



Metropolitan Stock Exchange of India Limited

Department: Investigation

Segment: All

Circular No: MSE/ID/5767/2017

Date : November 16, 2017

SEBI order in the matter of Falcon Infra Projects Limited (FIPL) and its directors

To All Members,

This is with reference to Exchange circular no. MSEI/ID/4806/2016 dated December 27, 2016, regarding SEBI order no: WTM/SR/SEBI-ERO/IMD/67/12/2016 dated December 22, 2016, in the matter of Falcon Infra Projects Limited and its directors.

SEBI now vide order no. WTM/MPB/EFD-1-DRA-IV/87 /2017 dated November 15, 2017 has issued the following directions:-

- a. FIPL (PAN: AABCF3789K), Shri Babar Ali (PAN: AKVPA7135K; DIN: 02283711), Shri Abdul Alim (DIN: 00674645) , Smt. Tanjuara Begum (DIN: 01837137) and Smt. Sonia Parvin Alim (PAN: AHJPA9471D; DIN: 02406140) shall forthwith refund the money collected by the Company, during their respective period of directorship through the issuance of RPS including the application money collected from investors during their respective period of directorship, till date, pending allotment of securities, if any, with an interest of 15% per annum, from the eighth day of collection of funds, to the investors till the date of actual payment.
- b. If FIPL had repaid the Preference Shareholders as submitted in its reply, as per section 73(2) of the Companies Act, along with promised returns, the above directions and the below mentioned consequential directions from paragraphs (c) to (j), shall be applicable for the amounts still due to be returned to the investors. However, such prior repayments should have been made by the Company as per the requirement laid down in paragraph (c) below or via banking channels with clear identification of the beneficiaries, and the same shall be certified by Chartered Accountants, as directed in paragraph (i) below.
- c. The repayments and interest payments to investors shall be effected only through Bank Demand Draft or Pay order both of which should be crossed as "Non-Transferable".
- d. Shri Babar Ali is directed to provide a full inventory of all his assets and properties and details of all his bank accounts, demat accounts and holdings of mutual funds/shares/securities, if held in physical form and demat form.
- e. FIPL and Shri Abdul Alim, Smt. Tanjuara Begum and Smt. Sonia Parvin Alim are directed to provide a full inventory of all the assets and properties and details of all the bank accounts, demat accounts and holdings of mutual funds/shares/securities, if held in physical form and demat form, of the company and their own.
- f. FIPL, Shri Abdul Alim, Smt. Tanjuara Begum and Smt. Sonia Parvin Alim are permitted to sell the assets of the Company for the sole purpose of making the refunds as directed above and deposit the proceeds in an Escrow Account opened with a nationalized Bank. Such proceeds shall be utilized for the sole purpose of making refund/repayment to the investors till the full refund/repayment as directed above is made.
- g. FIPL, Shri Babar Ali, Shri Abdul Alim, Smt. Tanjuara Begum and Smt. Sonia Parvin Alim are prevented from selling their assets, properties and holding of mutual funds/shares/securities held by them in

demat and physical form except for the sole purpose of making the refunds as directed above and deposit the proceeds in an Escrow Account opened with a nationalized Bank. Such proceeds shall be utilized for the sole purpose of making refund/repayment to the investors till the full refund/repayment as directed above is made.

- h. FIPL, Shri Babar Ali, Shri Abdul Alim, Smt. Tanjuara Begum and Smt.Sonia Parvin Alim in their personal capacity to make refund, shall issue 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 contact persons such as names, addresses and contact details, within 15 days of this order coming into effect.
- i. After completing the aforesaid repayments, FIPL, Shri Babar Ali, Shri Abdul Alim, Smt.Tanjuara Begum and Smt.Sonia Parvin Alim in their personal capacity shall file a report of such completion with SEBI, within a period of three months from the date of this order, certified by two independent peer reviewed Chartered Accountants who are in the panel of any public authority or public institution. For the purpose of this order, a peer reviewed Chartered Accountant shall mean a Chartered Accountant, who has been categorized so by the Institute of Chartered Accountants of India ("ICAI")
- j. In case of failure of FIPL, Shri Babar Ali, Shri Abdul Alim, Smt.Tanjuara Begum and Smt.Sonia Parvin Alim to comply with the aforesaid applicable directions, SEBI, on the expiry of three months period from the date of this order:
 - i. may recover such amounts, from the company and the directors liable to refund as specified in paragraph (a) of this order, in accordance with section 28A of the SEBI Act including such other provisions contained in securities laws.
 - ii. may initiate appropriate action against the Company, its promoters/directors and the persons/officers who are in default, including adjudication proceedings against them, in accordance with law.
 - iii. would make a reference to the State Government/ Local Police to register a civil/ criminal case against the Company, its promoters, directors and its managers/ persons in-charge of the business and its schemes, for offences of fraud, cheating, criminal breach of trust and misappropriation of public funds;
- k. FIPL, Shri Babar Ali, Shri Abdul Alim, Smt.Tanjuara Begum and Smt.Sonia Parvin Alim are directed not to, directly or indirectly, access the securities market, by issuing prospectus, offer document or advertisement soliciting money from the public and are further restrained and prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in whatsoever manner, from the date of this order, till the expiry of 4 (four) years from the date of completion of refunds to investors as directed above. The above said directors are also restrained from associating themselves with any listed public company and any public company which intends to raise money from the public, or any intermediary registered with SEBI from the date of this order till the expiry of 4 (four) years from the date of completion of refunds to investors.

The above directions shall come 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**

Prachi Lendhe
Sr. Manager