

WTM/AB/IMD/CIS/11999/2021-22

**SECURITIES AND EXCHANGE BOARD OF INDIA
ORDER**

Under Sections 11 and 11B of the Securities and Exchange Board of India Act, 1992 read with Regulation 65 of the SEBI (Collective Investment Schemes) Regulations, 1999 – In respect of and in the matter of Osian's- Connoisseurs of Art Private Limited.

1. The present proceedings are pursuant to order dated October 13, 2015 passed by the Hon'ble Securities Appellate Tribunal, Mumbai (hereinafter referred to as "**Hon'ble SAT**") in Appeal No. 62 of 2013 filed by Osian's- Connoisseurs of Art Private Limited (hereinafter also referred to as "**Noticee**" / "**Osian**") against the final order dated April 15, 2013 passed by Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") against Noticee, whereby Hon'ble SAT directed as under:

"36. In these circumstances, while upholding the impugned order of SEBI to the extent it holds that the scheme operated by the appellant during the period from 2006 to 2010 constituted CIS, we set aside the directions contained in the impugned order to the extent it directs the appellant to refund the monies collected by it under the said scheme but remaining unpaid to all the investors and also set aside the direction given by SEBI to the appellant to pay profits/income due to the investors or pay interest at the rate of 10% per annum from the date of investment till the date of refund, whichever is higher and direct SEBI to decide those issues afresh after affording an opportunity of hearing to the appellant and the respondent no. 2.

37. Appeal is partly allowed in the aforesaid terms with no order as to costs."

2. Before, dealing with the present proceedings on merits, it would be appropriate to understand the background, in which Appeal No. 62 of 2013, wherein order dated October 13, 2015 was passed by the Hon'ble SAT, was filed by Osian, which is narrated in brief hereunder:

- (i) Upon examining certain media reports and newspaper articles regarding the mobilization of funds from investors under the scheme of 'art fund', it was observed that one Osian had solicited investments in the 'art fund', and thus, SEBI started its examination of the matter.
- (ii) On examination of the scheme of Osian, it was *prima facie* observed that the character of 'art fund' is similar to that of a 'collective investment scheme' (hereinafter referred to as “**CIS**”) as defined under Section 11AA of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”). It was found that Osian was carrying out such activities without obtaining a certificate of registration in accordance with the SEBI (Collective Investment Schemes) Regulations, 1999 (hereinafter referred to as “**CIS Regulations**”).
- (iii) Accordingly, a show cause notice dated June 18, 2007 (hereinafter referred to as “**SCN**”) was issued to Osian advising it to show cause as to why it should not register with SEBI as a Collective Investment Management Company and why appropriate directions under Sections 11 and 11B of the SEBI Act should not be issued against it for the alleged violations of the provisions of Section 12(1B) read with Regulation 3 of the CIS Regulations, in case of failure to do so. Subsequently, an Order dated April 15, 2013 was passed against Osian, and the following directions were issued against it:

“(a) Osian's-Connoisseurs of Art Private Limited is directed to wind up its existing 'collective investment scheme' and refund the monies, collected by it under its scheme but remaining unpaid, to all the investors. In addition, it shall also pay the amount of profits/income earned, if any, that is due to the investors as per the terms of its offer or pay interest at the rate of 10% per annum from the date of investment till the date of refund, whichever is higher;

(b) Osian's-Connoisseurs of Art Private Limited is further directed to comply with directions in clause (a) above within a period of three months from the date of this order

and submit a winding up and repayment report to SEBI in accordance with the CIS regulations failing which the following actions shall follow:

- i. SEBI would initiate prosecution proceedings under section 24 and adjudication proceedings under Chapter VI of the SEBI Act, against Osian's-Connoisseurs of Art Private Limited and its promoters;*
- ii. A reference would be made to the State Government/ local police to register a civil/criminal case against Osian's-Connoisseurs of Art Private Limited and its promoters, directors and its managers/ persons in charge of the business of its scheme(s) for possible offences of fraud, cheating, criminal breach of trust and misappropriation of public funds; and*
- iii. A reference would be made to the Ministry of Corporate Affairs, to initiate the process of winding up of Osian's-Connoisseurs of Art Private Limited;*

(c) Osian's-Connoisseurs of Art Private Limited is directed not to access the capital market and is further restrained and prohibited from buying, selling or otherwise dealing in the securities market till its collective investment scheme/s is/are wound up and all the monies mobilized through them are refunded to the investors."

- (iv) Aggrieved by the aforesaid order dated April 15, 2013 passed by SEBI, Osian preferred an Appeal No. 62 of 2013 before Hon'ble SAT which was disposed of the Hon'ble SAT vide its order dated October 13, 2015 with the directions as quoted in paragraph 1 above, of this order.
- (v) Impugning the order dated October 13, 2015 passed by Hon'ble SAT in Appeal No. 62 of 2013, Osian filed a **Civil Appeal No. 54 of 2016 – Osian Connoisseurs of Art Pvt. Ltd. Vs, SEBI & Anr.** before Hon'ble Supreme Court of India. The said Civil Appeal was disposed of, at notice stage, by the Hon'ble Supreme Court vide its order dated January 15, 2016 directing that the appellant therein is entitled to raise all contentions before SEBI. Thereafter, SEBI filed an Interlocutory Application No. 2 of 2016 (IA) in the aforesaid disposed of Civil Appeal, praying for recall of order dated January 15, 2016 passed by the Hon'ble Supreme Court in Civil Appeal No. 54 of 2016. Hon'ble Supreme Court vide its order dated November 17, 2016 allowed the IA filed by

SEBI, recalled its order dated January 15, 2016 and restored the Civil Appeal No. 54 of 2016 to its original number.

- (vi) Thereafter, vide order dated February 12, 2020, Civil Appeal No. 54 of 2016 was allowed to be withdrawn by the Hon'ble Supreme Court as per the prayer made by the Appellant i.e. Osian, therein and therefore, the order dated October 13, 2015 passed by the Hon'ble SAT in the present matter is final.

3. In terms of aforesaid directions of Hon'ble SAT, the limited scope of these proceedings is to decide the direction of refund, of the monies collected by Osian under its unregistered collective investment schemes, to be issued to Osian and the amount of interest to be directed alongwith such refund.
4. In terms of order dated October 13, 2015 passed by Hon'ble SAT and order dated February 12, 2020 of the Hon'ble Supreme Court, the matter was placed before me on August 05, 2020, for passing fresh order in terms of refunding the monies collected by Osian to all the investors, after affording an opportunity of hearing to Osian and Mr. A. K. Muthuswamy (respondent no. 2 in Appeal no. 62 of 2013 before the Hon'ble SAT).
5. In compliance with the directions of the Hon'ble SAT and principles of natural justice, an opportunity of personal hearing was granted to Osian and Mr. A. K. Muthuswamy on September 28, 2020. However, vide letter dated August 24, 2020, Osian sought adjournment for the hearing scheduled on September 28, 2020. Further, Mr. A. K. Muthuswamy did not respond to the hearing notice. Accordingly, another opportunity of personal hearing was granted to Osian and Mr. A. K. Muthuswamy on December 04, 2020. Then Mr. A. K. Muthuswamy vide letter dated November 27, 2020 filed his submissions on December 01, 2020. On December 04, 2020, the representative of Mr. A. K. Muthuswamy appeared via video conference and made submissions. Mr. Neville Tuli, Chief Advisor of Osian also appeared before me on December 04, 2020 and after making brief submissions, sought for an adjournment. Accordingly, another

opportunity of personal hearing was granted to Osian on January 29, 2021. On January 29, 2021, Osian filed an email seeking adjournment on medical grounds of its Chief Advisor, Mr. Neville Tuli. A final opportunity for personal hearing was granted to Osian on February 25, 2021. On February 25, 2021, its Chief Advisor, Mr. Neville Tuli appeared before me and made submissions. Upon seeking time to file written submissions, Osian was granted time to file its submissions by March 25, 2021. Thereafter, Osian vide email dated April 12, 2021, filed its written submissions.

6. In its letter dated April 12, 2021, Osian has *inter alia* submitted the following:

a. Final Settlement proposal to SEBI from Osian:

Sr. No		INR	Notes
1	Net Amount Raised	1,02,40,00,000	
2	Net Amount due on realized NAV as on March 31, 2010	31,76,95,400	Refer to Audit Report
3	Net Amount due on Actual realized NAV as on July 10, 2010	59,65,82,400	NAV = 58.26
4	Net Amount due on declared NAV as on July 10, 2009	1,14,40,12,800	NAV = 111.72
5	Actual payments made to Unit holders	71,53,37,168	Refer to Investors payment Report

- b. The settlement proposal is to try and ensure that all Unit Holders receive at least the actual realized NAV of 58.26 as on July 10, 2010.
- c. Art Assets expected to be available for monetization for settlement and its estimated present value:

Sr. No.	Art Assets expected to be available for monetization for settlement	INR	Estimated PV of Inventories in lieu of Art Fund Dues
1	Inventories	6,47,26,361	3,23,63,181
2	Sundry Debtors less provision for bad and doubtful debts	8,03,71,938	6,83,16,147
3	Estimated recovery from bad and doubtful debts	3,00,00,000	3,00,00,000
	Total	17,50,98,299	13,06,79,328

- d. We will require a minimum of 6 months and a maximum of 8 months to offer the art assets to the remaining unit-holders who have received less than 58.26 NAV on their investment.
- e. Additionally once all unit-holders have been approached, all the assets which remain will be sold at whatever price realized and the amount will be pro-rata distributed to the unit-holders so that all receive a minimum of 58.26 and the payment of any accepted statutory dues.
- f. The process will be completed by December 1, 2021.
- g. Thus in the end a total payout of Rs. 83,67,17,435/- will be made. This represents nearly 82% of Capital received by the Osian's Art Fund.
- h. Regarding the auditors Report, we would like to make the following points:
 - i. Point 5 – Auditors remark on sundry debtors: Although we have made provision for bad and doubtful debts against the debtors, however, we have also been pursuing them and are hopeful that a substantial part of the same may be realized in the time period requested.
 - ii. Point 6 – Auditors remark on Debtors & Advances: With the ongoing COVID-19 pandemic, it is very difficult to reach out to each one of the unit-holders to obtain their direct new confirmations, which would have otherwise not been an issue in the normal circumstances.

- iii. Point 7 – Auditors remark on physical verification of inventory: With limited manpower, limited access to resources, data and documents during COVID-19 for more than a year now, we have not been able to consult, coordinate and connect with our warehouses efficiently which were located in a pandemic red zone since March 2020 and as such physical verification (during the last three months) could not be fully carried by the external auditors though it was completed by the internal management teams.
 - i. Submitted audited accounts of Osian's Art Fund along with Audit Report, Notes and Schedules for the period ended 31st March 2021 and the Balance Sheet as at 31st March 2021 as certified by Pushp K Sahu & Co., Chartered Accountants, Mumbai.
7. Upon perusal of the Auditors report dated April 09, 2021 of Pushp K. Sahu & Co., Chartered Accountants, Mumbai (Membership No. 112502) submitted by Osian vide their letter dated April 12, 2021, I note that the report has *inter alia* stated the following:

"4. In the absence of regulated active market, inventory of Rs. 6,47,26,361/- carried in the Balance Sheet at estimated net realizable value in the view of position state in Note I(1) on Schedule 4., has been estimated on the basis of management's expectation thereof. We have placed reliance on such valuation without any verification.

5. We are unable to form an opinion on the recoverability of Sundry Debtors of Rs. 14,65,53,813/- as at 31 March 2021. Provision has been made for Rs. 6,61,81,875/- out of total debt Rs. Rs. 14,65,53,813/-.

6. Debtors and payment to OAF Unitholders are subject to confirmation.

7. There was limitation of scope on the audit to be carried out by us since we could not verify physically the inventory as at 31 March 2021.

8. Considering the overall significance of the matters stated in the paragraphs 5 to 7 above, we are unable to form an opinion as to whether or not the Balance Sheet gives a true and fair view of the state of affairs of the Scheme as at 31 March 2021, in conformity with the accounting principles generally accepted in India."

8. From the submissions made by Osian to the SCN, the SEBI Order dated April 15, 2013, the Order dated October 13, 2015 passed by the Hon'ble SAT and the material available on record, I note that Osian had circulated an information memorandum inviting subscription/investments in its 'Scheme – Contemporary-1' from investors, with the objective to generate significant medium and long term income and capital growth from portfolio of investment and management in the contemporary fine arts and had issued unit certificates to the investors in this regard. I note that Osian had raised Rs. 1,02,40,00,000/- from 656 investors. I note that with regard to repayment to the investors, it was held in the Order dated October 13, 2015 passed by the Hon'ble SAT, as under:

"31. Thereafter, the Art Fund declared the final NAV of Rs. 111.72 (cum-income) per unit on 24.03.2010. Based on the said NAV of Rs. 111.72 (cum-income) per unit, the total amount payable to the investors comes to Rs. 114,40,12,800/-. It is the case of the appellant that on sale of art works the amount received is Rs. 53,26,00,000/-, whereas the Art Fund has paid Rs. 70,76,91,971/- to the investors as of 30.06.2013 and the outstanding amount as of 30.06.2013 is Rs. 43,63,20,829/-. It is the case of the appellant that 16.72% of the total investors have been paid entire amount payable as per the final NAV, 36% of the total investors have been repaid more than 50% of the total amount payable and the balance 47% of the total investors have been repaid less than 50% of the total amount payable."

9. From the above, I note that it was submitted before the Hon'ble SAT that the Art Fund has paid Rs. 70,76,91,971/- to the investors as of June 30, 2013 and the outstanding amount as of June 30, 2013 is Rs. 43,63,20,829/-, as per the declared final NAV of Rs. 111.72. I note that Osian has now vide its letter dated April 12, 2021, stated that the actual payments made to the unit holders till date is Rs. 71,53,37,168/- and that the actual realized NAV as on July 10, 2010 is Rs. 58.26. Further, Osian vide its letter dated April 12, 2021 has made a settlement proposal to try and ensure that all Unit Holders receive at least the actual realized NAV of 58.26 as on July 10, 2010, for which an amount of Rs. 12,13,80,267/- shall be distributed to the unit holders. Osian has submitted that the process will be completed latest by December 15, 2021 and in

the end a total payout of Rs. 83,67,17,435/- will be made, which represents nearly 82% of the capital received by the Osians Art Fund.

10. I note that vide SEBI Order dated April 15, 2013, Osian has been held to be operating a collective investment scheme without obtaining certificate under the CIS Regulations, in contravention of Regulation 3 of the CIS Regulations and Section 12(1B) read with Section 11AA of the SEBI Act. The same has been upheld by the Hon'ble SAT in its Order dated October 13, 2015. With regard to the aforesaid settlement proposal, I find that Osian's submission that the actual realized NAV as on July 10, 2010 is Rs. 58.26, and they will try and ensure that all Unit Holders receive at least the actual realized NAV of 58.26 as on July 10, 2010, for which an amount of Rs. 12,13,80,267/- shall be distributed to the unit holders, is untenable, as the final NAV of Rs. 111.72 was declared by Osian on March 23, 2010 on the basis of which Osian has paid Rs. 70,76,91,971/- to some of the investors as of June 30, 2013 and the outstanding amount as of June 30, 2013 is Rs. 43,63,20,829/-. The NAV calculated by the Noticee and basing the directions of refund on the basis of such NAV may not be appropriate now when the scheme of the Noticee have been found to be in violation of the provisions of SEBI Act and CIS Regulations in the order dated April 15, 2013 passed by SEBI.

11. I find that Osian has raised Rs. 1,02,40,00,000/- from 656 investors in contravention of the Securities Laws and an amount of Rs. 30,86,62,832/- is yet to be refunded to investors. I note that in **Civil Appeal No. 19936 of 2017 - Pravin Gandhi Vs. SEBI** relating to schemes of Yatra Art Fund Pvt. Ltd. (hereinafter referred to as "**Yatra matter**"), Hon'ble Supreme Court dealt with a case of Art Fund wherein SEBI vide its order dated November 06, 2015 had directed Yatra Art Fund to refund the entire monies collected by it under its scheme to all the investors along with the returns at the rate of 10% per annum and an appeal against the said SEBI order was disposed of by the Hon'ble SAT in terms of order passed by it in the Osian matter (Supra). In its judgment and order dated February 12, 2020, passed in Yatra matter, Hon'ble Supreme Court held as under:

“..... However, we find that this litigation has been going on for an extremely long period of time and instead of remanding the matter to SEBI to decide the refund issue afresh, we order as follows:

The principal amount repayable to each investor of both the Schemes shall be paid back within a period of six months from today in the following manner:

We are informed that so far as the first Fund is concerned, 81.32 per cent of the total principal sum of Rs.10.95 crores has been repaid.

Insofar as Fund No. 2 is concerned, we have been informed that 50 per cent of the principal amount of Rs.21.92 crores has been repaid.

The balance owing to the 50 investors of Fund No. 1 and to the 132 investors of Fund No. 2 be therefore, repaid within six months from the date of this judgment.

So far as the interest at the rate of 10 per cent is concerned, this amount will be paid on the principal outstanding amount from the date on which it becomes due to each such member, till the date on which each Fund came to an end, i.e., insofar as Fund No. 1 is concerned till 15.09.2011 and so far as Fund No. 2 is concerned till 31.01.2012. The aforesaid interest shall be paid within nine months from the date of this judgment.

Once the amounts are actually paid within the time period specified, compliance report be filed with SEBI in this behalf.....”

12.As out of the total amount of Rs. 1,02,40,00,000/- collected by Osian from 656 investors, an amount of Rs. 30,86,62,832/- is yet to be refunded to investors. Thus, Osian must return the amounts, in accordance with principle underlying the aforesaid directions issued by the Hon'ble Supreme Court in Yatra matter (Supra).

13.Further, with regard to the complainant, Mr. A. K. Muthuswamy, I note that the Hon'ble SAT in its Order dated October 13, 2015, had *inter alia* directed SEBI to decide the refund issues afresh after affording an opportunity of hearing to the appellant and to respondent no. 2, i.e. Mr. A. K. Muthuswamy. In this regard, as mentioned in para 5

above, an opportunity of personal hearing was granted to Mr. A. K. Muthuswamy on December 04, 2020, wherein, the representative of Mr. A. K. Muthuswamy appeared via video conference and made submissions. Further, Mr. A. K. Muthuswamy had filed his submissions vide letter dated November 27, 2020. Brief submissions of the complainant, made in his reply dated November 27, 2020, written submissions dated December 04, 2020 and during the personal hearing before me, are as under:

- (i) He should be provided with the reply of the Osian filed in the present proceedings;
- (ii) Osian be directed to refund the amount by taking NAV of Rs. 117.10/- per unit as declared by Osian to the complainant on May 09, 2009;
- (iii) Osian be directed to pay the all amount to be refunded, in one go;
- (iv) Having regard to the conduct of the Osian, Osian be directed to deposit the amount to be directed to be refunded, in an escrow account;
- (v) Osian be directed to pay the interest at the rate of 18% per annum on the amount to be refunded;
- (vi) Complained be awarded cost of Rs. 5 Lakh;
- (vii) Appropriate action be taken against ABN Amro Bank for misleading and mis-selling the Osian's scheme to the complainant;

14. The present proceedings have emanated subsequent to disposal/withdrawal of Civil Appeal No. 54 of 2016 filed before Hon'ble Supreme Court, as referred in paras 2(v) & (vi) above. The scope of present proceedings is to decide direction of refund to be issued to Osian. Accordingly, Osian vide letter dated April 12, 2021 has submitted refund proposal, as mentioned in para 6 above. I note that present proceedings resulted from issue of show cause notice to the Noticee for operating collective investment scheme without obtaining registration from SEBI and the Noticee was held to be operating unregistered CIS and accordingly direction for making refund to investors were issued. In such show cause proceedings, the concerned Noticee, to whom show cause notice is issued, only is entitled for hearing. The complainant was earlier heard in these proceedings, in compliance with the order dated November 12, 2012 passed by the Hon'ble SAT in the appeal filed by the complainant and even now,

the complainant has been heard in compliance with the order dated October 13, 2015 passed by Hon'ble SAT in the appeal filed by the Noticee against the SEBI order dated April 15, 2013. The limited scope of these proceedings is to decide the directions for refund to be issued to the Noticee, as directed by the Hon'ble SAT in its order dated October 13, 2015. In this regard, reference may also be made to the orders passed Hon'ble SAT, relevant extracts whereof have been reproduced, hereunder:

- a. Ibrahim Ahmed vs. SEBI (Appeal No. 40 of 2009)*– “.....This dispute between the parties cannot be gone into by the Board which is a statutory regulator meant to protect the interest of the investors and to regulate the securities market.....”
- b. MCS Ltd vs. SEBI (Appeal No. 107 of 2008)* - “.....The Board rightly directed the appellant to return all the data/records and the same has been complied with by the appellant. As regards the dues which the appellant is claiming, it would be open to it to resort to proceedings before an appropriate forum for recovering the same. The Board cannot take upon itself to adjudicate such contractual issues.....”
- c. Hameed Ullah Lalji alias Tony Ullah vs. SEBI (Appeal No. 123 of 2008)* -“.....These disputes are obviously of a civil nature and can appropriately be decided by a Civil Court. The Board cannot adjudicate such disputes. It can only regulate the market.....”

Further, National Consumer Disputes Redressal Commission while dealing with a case of unauthorized use of DP account, in its order dated October 28, 2020 passed in the matter of **Waman Nagesh Upaskar Vs. India Infoline Ltd.** held that the DP account holder whose demat account was unauthorisedly misused, was entitled for compensation, as a consumer, from India Infoline, DP, under Consumer Protection Act, 1986.

15. As already discussed above, out of the total amount of Rs. 1,02,40,00,000/- collected by Osian from the 656 investors, an amount of Rs. 30,86,62,832/- is yet to be refunded to investors by the Noticee. Thus, Osian must return the amounts, in accordance with principle underlying the directions issued by the Hon'ble Supreme Court in Yatra matter (Supra) which was a case pertaining to the Art Fund similar to

the present matter. The complainant being one of the investor of Osian shall be equally entitled to such refund alongwith other investors which is being directed in the present order. I further note that the direction of refund which are being issued in this order, does not preclude the complainant to raise his additional claim or costs, against the Noticee, as per the terms and condition of investment, negotiated by the complainant with Osian or its agents, or deficiency in service before any appropriate forum of competent jurisdiction. The complainant has further contented that ABN Amro Bank who was acting as an agent of Osian missold the scheme of Osian to him. In this regard, Noticee has prayed that action be initiated against the ABN Amro Bank for misleading and mis-selling the Osian scheme to the complainant. In this regard, I note that the scheme of Osian was launched in June, 2006 through confidential information memorandum, from about 656 investors and came to an end in January, 2010. At that time, such alleged mis-selling was not covered under the Regulation 4(2) of SEBI (PFUTP) Regulations, 2003 (hereinafter referred to as “**PFUTP Regulations, 2003**”). Subsequently, PFUTP Regulations, 2003 were amended on December 11, 2012 to insert Regulation 4(2)(s) which provided that miss-selling of units of mutual fund scheme, shall be deemed to be a fraudulent or an unfair trade practice. In this regard, PFUTP Regulations, 2003 were again amended on February 01, 2019 whereby Regulation 4(2)(s) was substituted to provide that any mis-selling of securities or services relating to securities market shall be deemed to be a fraudulent or an unfair trade practice. Therefore, no such action as prayed by the complainant for the alleged violation of provisions of PFUTP Regulations, can be initiated against ABN Amro Bank. However, the complainant is at liberty to raise this issue before appropriate regulatory authority for such mis-selling.

16. In view of the foregoing, I, in exercise of the powers conferred upon me under Sections 11 and 11B read with Section 19 of the SEBI Act, 1992 and Regulation 65 of CIS Regulations, hereby issue the following directions:

- a. Osian shall refund the balance amount to remaining investors. Osian shall also pay on the total principal amount collected from each of the remaining

investors, an interest at the rate of 10% per annum, from the date when amount to such investors first became due and till the date of closure of its scheme. The aforesaid balance amount shall be refunded within a period of Six months from the date of this order and the aforesaid interest on total amount shall be paid within a period of Nine months from the date of coming into force of this order.

- b. Osian shall file winding up and repayment reports, duly certified by an auditor, to SEBI in the format provided under SEBI (Collective Investment Schemes) Regulations, 1999, along with the trail of funds claimed to be so refunded, bank account statements indicating refund to the investors and receipt from the investors acknowledging such refunds, within a period of 15 days after the expiry of aforesaid Six months and Nine months period, respectively, as referred in para 16(a) above. These reports shall be forwarded by Osian to "The Division Chief, EFD, DRA-3, Securities and Exchange Board of India, SEBI Bhawan, Plot NO. C4 A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.
- c. Osian shall not alienate or dispose of or sell any assets except for the purpose of making refund to its investors, as directed above.
- d. SEBI, on failure of Osian Capital Art Fund, to effect the refunds as directed in the para 16(a) or to file reports as directed in para 16(b), above, within the period provided thereunder, shall recover such amounts, in accordance with Section 28A of the SEBI Act, 1992.
- e. Other directions, as contained in paragraph 45(b) and (c) of the SEBI order dated April 15, 2013 passed against the Noticees shall remain intact and be *mutatis mutandis* enforced against the Noticee subject to the directions given above.

- f. The direction in para 16(c) above shall cease to operate once Osian has complied with the directions in para 16(b) above.
17. The direction for refund, as given in paragraph 16(a) above, does not preclude the investors, to pursue the other legal remedies available to them under any other law, against the Noticee for refund of money as per the terms of their investment or deficiency in service before any appropriate forum of competent jurisdiction.
18. The order shall come into force with immediate effect. However, in view of the exceptional circumstances emerged due to the outbreak of a COVID-19 and consequential lockdowns imposed in different parts of the country, the direction given in paragraph 16(a) shall come into force on July 01, 2021.
19. A copy of this order shall also be sent to the Noticee, Mr. A. K. Muthuswamy, recognised Stock Exchanges, the relevant banks, Depositories and Registrar and Transfer Agents of Mutual Funds to ensure that the directions given above are strictly complied with.

Date: May 28, 2021

Place: Mumbai

Sd/-

ANANTA BARUA

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA