

## 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 –

Sr. No.	Noticees	DIN/CIN	PAN
	Company		
1.	BSP Infrastructure & Construction Limited (BICL)	U45400WB2010PLC144665	AAECB0693B
	Directors / Promoters / Debenture Trustee		
2.	Biplab Bose	1481865	AGNPB6167G
3.	Pradip Samaddar	1655419	AOYPS5605P
4.	Gopal Chandra Ghosh	2829894	ANRPG9975A
5.	Bidhan Ojha	3080191	AAHPO9249A
6.	Parimal Ghosh	3080226	AXIPG7875L
7.	Komaju Krishna Achary	3607822	AJDPA6333N
8.	Chitta Ranjan Das	6405459	ANTPD8408K
9.	Surendra Kumar Panigrahi	6806128	ALCPP3550B
10.	Ratikanta Mishra	6806131	AMTPM4654P
11.	Saiful Islam Khan	6806134	BCVPK6318M
12.	Sushanta Nandy	6806136	AGKPN7436P
13.	Amol Sardar	8095335	-
14.	Siddheshwar Mondal	8138731	-
15.	Tarun Kumar Saha	8138759	-
16.	Swapna Samaddar	-	ATIPS3261N
17.	Rekha Bose	-	AHRPB1485G
18.	Kajal Das	-	AGBPD0997J

19.	Asit Bose	-	AEAPB6961K
-----	-----------	---	------------

1. Securities and Exchange Board of India ("**SEBI**") received a reference dated September 09, 2017 from the Financial Markets Division (Primary Markets Division), Department of Economic Affairs, Ministry of Finance, Government of India, forwarding *inter alia* a complaint against M/s. BSP Infrastructure & Construction Limited ("**BICL**" / "the company") whereby the complainant had *inter alia* requested for investigation into fund mobilization from public by BICL and to take necessary measures for refund of money invested by the complainant in the company. In response to the same, SEBI vide letter dated November 08, 2017 sought various documents from the complainant. The complainant vide letter dated November 15, 2017 provided the documents to SEBI, including copies of 'Secured Redeemable Debentures' issued by the company to 48 persons during FYs 2010-11 to 2013-14.
  
2. As a matter of preliminary inquiry, SEBI through letters dated January 19, 2018 sought the following information from BICL and its then present and past directors, namely Biplob Bose, Pradip Samaddar, Gopal Chandra Ghosh, Bidhan Ojha, Parimal Ghosh, Komaju Krishna Achary, Chitta Ranjan Das, Surendra Kumar Panigrahi, Ratikanta Mishra, Saiful Islam Khan and Sushanta Nandy (Noticee nos. 1 to 12), –
  - 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. Number of application forms circulated inviting subscription for Shares/Debentures and number of applications received.

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

Sl. No.	Date of Allotment (dd/mm/yyyy)	Financial Year	Name of Allottee	Address of Allottee/ Contact details	Amount of Shares / Debentures allotted (Rs.)
Total:					

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

3. The abovementioned letters sent to the company and the Noticee nos. 2, 3, 5, 7 & 9 were delivered. The letters sent to Noticee nos. 4, 8, 10 & 11 returned undelivered while the delivery status of letters sent to Noticee nos. 6 & 12 is not known. In response to the same, Shri Parimal Ghosh (Noticee no. 6) vide letter received on February 02, 2018 *inter alia* submitted that he had resigned from the directorship of the company on June 16, 2013. He also submitted a copy of Form DIR-12, filed with RoC, in support of the same. The company vide letter dated January 25, 2018 requested for time till March 31, 2018 to submit the documents. Thereafter, the company vide letter dated February 12, 2018 *inter alia* submitted that it had issued 'Secured Redeemable Debentures' in compliance with all the relevant provisions of law. It also furnished certain information and documents pertaining to the company. Thereafter, SEBI issued letter dated February 13, 2018 to Pradip Samaddar (Noticee no. 3), a director of the company, seeking certain information and comments pertaining to debentures issued by it. Further, a letter dated March 15, 2018 was

issued to the company seeking information as mentioned in SEBI letter dated January 19, 2018. Thereafter, the company vide letter dated March 21, 2018 submitted inter alia the following:

- a) The company in its Annual Return dated September 29, 2016 has stated that the outstanding amount in respect of the Debentures as at the end of the year was Rs.4,09,42,321/-. These debentures had a nominal value of Re.1/- per unit. The number of debenture holders as on September 29, 2016 was 9,402 from whom the company had received a total amount of Rs.11,41,75,300/-. The number of debenture holders was erroneously recorded as 1 in the Annual Return dated September 29, 2016.
  - b) The company was in the process of compiling the data regarding each of the debenture holders for Rs.11,41,75,300/- and would provide the same to SEBI shortly.
  - c) The figure of 47 debenture holders for FYs 2010-11 to 2013-14 quoted by SEBI was not correct.
4. Vide the abovementioned letter, the company also submitted copies of MoA & AoA, Application Form for debentures, Minutes of the Board Meeting and Form-10 filed by the company with RoC.
  5. Upon noticing mismatch between the nominal value of debentures reported by the company in its letter dated May 21, 2018 and that reported in documents filed with the RoC, a letter dated April 03, 2018 was issued seeking clarification. The company vide letter dated May 15, 2018 submitted that the nominal value of the debentures was Rs.100/- which was incorrectly mentioned as Re.1/- in the said letter and that the debenture certificate itself mentions a face value of Rs.100/-. It further submitted that it was in the process of compiling data regarding 9,402 debenture holders in the prescribed format. It further provided a list of 651 debenture holders and undertook to submit the details of remaining debenture holders shortly.
  6. In the meantime, SEBI also sent letters dated February 14, 2018 to Shri Kanak Lall Seal (auditor of the company for FYs ended March 31, 2013 and March 31, 2015), Gora & Co. (auditor of the company for FY ended March 31, 2016), Santanu Bhattacharyya & Co. (auditor of the company for FY ended March 31, 2012) and C.K. De & Associates (auditor

of the company for FY ended March 31, 2014) seeking information about debentures issued by the company. Kanak Lall Seal vide his letter dated February 19, 2018 submitted *inter alia* that he had never been an auditor of the company and his name had been misused. C.K. De & Associates vide letter and email dated March 05, 2018 *inter alia* submitted that it was not the current auditor of the company. It further requested for additional 15 days to provide the information. However, no further response was received from it subsequently. Letter sent to Santanu Bhattacharyya & Co. could not be served as it was not found at its given address. Further, no response was received from Gora & Co.

7. Further, letters dated December 14, 2017; March 27, 2018; April 27, 2018; June 14, 2018 and June 20, 2018 were issued to RoC, Kolkata requesting for various documents pertaining to the company, including documents pertaining to issuance of debentures by the company. However, no response was received from there.
8. Information regarding BICL was also obtained from the Ministry of Corporate Affairs' website i.e. *MCA 21 Portal*. On examination of the information and documents obtained from MCA 21 Portal and other material available on record, including submissions made by the company, the following are observed regarding BICL–
  - i. **Date of Incorporation:** 30.03.2010.
  - ii. **Type of Company:** Public Limited Company
  - iii. **Corporate Identity Number (CIN):** U45400WB2010PLC144665
  - iv. **PAN:** AAECB0693B
  - v. **Registered Office Address:** C/o- Bidhan Ojha, West Kamarthuba, Habra, Parganas North, 743263, West Bengal, India.
  - vi. **Filing of Last Annual Accounts and Annual Returns till** – 31.03.2017.
  - vii. **Total Issued Capital of the Company(As on March 31, 2017):**
    - i. Equity Capital : 9,50,000 (9,500 Shares @ Rs. 10/- each)
    - ii. Preference Capital : NIL

viii. **Details of Debentures as per list of debenture holders attached with Annual Return dated 28.09.2017:**

**Details of Secured Redeemable Debentures Issued**

<b>Financial Year</b>	<b>No. of debentures issued (of Rs.100 each)</b>	<b>Amount of debentures (in Rs.)</b>	<b>No. of debenture holders</b>
2010-11	Not Available	Not Available	1126
2011-12	Not Available	Not Available	2772
2012-13	Not Available	Not Available	5500
2013-14	Not Available	Not Available	04
<b>Total</b>			<b>9402</b>

9. As per the company's Annual Return dated September 28, 2017 and the list of debenture holders attached thereto, filed with RoC, the total number of debenture holders of the company, as on March 31, 2017, stood at 9,402. The said Annual Return and the Balance Sheet of the company for financial year 2016-17 show that the company had a liability of Rs.3,79,42,321/- towards the said debentures, as on March 31, 2017. The financial year-wise break-up of the debenture holders, as provided in the above Table under para 8(viii), shows that the said debentures were issued during the financial years 2010-11 to 2013-14. However, there are various contradictions in the information contained in the filings made by the company with RoC and those submitted by the company vide letter dated March 21, 2018, which are as follows:

- a) While the company's Annual Return dated 28/09/2017 and its balance sheet for FY 2016-17 show that the company had an outstanding of Rs.4,09,42,321/- towards 9,682 debenture holders as on March 31, 2016 and an outstanding of Rs.3,79,42,321/- towards 9,402 debenture holders as on March 31, 2017, the company vide its letter dated March 21, 2018 has submitted that it has received a total amount of Rs.11,41,75,300/- from 9,402 debenture holders, as on 29.09.2016.
- b) While the Annual Returns of the company for various years (i.e. 2011-12, 2013-14, 2014-15 & 2015-16) show that the debentures issued by the company were 'Non-convertible Debentures', the Annual Return dated 28/09/2017 shows the debentures to be 'Fully Convertible Debentures'.

10. From the above, it is noted that the exact number of persons to whom the company had issued debentures or the exact amount mobilized by the company through issuance of debentures is not clear. Nevertheless, from the information provided in the above Table under para 8(viii), it is clearly evident that BICL has issued Secured Redeemable Debentures to more than 49 persons in F.Y. 2010-11, 2011-12 and 2012-13.
11. It is noted that the company vide letter dated August 30, 2018 has submitted that it has made repayment of principal amount to some customers on one time settlement basis and is in the process of completing the repayment of principal amount (OTS Basis) to all the debenture holders, as per their records. The company has also submitted a list containing names of 1,095 debenture holders against each of which distinct amounts are mentioned as 'Paid' and remarks are mentioned as 'Paid Through NEFT BDBL Bank'. The total amount shown to have been paid is 2,80,04,393/-. However, no other details were provided in the list. In the absence any further details, no credence can be given to such claims of the company.

#### **ISSUES FOR DETERMINATION**

12. In the context of the details of the offer and allotment of Secured Redeemable Debentures mentioned in the Table under paragraph 8(viii) above (hereinafter referred to as "*the offer and allotment of Secured Redeemable Debentures*"), the issue for determination in the instant matter is whether the mobilization of funds by BICL through the offer and allotment of Secured Redeemable Debentures, is in accordance with the provisions of the SEBI Act, 1992 and the Companies Act, 1956.

#### **RELEVANT PROVISIONS OF LAW AND PRIMA FACIE FINDINGS**

13. Section 67 of the Companies Act, 1956 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, 1956, 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, 1956 (1 of 1956).”*

14. For ascertaining whether the *offer and allotment of secured redeemable debentures* by BICL would fall within the scope of Section 67 of the Companies Act, 1956, the number of persons to whom offer was made by the Company 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. In this regard, it is observed from the submissions made by BICL and the documents obtained from MCA (i.e. List of debenture holders attached to the company’s Annual Return dated September 28, 2017 filed by with RoC) that BICL has



offered and allotted secured redeemable debentures to more than 49 persons during Financial Years 2010-11, 2011-12 & 2012-13. Therefore, on the basis of available information recorded above, the *offer and allotment of secured redeemable debentures* by BICL *prima facie* qualifies to be construed as an offer made to the public in terms of section 67(3) of the Companies Act, 1956. Further, it is observed that BICL is not a Non-banking financial company or public financial institution within the meaning of Section 4A of the Companies Act, 1956, and thus, is not covered under the exceptions provided in the *second proviso* to Section 67(3) of the Companies Act, 1956.

15. From the above, it will follow that such a public issue makes it imperative for BICL to comply with the mandate of Section 73 of the Companies Act. Relevant extract of Section 73 of the Companies Act, 1956 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 recognized 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)***

16. As the offer *and allotment of secured redeemable debentures* is, *prima facie*, a public issue in accordance with the provisions of the Companies Act, 1956, the same will attract the requirement for such shares to be dealt on a recognized stock exchange in terms of Section 73 of the Companies Act, 1956, as stated above. I find that BICL is *prima facie* in breach of the provisions of Section 73 as well.
  
17. Further, in connection with a public issue, Section 56 of the Companies Act, 1956 mandates that the prospectus issued by a company shall state the matters specified thereunder and Section 60 of the Companies Act, 1956 mandates registration of such prospectus with the ROC. I find that there is no evidence on record to indicate that BICL has complied with the provisions of Sections 56 and 60 of Companies Act, 1956, in respect of the *offer and allotment of secured redeemable debentures*. In view of the same, I find that BICL is *prima facie* in breach of the provisions of Sections 56 and 60 of the Companies Act, 1956 in connection with the subject offer and allotment of Secured Redeemable Debentures.
  
18. Further, BICL has *prima facie* also not complied with the following provisions of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (ILDS Regulations), in respect of the issuance of abovementioned Secured Redeemable Debentures:
  - (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 Trustee
  - (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.

19. In terms of Section 73(2) of the Companies Act, 1956, 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, 1956, 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. As per the information received from RoC, Kolkata, the details of the present and past directors / promoters of BICL, including the dates of appointment/cessation as directors, are as under:

Sl No	Name of the director/ promoter	Designation	Date of appointment	Date of cessation
1	Biplab Bose	Director & Promoter	30.03.2010	05.08.2010
2	Pradip Samaddar	Director & Promoter	30.03.2010	-
3	Gopal Chandra Ghosh.	Director & Promoter	30.03.2010	05.08.2010
4	Bidhan Ojha	Director	01.06.2010	-
5	Parimal Ghosh	Director	01.06.2010	16.06.2013
6	Komaju Krishna Achary	Director	05.12.2012	16.06.2013
7	Chitta Ranjan Das	Director	14.02.2013	16.06.2013
8	Surendra Kumar Panigrahi	Director	05.12.2012	16.06.2013
9	Ratikanta Mishra	Director	14.02.2013	16.06.2013
10	Saiful Islam Khan	Director	14.02.2013	21.05.2018
11	Sushanta Nandy	Director	05.12.2012	20.08.2014

12	Amol Sardar	Director	24.03.2018	-
13	Siddheshwar Mondal	Director	21.05.2018	-
14	Tarun Kumar Saha	Director	21.05.2018	-
15	Swapna Samaddar	Promoter	19.03.2010	-
16	Rekha Bose	Promoter	19.03.2010	-
17	Kajal Das	Promoter	19.03.2010	-
18	Asit Bose	Promoter	19.03.2010	-

20. I note that the persons at serial nos. 1 to 11 in the above Table under para 19 have been directors of the company during the period of money mobilization through *offer and allotment of Secured Redeemable Debentures* and hence are responsible for contravention of the of the abovementioned Public Issue requirements and are also liable for refund of money to the investors. The persons at sl. no. 12 to 14 in the above Table under para 19 have become directors of the company post the money mobilization and the persons mentioned at sl. nos. 15 to 18 in the above Table under para 19 are the promoters of BICL, and hence, are liable for the alleged contraventions by BICL.
21. Further, it is noted from the Debenture Trust Deed dated June 29, 2011 attached with the Form-10 dated 21/10/2011 filed by the company with RoC that the company had set up a Debenture Trust, namely BSP Debenture Trust, in respect of debentures for a sum of Rs.5 Crores proposed to be issued by the company, and that Shri Sushanta Nandy (Noticee no. 12), who was also a director of the company, is the Debenture Trustee for the said Debenture Trust.
22. Section 12(1) of the SEBI Act, 1992 provides 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.*” Further, Regulation 7 of the SEBI (Debenture Trustee) Regulations, 1993 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"*

23. It is noted that Shri Sushanta Nandy (Noticee no. 12) has acted as a debenture trustee without having any certificate of registration from SEBI. Further, from the abovementioned provisions of regulation 7 of the SEBI (Debenture Trustee) Regulations, 1993, it is clear that he is not even eligible to apply for a certificate of registration as a debenture trustee. Thus, Shri Sushanta Nandy (Noticee no. 12), by acting as a debenture trustee of BSP Debenture Trust, has *prima facie* violated Section 12(1) of the SEBI Act, 1992 and Regulation 7 of the SEBI (Debenture Trustee) Regulations, 1993.

#### **DIRECTIONS**

24. From the information submitted by the company and that obtained from MCA portal, it can be reasonably inferred that the money mobilization on the part of BICL 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 BICL and the above named promoters / directors and debenture trustee. 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, 1992 hereby issue, with immediate effect, the following directions, which shall remain in force until further orders:-

- i. BICL and its above named directors / promoters and debenture trustee (i.e. Noticee nos. 1 to 19), viz. Biplab Bose, Pradip Samaddar, Gopal Chandra Ghosh, Bidhan Ojha, Parimal Ghosh, Komaju Krishna Achary, Chitta Ranjan Das, Surendra Kumar Panigrahi, Ratikanta Mishra, Saiful Islam Khan, Sushanta Nandy, Amol Sardar, Siddheshwar Mondal, Tarun Kumar Saha, Swapna Samaddar, Rekha Bose, Kajal Das and Asit Bose, 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. BICL and its directors, viz. Biplab Bose, Pradip Samaddar, Gopal Chandra Ghosh, Bidhan Ojha, Parimal Ghosh, Komaju Krishna Achary, Chitta Ranjan Das, Surendra Kumar Panigrahi, Ratikanta Mishra, Saiful Islam Khan and Sushanta Nandy (i.e. Noticee nos. 1 to 12), 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 Debentures*;
  - iii. BICL and the above named directors / promoters, viz. Biplab Bose, Pradip Samaddar, Gopal Chandra Ghosh, Bidhan Ojha, Parimal Ghosh, Komaju Krishna Achary, Chitta Ranjan Das, Surendra Kumar Panigrahi, Ratikanta Mishra, Saiful Islam Khan, Sushanta Nandy, Amol Sardar, Siddheshwar Mondal, Tarun Kumar Saha, Swapna Samaddar, Rekha Bose, Kajal Das and Asit Bose (i.e. Noticee nos. 1 to 19), shall co-operate with SEBI and shall furnish all information/documents in connection with the *offer and allotment of Secured Redeemable Debentures* sought vide letters dated January 19, 2018.
  - iv. Sushanta Nandy (Noticee no. 12), the trustee of BSP Debenture Trust, shall not henceforth act as Debenture Trustee in respect of debentures of BICL and shall not take up any new assignment or involve himself in any new issue of securities in a similar capacity.
25. The preliminary findings contained in paragraphs 14, 16, 17, 18, 20 & 23 of this Order are made on the basis of the information submitted by the company and also from that obtained from MCA portal. BICL and the above named promoters / directors and debenture trustee 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, namely:-
- i. BICL and its directors, viz. Biplab Bose, Pradip Samaddar, Gopal Chandra Ghosh, Bidhan Ojha, Parimal Ghosh, Komaju Krishna Achary, Chitta Ranjan Das, Surendra Kumar Panigrahi, Ratikanta Mishra, Saiful Islam Khan and Sushanta Nandy (i.e. the

Noticee nos. 1 to 12), to jointly and severally refund the money collected through the *offer and allotment of Secured Redeemable 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, 1956 till the date of actual payment), supported by a certificate of two independent Chartered Accountants to the satisfaction of SEBI (to be submitted to SEBI within 7 days of completion of the refund); and

- ii. BICL and its above named directors / promoters and debenture trustee, viz. Biplab Bose, Pradip Samaddar, Gopal Chandra Ghosh, Bidhan Ojha, Parimal Ghosh, Komaju Krishna Achary, Chitta Ranjan Das, Surendra Kumar Panigrahi, Ratikanta Mishra, Saiful Islam Khan, Sushanta Nandy, Amol Sardar, Siddheshwar Mondal, Tarun Kumar Saha, Swapna Samaddar, Rekha Bose, Kajal Das and Asit Bose (i.e. the Noticee nos. 1 to 19), 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.
26. The Noticees may, within 21 days from the date of receipt of this interim order -cum-show cause notice, file their respective replies. BICL and its directors (i.e. Noticee nos. 1 to 12) 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 Noticees failing to file replies or requesting for an opportunity of personal hearing within the said 90 days, the preliminary findings at paras 14, 16, 17, 18, 20 & 23 of this Order shall become final and absolute against the respective Noticees automatically, without any further orders. Consequently, the respective Noticees shall automatically be bound by the directions contained in paras 24 and 25, as applicable.
27. The Noticee nos. 1 to 12 shall comply with the directions at para 25(i) above within a period of 90 days from the date of this Order becoming final, failing which SEBI may

initiate appropriate enforcement action under SEBI Act, 1992 including Recovery, Adjudication or Prosecution in addition to making a suitable reference to State Government / Local Police.

28. This Order is without prejudice to any other action that SEBI may initiate under securities laws, as deemed appropriate.
29. 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 the company and its directors and promoters.

**Place: Mumbai**

**Date: September 12, 2018**

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