESIDENTIAL ADDRESS	DATE OF APPT.	DATE OF CESSATION
1.	SANJAY KARMAKAR	DIRECTOR AND PROMOTER	02819516	AMUPK1443K	38 2ND SUBHASNAGAR 2,KHARDAH, NORTH 24 PARGANAS, KOLKATA, 743179,W. B., INDIA	13.01.2010	-
2.	OM PRAKASH GUPTA	DIRECTOR	02991510	AWBPG1988J	21,HARA THANA NAO 180, POST OFFICE- JOGIYAR, ACHATARA, 825401, BIHAR,INDIA	01.11.2010	-

3.	KANHAIYA SINGH KUSHWAHA	DIRECTOR	03049285	AQVPK5541K	43 GAUSPUR, TEHSIL - SAKALADEECHA, DIST. CHANDAULI, VARANASI, 232107,UTTAR PRADESH, INDIA	01.11.2010	03.05.2013
4.	ARJUN MAJUMDAR	DIRECTOR	03198475	ALIPM6848H	2ND FLOOR FLAT 1,15 NILGUNJ RD PANIHATI, KOLKATA, 700114,W. B., INDIA	01.11.2010	10.01.2013
5.	PINTU DUTTA	DIRECTOR AND PROMOTER	02795345	AIMPD4441Q	BONGAON-BAGDA ROAD DAN DIK ABAN MURI GHATA, GOBRAPUR RASTER BAMDIK GANRAPOTA 24 PARGANAS (N) KOLKATA,743251,W. B., INDIA	01.11.2010	06.08.2012
6.	RAJU ACHARJYA	DIRECTOR AND PROMOTER	02795427	AJKPA9285C	ICHAPUR PURBASHA,P.O. NOWABGANJ DIST-24 PGS (N), KOLKATA,700125,W. B., INDIA	13.01.2010	10.01.2013
7.	ASHIM BOSU	DIRECTOR	06565255	AIPPB3421P	97 RABINDRA NAGAR, FLAT NO - 301 DUNLOP, KOLKATA, 700108,W. B., INDIA	03.05.2013	-
8.	GANESH CHANDRA SAHA	DIRECTOR AND PROMOTER	02801938	BHBPS2976Q	MATANGINI HAZRA RD, SUBHAS CHALK,P.O - AGARPARA, POSGHOLA, KOLKATA,700109,W. B., INDIA	01.11.2010	01.04.2011
9.	PIJUS KUMAR PATRA	DIRECTOR AND PROMOTER	02801972	AKEPP1290R	GHOLA, C BLOCK, LANE-18, P.O- SODEPUR, PLOT-R/12, 24PGS (N),KOLKATA, 700110,W. B., INDIA	13.01.2010	01.05.2011
10.	PIJUSH KANTI DEY	DIRECTOR AND PROMOTER	02801989	AIDPD8349L	5/323,MAHAJATI NAGAR, AGARPARA, KOLKATA, 700109,W. B., INDIA	01.11.2010	01.05.2011
11.	SUJIT KUMAR DAS	PROMOTER	-	AJMPD0349L	82/1/1 I R BELILIOUS LANE, HOWRAH, WARD NO-19, SADAR HOWRAH, KOLKATA- 711101, W. B., INDIA 15, DR. A. N PAL LANE, GROUND FLOOR, HOWRAH- 711201,	19.12.2009	-

					KOLKATA- 711101, W. B., INDIA		
12.	SANJAY ACHARYA	DIRECTOR	03176225	AFTPA3386B	P N MUKHERJEE ROAD,14 KHARDAHA, NORTH 24 PARGANAS, KOLKATA, 700116,W. B., INDIA	01.11.2010	01.04.2011
13.	RAM PROSHAD RAHA	DIRECTOR	02801899	N.A	BANGAON RODER DANDIK O MURIGHATA, GOBRAPUR RASTAR BGANRAPOTA, GOBRAPUR, BANGAON KOLKATA 743251, W. B., INDIA	01.11.2010	01.05.2011

3.17 I note that the persons at serial nos. 1–6 of Table V were the Directors during the period of money mobilization by RMMSL and hence are responsible for the *offer and allotment of Secured Redeemable Non–Convertible Debentures* in violation of the Public Issue requirements and are also liable for refund of money to the investors. The person at serial no. 7 of Table V was a Director of RMMSL post the mobilization period. The persons at serial nos. 8–11 of Table V are Promoters of RMMSL. Hence, they are liable for the alleged contraventions by RMMSL.

DIRECTIONS –

- 4.1 From the information obtained from *MCA21 Portal*, it can be reasonably inferred that the money mobilization on the part of RMMSL is potentially placing investors at risk by not following the requirements of law applicable to a public issue. In the light of the facts in the instant matter, I find this to be a fit case to pass interim directions against RMMSL and the abovenamed Directors/Promoters along with the Debenture Trustee.
- 4.2 In view of the foregoing, I, in exercise of the powers conferred upon me under Sections 11, 11(4) and 11B of the SEBI Act hereby issue, with immediate effect, the following directions, which shall remain in force until further orders:-
- i. RMMSL and its Directors/Promoters, viz. Pintu Dutta; Raju Acharjya; Sanjay Karmakar; Om Prakash Gupta; Kanhaiya Singh Kushwaha; Arjun Majumdar; Ashim Bosu; Ganesh Chandra Saha; Pijus Kumar Patra; Pijush Kanti Dey and Sujit Kumar Das, shall not access the securities market or buy, sell or otherwise deal in the

- securities market, either directly or indirectly, or associate themselves with any listed company or company intending to raise money from the public;
- ii. RMMSL and its Directors, viz. Pintu Dutta; Raju Acharjya; Sanjay Karmakar; Om Prakash Gupta; Kanhaiya Singh Kushwaha and Arjun Majumdar, shall neither dispose of, alienate or encumber any of its/their assets nor divert any funds raised from public through the *offer and allotment of Secured Redeemable Non-Convertible Debentures*;
 - iii. RMMSL and its Directors/Promoters, viz. Pintu Dutta; Raju Acharjya; Sanjay Karmakar; Om Prakash Gupta; Kanhaiya Singh Kushwaha; Arjun Majumdar; Ashim Bosu; Ganesh Chandra Saha; Pijus Kumar Patra; Pijush Kanti Dey and Sujit Kumar Das, shall co-operate with SEBI and shall furnish all information/documents in connection with the *offer and allotment of Secured Redeemable Non-Convertible Debentures* sought vide letters dated December 14, 2016.
 - iv. Ramavatar & Associates, Chartered Accountants (represented by its Proprietor, Ramavatar R Jhanwar) shall not henceforth act as Debenture Trustee in respect of debentures of RMMSL and shall not take up any new assignment or involve itself in any new issue of securities in a similar capacity.

4.3 The preliminary findings contained in paragraphs 3.6–3.17 of this Order are made on the basis of the information obtained from *MCA21 Portal* and other relevant material on record. RMMSL and all the abovenamed Directors/Promoters along with Ramavatar & Associates, Chartered Accountants (represented by its Proprietor, Ramavatar R Jhanwar) (Collectively referred to as “**Noticees**”) are hereby called upon to show cause as to why suitable directions/prohibitions under Sections 11, 11(4), and 11B of the SEBI Act should not be issued/imposed, including the following directions, viz. –

- i. RMMSL and its Directors, viz. Pintu Dutta; Raju Acharjya; Sanjay Karmakar; Om Prakash Gupta; Kanhaiya Singh Kushwaha and Arjun Majumdar, to jointly and severally refund the money collected through the *offer and allotment of Secured Redeemable Non-Convertible Debentures*, with an interest of 15% per annum (the interest being calculated from the date when the repayments became due in terms of Section 73(2) of the Companies Act till the date of actual payment) within a period of 180 days from the date of receipt of this Order, supported by a Certificate of two independent Chartered Accountants to the satisfaction of SEBI; and

- ii. The Noticees to be restrained/prohibited from accessing the securities market and buying, selling or otherwise dealing in securities in any manner whatsoever, directly or indirectly, for a period of four years from the date of effecting the refund as directed above.
- 4.4 The Noticees may, within 21 days from the date of receipt of this *Interim Order–cum–Show Cause Notice*, file their respective replies. RMMSL and the abovenamed Directors/Promoters are directed to furnish an inventory of their assets in their reply. In the event the Noticees intend to avail an opportunity of personal hearing, they may do so by seeking a confirmation in writing from SEBI for the same within 90 days from the date of receipt of this Order. In the event of the respective Noticees failing to file replies or requesting for an opportunity of personal hearing within the said 90 days, the preliminary findings at paragraphs 3.6–3.17 of this Order shall become final and absolute against the respective Noticees automatically, without any further orders. Consequently, the Noticees shall automatically be bound by the directions contained in paragraphs 4.2(i)–(ii) and 4.2(iv) till the expiry of a period of four years from the date of repayment to the satisfaction of SEBI.
- 4.5 In case of failure by the respective Noticees to comply with the aforesaid directions within a period of 180 days from the date of receipt of this Order, SEBI may initiate appropriate enforcement action under SEBI Act including Recovery proceedings, Adjudication or Prosecution in addition to making a suitable reference to State Government/Local Police.

4.6 Copy of this Order shall be forwarded to the recognized Stock Exchanges and Depositories for information and necessary action. A copy of this Order may also be forwarded to MCA/concerned RoC for their information and necessary action with respect to the directions imposed on RMMSL and the abovenamed Directors/Promoters along with Ramavatar & Associates, Chartered Accountants (represented by its Proprietor, Ramavatar R Jhanwar).

Place: Mumbai

Date: February 23, 2018

**G. MAHALINGAM
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA**