

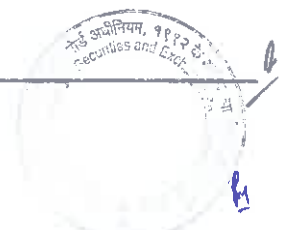


By SPAD / E-mail

GENERAL MANAGER & ADJUDICATING OFFICER
ENQUIRIES AND ADJUDICATION DEPARTMENT-3
Email: AMARN@SEBI.GOV.IN

SEBI/EAD-3/AN/RG/18054/1/2025
July 09, 2025

Notice e No.	Noticee Name	PAN	Address
1	Smart Infraproperties Pvt. Ltd. Email: smartinfraprop@gmail.com smartinfraproperties@gmail.com	AAQCS6937F	AE-326 Salt Lake City Sector-1 Ground Floor Kolkata, West Bengal - 700064
2	Yuvika Tradewing LLP Email: joelinfra@rediffmail.com	AABFY4620R	C4/12, Shanti Vihar, C-3/4 CHS Ltd, Shanti vihar, Mira Road East, Thane, Maharashtra 401107
3	Tango Commosales LLP Email: tangocommosale@gmail.com tangocommosalesllp@gmail.com	AAJFT4529J	13/21, Banatwala Bldg., John Crasto Lane Dhobi Talao Lane, 1st Lane, Kalbadevi Mumbai, Maharashtra 400002
4	Heroic Mercantile Pvt Ltd Email: heroicmer@gmail.com	AACCH8846C	5, 4th Floor, Plot no. 87C, Anna Bhuvan, Devji Ratansi Marg, Dana Bunder, Chinchbunder, Mumbai Maharashtra 400009
5	Ashok Govindbhai Sakariya Email: sakariyashok@gmail.com sakashok982@gmail.com sakanya4292@gmail.com sakriyaa62@gmail.com	DUYPS4292B	47 Sorai Nagar Vasana Ahmedabad Gujarat 380007
6	Orange Mist Productions Pvt Ltd Email: orangemistltd@gmail.com	AABCO0927C	C-180/Mascots, 103/104, 1st Floor Orbit Plaza, New Prabhadevi Marg, Mumbai, Maharashtra 400025
7	Avance Technologies Ltd. Email: info@avance.in avancetechnologiesltd@gmail.com	AAECA5763B	Office No. 226/227, Majestic Center, Second Floor, 144 Opera House, Mumbai, Maharashtra 400004
8	Zuber Trading LLP Email: zaveriparth02@gmail.com zuberllp@gmail.com zubertradingllp7@gmail.com	AABFZ3256E	Office No.17, Bldg No-47, Sector 3, Shanti Nagar Complex, Mira Road, Thane, Maharashtra 401107
9	Indranil Traders LLP Email: indranilllp@hotmail.com indraniltradersllp@gmail.com	AAEFI8198M	Office No.17, Bldg No-47, Sector-3, Shanti Nagar Complex, Mira Road, Thane, Maharashtra 401107



10	Mr. Debendra Das (as Director of Artman Dealcom Pvt Ltd) Email: debendradas284@gmail.com	AICPD9734G	C N 16 45 Rani Rasmani House125B S N Banerjee Road behind The Jyoti Cinema, Kolkata 700013
11	Mr. Tapas Santra (as Director of Artman Dealcom Pvt Ltd and as Director of Realstep Vinimay Pvt Ltd)	HPJPS7716N	Nabalgram Hooghly Hooghly West Bengal 712148
12	Mr. Rohit Roy (as Director of Grant Suppliers Pvt Ltd)	BNOPR6440K	33 Canal South Road Kolkata West Bengal 700015
13	Mr. Sharvan Sharma (as Director of Grant Suppliers Pvt Ltd) Email: sharvansharma466@yahoo.in	BCDPS0350R	49 Ezra Street Ground Floor, Kolkata, West Bengal, 700001
14	Mr. Rajesh Bansal (as Director of Realstep Vinimay Pvt Ltd)	CIXPB3150K	21, N S Road Liluah Howrah West Bengal 711204
15	Mr. Tarkeshwar Yadav (as Director of Swapno Conclave Pvt Ltd)	AFJPY7607K	33 Canal South Road Tangra West Bengal 700015
16	Mr. Sumit Singh (as Director of Swapno Conclave Pvt Ltd)	BPVPS3282M	313/76 Jessor Road West Bengal 700074
17	Mr. Hitesh Sah (as Director of Swar Vincom Pvt Ltd)	EIYPS1934P	102 Jodhpur Garden Lake Gardens West Bengal 700045
18	Ms. Urmila Mahato (as Director of Swar Vincom Pvt Ltd)	DABPM9534F	Kumar Para Lane Baranagar (M), North 24 Parganas, Alam Bazar West Bengal 700035

Sub.: Show Cause Notice under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and Rule 4 of the Securities Contracts (Regulations) (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 in the matter of trading by certain entities in the scrip of Cressanda Solutions Limited.

1. Securities and Exchange Board of India (hereinafter also referred to as 'SEBI') has initiated Adjudication Proceedings under Section 15-I of the SEBI Act, 1992 and under Section 23-I of Securities Contracts (Regulation) Act, 1956 (hereinafter also referred to as "SCRA, 1956") in respect of Smart Infraproperties Pvt. Ltd. (hereinafter also referred to as "Noticee No. 1"), Yuvika Tradewing LLP

(hereinafter also referred to as "Noticee No. 2"), Tango Commosales LLP (hereinafter also referred to as "Noticee No. 3"), Heroic Mercantile Pvt Ltd (hereinafter also referred to as "Noticee No. 4"), Ashok Govindbhai Sakariya (hereinafter also referred to as "Noticee No. 5"), Orange Mist Productions Pvt Ltd (hereinafter also referred to as "Noticee No. 6"), Avance Technologies Ltd. (hereinafter also referred to as "Noticee No. 7"), Zuber Trading LLP (hereinafter also referred to as "Noticee No. 8"), Indranil Traders LLP (hereinafter also referred to as "Noticee No. 9"), Mr. Debendra Das (as Director of Artman Dealcom Pvt Ltd) (hereinafter also referred to as "Noticee No. 10"), Mr. Tapas Santra (hereinafter also referred to as "Noticee No. 11"), Mr. Rohit Roy (hereinafter also referred to as "Noticee No. 12"), Mr. Sharvan Sharma (hereinafter also referred to as "Noticee No. 13"), Mr. Rajesh Bansal (hereinafter also referred to as "Noticee No. 14"), Mr. Tarkeshwar Yadav (hereinafter also referred to as "Noticee No. 15"), Mr. Sumit Singh (hereinafter also referred to as "Noticee No. 16"), Mr. Hitesh Sah (hereinafter also referred to as "Noticee No. 17") and Ms. Urmila Mahato (hereinafter also referred to as "Noticee No. 18") (collectively referred to as "Noticees" / "You") for the alleged violation of provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter also referred to as "SEBI SAST Regulations, 2011/ SAST Regulations, 2011"), Securities Contracts (Regulation) Act, 1956 (hereinafter also referred to as "SCRA, 1956") and SEBI Notifications against Noticees 1-9, and for the alleged violation of provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter also referred to as "SEBI PFUTP Regulations, 2003/ PFUTP Regulations, 2003") against Noticees 10-18.

2. Whereas, the Competent Authority was prima facie of the view that there were sufficient grounds to adjudicate upon the alleged violation by the Noticees, as stated above and therefore, in exercise of the powers conferred under Section 19 of the SEBI Act, read with Sub-section (1) of Section 15-I of the SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter also referred as '**SEBI Rules**') and under Section 23-I of SCRA, 1956 read with rule 3 of Securities Contracts (Regulations) (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 (hereinafter also referred as '**SCR**

Rules'), the Competent Authority appointed the undersigned as Adjudicating Officer ("AO") vide order dated April 21, 2025 to inquire into and adjudicate under Section 15A(b) of the SEBI Act, 1992 in respect of Noticees 1-3, under Section 23H of SCR Act, 1956 in respect of Noticees 1-9 and Section 15HA of SEBI Act, 1992 in respect of Noticees 10-18, the aforesaid alleged violations of the Noticees. The said proceedings of appointment were communicated to the undersigned vide Communique dated April 22, 2025 (copy of the Communique dated April 22, 2025 is placed as **Annexure A**).

3. BACKGROUND

SEBI investigated in the matter of Cressanda Solutions Limited (hereinafter also referred to as 'the Company'/ 'CSL'). The focus of the investigation was to ascertain whether there was any violation of the provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 ("PFUTP Regulations") read with SEBI Act, 1992, while trading by certain entities in the scrip of CSL during the period February 18, 2022 to May 19, 2022, (hereinafter referred to as 'Investigation Period or IP'). However, wherever deemed necessary, reference has been made to outside this period.

4. In this regard, pursuant to its investigation, following was inter alia observed and alleged by SEBI (copy of relevant investigation report and annexures attached as Annexure B):

4.1. Shareholding Pattern (Source: BSE Website)

- 4.1.1. The shareholding pattern of CSL during the period relevant to the IP is placed below:

Table-5

Category of shareholder	Sep 2021			Dec 2021		
	No. of shareholders	No. of shares	% holding	No. of shareholders	No. of shares	% holding
Promoter	1	9,14,25,000	30.12	1	2,55,75,000	8.42
Public	5,841	21,21,52,492	69.88	25,169	27,80,02,500	91.58
Total	5,842	30,35,77,492	100	25,170	30,35,77,500	100
Category of shareholder	March 2022			June 2022		
	No. of shareholders	No. of shares	% holding	No. of shareholders	No. of shares	% holding
Promoter	1	3,08,280	0.10	1	3,08,280	0.08
Public	35,510	30,32,69,220	99.90	50075	39,81,87,220	99.92
Total	35511	30,35,77,500	100	50076	39,84,95,500	100

4.1.2. The company in its board meeting held on March 31, 2022, approved allotment of 9,49,18,000 convertible equity warrants to 33 allottees on receipt of 25% of the issue price of Rs. 7 per warrant. Each warrant was convertible into one fully paid-up equity share of Rs. 1/-each on payment of balance 75% of the total consideration by the allottees. On May 03, 2022, the company allotted 9,49,18,000 equity shares of face value of Re. 1/- each pursuant to exercise of 9,49,18,000 convertible warrants by the allottees. Post the allotment of equity shares, the paid-up equity shares of the company increased from 30,35,77,500 equity shares to 39,84,95,500 equity shares.

4.1.3. The promoter shareholding has reduced from 30.12% during the quarter ended September 2021 to 0.10% during the quarter ended March 2022. It is observed that the main promoter of CSL viz. Smart Infraproperties Pvt. Ltd. sold 91,116,720 shares of CSL to 8 entities (viz. Ashok Govindbhai Sakariya, Avance Technologies Ltd., Heroic Mercantile Pvt Ltd, Indranil Traders LLP, Orange Mist Productions Pvt Ltd, Tango Commosales LLP, Yuvika Tradewing LLP and Zuber Trading LLP) in off-market during November 30, 2021 to January 21, 2022 (Demat Statement of Smart Infraproperties Pvt. Ltd. – **Annexure-1**) The said off-market sale of shares has been examined in latter paragraphs of the investigation report.

4.2. Compliance with disclosure requirements under SAST Regulations

Disposal of shares by the Promoter of CSL in off-market

4.2.1. As per Regulation 29(1) & 29(2) r/w Regulation 29 (3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SAST Regulations**"), the following disclosure requirements are applicable for acquisition and disposal of shares of a listed company.

Regulation 29 (1)

"Any acquirer who acquires shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, aggregating

to five per cent or more of the shares of such target company, shall disclose their aggregate shareholding and voting rights in such target company in such form as may be specified.”

Regulation 29 (2)

“Any person, who together with persons acting in concert with him, holds shares or voting rights entitling them to five per cent or more of the shares or voting rights in a target company, shall disclose the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below five per cent, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds two per cent of total shareholding or voting rights in the target company, in such form as may be specified.”

Regulation 29 (3)

The disclosures required under sub-regulation (1) and sub-regulation (2) shall be made within two working days of the receipt of intimation of allotment of shares, or the acquisition or the disposal of shares or voting rights in the target company to,—

- (a) every stock exchange where the shares of the target company are listed; and*
- (b) the target company at its registered office.”*

4.2.2. It is observed that the disclosures under SAST Regulations regarding the above-mentioned disposal of shares of CSL by the promoter Smart Infraproperties Pvt. Ltd. during November 30, 2021 to January 21, 2022 were made by it on stock exchange on February 02, 2022 i.e. delayed (**Annexure-2**). It is seen from the disclosure letters by Smart Infraproperties Pvt. Ltd. uploaded on BSE website that those are dated as per the date of sale of shares by it (**Annexure-3**). Clarification was sought from CSL regarding the dates on which the disclosures under SAST Regulations were received by it from Smart Infraproperties Pvt. Ltd. and subsequent disclosure made by it on stock exchanges. The following

h

is observed from the details submitted by CSL vide letter dated November 27, 2024 (**Annexure-4**) submitted by email.

Table-6

Date	No. of shares disposed in off-market	No. of shares held	Net holding percentage	% change in holding triggering disclosures under Reg. 29(2) of SAST Reg.	Due date of disclosure required under Reg.29(2) of SAST Reg.	Disclosure made on Stock Exchange (BSE)	Disclosure made to CSL
Opening Balance	-	9,14,25,000	30.12%	NA	NA	NA	NA
30/11/2021	1,53,50,000	7,60,75,000	25.06%	-5.06%	02/11/2021	02/02/2022	02/02/2022
06/12/2021	3,05,00,000	4,55,75,000	15.01%	-10.05%	08/12/2021	02/02/2022	02/02/2022
20/12/2021	2,00,00,000	2,55,75,000	8.42%	-6.59%	22/12/2021	02/02/2022	02/02/2022
05/01/2022	2,00,00,000	55,75,000	1.84%	-6.588%	07/01/2022	02/02/2022	02/02/2022
21/01/2022	52,66,720	3,08,280	0.10%	NA	NA	NA	NA

4.2.3. It is seen from the perusal of the system-driven disclosures made by the Registrars and Share Transfer Agent (RTA) of CSL on BSE that disposed quantity mentioned in three such disclosures were incorrect and also delayed on two occasions. The details are placed below:

Table-7

Disposal date	Disposal qty. mentioned in disclosure	BSE broadcast date & time	Comments
30/11/2021	1,50,00,000	14/12/2021 12:00:00 AM	Disposal quantity Incorrect & delayed disclosure
06/12/2021	1,55,00,000	14/12/2021 12:00:00 AM	Disposal quantity Incorrect & delayed disclosure
20/12/2021	1,00,00,000	22/12/2021 12:00:00 AM	Disposal quantity Incorrect
05/01/2022	2,00,00,000	06/01/2022 12:00:00 AM	-
21/01/2022	52,66,720	31/01/2022 12:00:00 AM	-

4.2.4. Considering the above, it is observed that Smart Infraproperties Pvt. Ltd. failed to make necessary disclosures under the SAST Regulations regarding disposal of shares of CSL in timely manner and thereby violated Regulation 29(2) r/w Regulation 29 (3) of the SAST Regulations.

Acquisition of shares certain entities from the Promoter of CSL

4.2.5. It is also observed that 2 entities viz. Yuvika Tradewing LLP and Tango Commosales LLP who received shares from Smart Infraproperties Pvt. Ltd. had crossed minimum threshold of disclosure requirement under SAST regulations for acquisition and disposal of shares of a listed company viz. CSL (Demat Statement of Yuvika Tradewing LLP as **Annexure-5** and Tango Commosales LLP as **Annexure-6**). The details are placed below:

Table-8

Demat a/c no.	Date	No. of shares acquired	No. of shares disposed	Net Qty.	Net holding percentage	Disclosure required under SAST Reg.	Disclosure made on Stock Exchange (BSE)	Disclosure made to CSL
Yuvika Tradewing LLP								
	Opening Bal.			-	-	NA		
1203410000596961	05/01/2022	2,00,00,000		2,00,00,000	6.59%	Reg.29(1) on 07/01/2022	02/02/2022	02/02/2022
1203410000596961	10/01/2022	5,02,020	29,88,785	1,75,13,235	5.77%	NA		
1203410000596961	11/01/2022	3,01,515	5,40,000	1,72,74,750	5.69%	NA		
1203410000596961	19/01/2022	2,50,000	31,50,000	1,43,74,750	4.74%	NA		
1203410000596961	20/01/2022	10,07,469		1,53,82,219	5.07%	Reg.29(1) on 24/01/2022	No	No
1203410000596961	27/01/2022	8,01,042		1,61,83,261	5.33%	Continued		
1203410000596961	28/01/2022	10,60,181		1,72,43,442	5.68%	Continued		
Tango Commosales LLP								
	Opening Bal.			-	-	NA		
1202060000956586	06/12/2021	1,50,00,000		1,50,00,000	4.94%	NA		
1207650000228100	08/12/2021	3,80,000		1,53,80,000	5.07%	Reg.29(1) on 10/12/2021	No	No
1207650000228100	09/12/2021		14,70,449	1,39,09,551	4.58%	NA		
1202060000956586	10/12/2021		6,00,000	1,33,09,551	4.38%	NA		
1207650000228100	13/12/2021		1,56,000	1,31,53,551	4.33%	NA		
1202060000956586	14/12/2021		25,00,000	1,06,53,551	3.51%	NA		
1202060000956586	15/12/2021		18,72,827	87,80,724	2.89%	Reg.29(2) on 17/12/2021	No	No
1202060000956586	16/12/2021		41,29,284	51,91,440	1.71%			

4.2.6. It is observed from the BSE website (**Annexure-2**) that Yuvika Tradewing LLP had filed disclosure with delay of approx. one month in one instance and failed to file disclosure in another instance. Further, no disclosures under SAST Regulations were filed by Tango Commosales LLP in two instances.

4.2.7. Considering the above, it is observed that Yuvika Tradewing LLP and Tango Commosales LLP failed/ delayed to make necessary disclosures under the SAST Regulations regarding acquisition and/or disposal of shares of CSL in timely manner and thereby violated Regulation 29(1) and/or 29(2) r/w Regulation 29 (3) of the SAST Regulations.

4.3. Compliance with the provisions of spot delivery mentioned in Securities Contracts (Regulation) Act, 1956

4.3.1. The shareholding of the promoter of CSL i.e. Smart Infraproperties Pvt. Ltd. reduced from 30.12% as on quarter ended September 2021 to 0.10% in Quarter ended March 2022. It is observed that Smart Infraproperties Pvt. Ltd. transferred 91,116,720 shares of CSL in off-market during November 30, 2021 to January 21, 2022 (Demat statement of Smart Infraproperties Pvt. Ltd. as **Annexure-1**). The relevant details are placed below:

Table-14

Transaction Date	Buy/Sell	Qty. Sold	% Qty. Sold	Cumulative Shareholding	% cumulative shareholding
Opening balance as on 31/03/2021				9,14,25,000	30.12
30/11/2021	Off-market Sell	1,53,50,000	-5.06	7,60,75,000	25.06
10/12/2021	Off-market Sell	3,05,00,000	-10.05	4,55,75,000	15.01
24/12/2021	Off-market Sell	2,00,00,000	-6.59	2,55,75,000	8.42
07/01/2022	Off-market Sell	2,00,00,000	-6.59	55,75,000	1.84
21/01/2022	Off-market Sell	52,66,720	-1.73	3,08,280	0.10
TOTAL		9,11,16,720			
Closing balance as on 21/01/2022				3,08,280	0.10

4.3.2. It is observed that Smart Infraproperties Pvt. Ltd. transferred the abovementioned 91,116,720 of shares of CSL in off-market to 8 entities (DIS slips as **Annexure-9**). These 8 entities are part of the suspected group entities mentioned above. The relevant details are placed below:

Table-15

Date	Counterparty to off-market share transferred by Smart Infraproperties Pvt. Ltd.	PAN	No. of shares transferred
30/11/2021	Heroic Mercantile Pvt Ltd*	AACCH8846C	1,50,00,000
30/11/2021	Ashok Govindbhai Sakariya	DUYPS4292B	3,50,000
06/12/2021	Tango Commosales LLP	AAJFT4529J	1,50,00,000
06/12/2021	Orange Mist Productions Pvt Ltd	AABCO0927C	1,50,00,000
06/12/2021	Avance Technologies Ltd.	AAECA5763B	5,00,000
20/12/2021	Heroic Mercantile Pvt Ltd	AACCH8846C	1,00,00,000
20/12/2021	Zuber Trading LLP	AABFZ3256E	1,00,00,000
05/01/2022	Yuvika Tradewing LLP	AABFY4620R	2,00,00,000
21/01/2022	Indranil Traders LLP	AAEF18198M	52,66,720
	TOTAL		9,11,16,720

*Note – The PAN mentioned in the demat account of "Heroic Mercantile Pvt Ltd" is "AAQFP0085J" which belongs to a partnership firm named "Parag Commosales". As informed by the DP (SSJ Finance), "Heroic Mercantile Pvt Ltd" is one of the partners in "Parag Commosales".

4.3.3. For an off-market transaction to be considered to be valid, it has to fall under the scope/ definition of spot delivery contract as specified under Section 2(i)(a) of Securities Contracts (Regulation) Act, 1956 ("**SCRA**") read with Section 13, 16, 18 & 28 of SCRA r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000

and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013.

Section 2 (i) - Spot Delivery Contract

Spot Delivery Contract" means a contract which provides for:

- (a) actual delivery of securities and the payment of a price therefore either on the same day as the date of the contract or on the next day, the actual period taken for the dispatch of the securities or the remittance of money therefore through the post being excluded from the computation of the period aforesaid if the parties to the contract do not reside in the same town or locality;*
- (b) transfer of the securities by the depository from the account of a beneficial owner to the account of another beneficial owner when such securities are dealt with by a depository;*

Section 13: Contracts in notified areas illegal in certain circumstances.

If the Central Government is satisfied, having regard to the nature or the Volume of transactions in securities in any State or States or area that it is necessary so to do, it may, by notification in the Official Gazette, declared this section to apply to such State or States or area, and thereupon every contract in such State or States or area which is entered into after the date of the notification otherwise than between members of a recognized stock exchange or recognized stock exchanges in such State or States or area or through or with such member shall be illegal:

Provided that any contract entered into between members of two or more recognised stock exchanges in such State or States or area, shall —

- (i) be subject to such terms and conditions as may be stipulated by the respective stock exchanges with prior approval of Securities and Exchange Board of India;*
- (ii) require prior permission from the respective stock exchanges if so stipulated by the stock exchanges with prior approval of Securities and Exchange Board of India.*

Section 16: Power to prohibit contracts in certain cases.

16. (1) If the Central Government is of opinion that it is necessary to prevent undesirable speculation in specified securities in any State or area, it may, by notification in the Official Gazette, declare that no person in the State or area specified in the notification shall, save with the permission of the Central Government, enter into any contract for the sale or purchase of any security specified in the notification except to the extent and in the manner, if any, specified therein.

(2) All contracts in contravention of the provisions of sub-section (1) entered into after the date of notification issued thereunder shall be illegal.

Section 18: Exclusion of spot delivery contracts from sections 13, 14, 15 and 17.

18. (1) Nothing contained in sections 13, 14, 15 and 17 shall apply to spot delivery contracts.

(2) Notwithstanding anything contained in sub-section (1), if the Central Government is of opinion that in the interest of the trade or in the public interest

it is expedient to regulate and control the business of dealing in spot delivery contracts also in any State or area (whether section 13 has been declared to apply to that State or area or not), it may, by notification in the Official Gazette, declare that the provisions of section 17 shall also apply to such State or area in respect of spot delivery contracts generally or in respect of spot delivery contracts for the sale or purchase of such securities as may be specified in the notification, and may also specify the manner in which, and the extent to which, the provisions of that section shall so apply.

SEBI Notification S.O. 184(E) dated March 01, 2000

In exercise of the powers conferred by sub-section (1) of section 16 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), read with Government of India Notification No. S.O. 573(E), dated 30th July, 1992, (See [1992] 75 Comp Cas (St.) 216.) and Notification No. 183(E), dated 1st March, 2000, (See page 53 supra.) issued under section 29A of the said Act, the Securities and Exchange Board of India (hereinafter referred to as "the Board") being of the opinion that it is necessary to prevent undesirable speculation in securities in the whole of India, hereby declare that no person in the territory to which the said Act extends, shall, save with the permission of the Board, enter into any contract for sale or purchase of securities other than such spot delivery contract or contract for cash or hand delivery or special delivery or contract in derivatives as is permissible under the said Act or the Securities and Exchange Board of India Act, 1992 (15 of 1992), and the rules and regulations made under such Acts and rules, regulations and bye-laws of a recognised stock exchange Provided that any contracts for sale or purchase of Government securities, gold related securities, money market securities and ready forward contracts in debt securities entered into on the recognised stock exchange shall be entered into in accordance with-

- (a) the rules or regulations or the bye-laws made under the Securities Contracts (Regulation) Act, 1956 (42 of 1956), or the Securities and Exchange Board of India Act, 1992 (15 of 1992), or the directions issued by the Securities and Exchange Board of India under the said Acts;*
- (b) the rules made or guidelines or directions issued under the Reserve Bank of India Act, 1934 (2 of 1934), or the Banking Regulation Act, 1949 (10 of 1949) or the Foreign Exchange Regulation Act, 1973 (46 of 1973), by the Reserve Bank of India;*
- (c) the provisions contained in the notifications issued by the Reserve Bank of India under the Securities Contracts (Regulation) Act, 1956 (42 of 1956)*

SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013

In exercise of the powers conferred by subsection (2) of section 28 and sub-section (1) of section 16 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), read with Government of India notification number S.O. 573(E), dated the 30th July, 1992 issued under section 29A of the said Act, the Securities and Exchange Board of India (hereinafter referred to as 'the Board') hereby rescinds the notification number S.O.184(E), dated the 1st March, 2000, except as respects things done or omitted to be done before such rescission, and declares

that no person in the territory to which the said Act extends, shall, save with the permission of the Board, enter into any contract for sale or purchase of securities other than a contract falling under any one or more of the following, namely:-

- (a) spot delivery contract;
- (b) contracts for sale or purchase of securities or contracts in derivatives, as are permissible under the said Act or the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made under such Acts and rules, regulations and bye-laws of a recognised stock exchange;
- (c) contracts for pre-emption including right of first refusal, or tag-along or drag-along rights contained in shareholders agreements or articles of association of companies or other body corporate;
- (d) contracts in shareholders agreements or articles of association of companies or other body corporate, for purchase or sale of securities pursuant to exercise of an option contained therein to buy or sell the securities, where-
 - i. the title and ownership of the underlying securities is held continuously by the selling party to such contract for a minimum period of one year from the date of entering into the contract;
 - ii. the price or consideration payable for the sale or purchase of the underlying securities pursuant to exercise of any option contained therein, is in compliance with all the laws for the time being in force as applicable; and
 - iii. the contract is settled by way of actual delivery of the underlying securities:

Provided that the contracts specified in clauses (a) to (d) above, shall be in accordance with the provisions of the Foreign Exchange Management Act, 1999 and rules or regulations made thereunder:

Provided further that nothing contained in this notification shall affect or validate any contract which has been entered into prior to the date of this notification.

Explanation- It is hereby clarified that the contracts mentioned in clauses (c) and (d) above shall be valid notwithstanding anything contained in section 18 A read with clause (d) of sub-section (1) of section 23 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956):

Provided also that any contract for sale or purchase of government securities, gold related securities, money market securities, contracts in currency derivatives, interest rate derivatives and ready forward contracts in debt securities entered into on the recognised stock exchange shall be entered into in accordance with, —

- (a) the rules or regulations or the bye-laws made under the Securities Contracts (Regulation) Act, 1956 (42 of 1956), or the Securities and Exchange Board of India Act, 1992(15 of 1992) or the directions issued by the Securities and Exchange Board of India under the said Acts;
- (b) the rules made or guidelines or directions issued, under the Reserve Bank of India Act, 1934 (2 of 1934) or the Banking Regulations Act, 1949 (10 of 1949) or the Foreign Exchange Management Act, 1999 (42 of 1999), by the Reserve Bank of India;
- (c) the notifications issued by the Reserve Bank of India under the Securities Contracts (Regulation) Act, 1956 (42 of 1956)."

4.3.4. The details of the off-market transfer of shares made by Smart Infraproperties Pvt. Ltd. (Transferor) during November 30, 2021 to January 21, 2022 from its demat account number 1201370000464047 (Statement as **Annexure-1**) and the corresponding payment details wherein the full consideration as mentioned in the DIS slips (**Annexure-9**) has not been paid by the transferee in terms of the aforesaid provisions of SCRA is placed below. The copies of relevant transaction in bank accounts of transferee is placed as **Annexure-10**.

Table-16

S.N.	Date of transaction	Name of transferee (To)	Transferee demat a/c no.	Transferred Qty.	Consideration mentioned in DIS (Rs.)	Payment Instrument details mentioned with DIS	Consideration received by transferor as per SCRA provisions
1.	30/11/2021	Heroic Mercantile Pvt Ltd*	1203410000448494*	1,50,00,000	5.82 Cr.	A/c Name – Parag Commosales A/c no.– 002011100004273 Bank- SDC Bank Cheque No. - 100040	No (Parag Commosales Paid a total of 12.07 Cr. during Jan. 24-25, 2022)
2.	20/12/2021	Heroic Mercantile Pvt Ltd*	1203410000448494*	1,00,00,000	7.23 Cr.	A/c Name – Parag Commosales A/c no.–2121253136839834 Bank- AU Small Finance Bank Cheque No. - 000001	
3.	30/11/2021	Ashok Govindbhai Sakariya	IN30412310001664	3,50,000	13.58 Lakh	A/c Name – Ashok Govindbhai Sakariya A/c no.– 200910110011820 Bank- Bank of India Cheque No. - 146249	No
4.	06/12/2021	Tango Commosales LLP	1202060000956586	1,50,00,000	6.72 Cr.	A/c Name-Tango Commosales LLP A/c no.– 100204180004931 Bank-Sahyadri Sahkari Bank Ltd. Cheque No. -177150	No
5.	06/12/2021	Orange Mist Productions Pvt Ltd	1201370000413536	1,50,00,000	6.72 Cr.	A/c Name- Orange Mist Productions Pvt Ltd A/c no.– 100204180004915 Bank-Sahyadri Sahkari Bank Ltd. Cheque No. -208527	No (Paid 2.75 Cr. on Feb. 22-23, 2022)
6.	06/12/2021	Avance Technologies Ltd.	1204330000133682	5,00,000	22.4 Lakh	A/c Name-Avance Technologies Ltd. A/c no.– 0452102000005838 Bank- IDBI Bank Cheque No. -672928	No
7.	20/12/2021	Zuber Trading LLP	1203410000597199	1,00,00,000	7.23 Cr.	A/c Name – Zuber Trading LLP A/c no.– 100204180004933 Bank-Sahyadri Sahkari Bank Ltd. Cheque No. - 084690	No (Paid 7.27 Cr. during Feb. 9 to 18, 2022)
8.	05/01/2022	Yuvika Tradewing LLP	1203410000596961	2,00,00,000	12.94 Cr.	A/c Name-Yuvika Tradewing LLP A/c no.– 100204180004951 Bank-Sahyadri Sahkari Bank Ltd. Cheque No. - 000010	No (Paid 12.94 Cr. on Jan. 21 & Feb. 21 to 23, 2022)
9.	21/01/2022	Indranil Traders LLP	IN30078110180535	52,66,720	2.88 Cr.	A/c Name – Indranil Traders LLP A/c no.– 100204180004975 Bank- Sahyadri Sahkari Bank Ltd. Cheque No. - 224581	No (Paid 2.88 Cr. during Feb. 21 to 23, 2022)

*Note – The PAN mentioned in the demat account of "Heroic Mercantile Pvt Ltd" is "AAQFP0085J" which belongs to a partnership firm named "Parag Commosales". As informed by the DP (SSJ Finance & Securities Pvt. Ltd.), "Heroic Mercantile Pvt Ltd" is one of the partners in "Parag Commosales".

4.3.5. The bank account statements mentioned by the aforesaid transferees in the payment instrument/ DIS slips were sought from the respective banks (Bank statements as **Annexure-10**). It is observed from the said bank account statements that the payment instrument as mentioned in the DIS slips were not encashed by Smart Infraproperties Pvt. Ltd. as consideration for selling shares in off-market to the above- mentioned entities.

4.3.6. It was observed from the analysis of the bank account statement of Smart Infraproperties Pvt. Ltd. (A/c No. 2121253136913201 in AU Bank) that some of the above-mentioned transferee entities transferred certain funds to Smart Infraproperties Pvt. Ltd. much later in January & February 2022. The details are placed below:

Table-17

Funds transferred by	Funds transferred to	Date of fund transfer	Amount in Rs.
Parag Commosales (A/c No. 2121253136839834 in AU Bank)	Smart Infraproperties Pvt. Ltd. (A/c No. 2121253136913201 in AU Bank)	24/01/22	58,00,000
		24/01/22	2,50,00,000
		24/01/22	2,35,00,000
		24/01/22	82,00,000
		24/01/22	1,50,00,000
		25/01/22	2,50,00,000
		25/01/22	1,82,00,000
		TOTAL	12,07,00,000
Orange Mist Productions Pvt Ltd (A/c No. 100204180004915 in Sahyadri Sahakari Bank Ltd.)	Smart Infraproperties Pvt. Ltd. (A/c No. 2121253136913201 in AU Bank)	22/02/22	25,00,000
		22/02/22	25,00,000
		22/02/22	25,00,000
		22/02/22	25,00,000
		22/02/22	25,00,000
		22/02/22	25,00,000
		22/02/22	25,00,000
		22/02/22	25,00,000
		22/02/22	25,00,000
		23/02/22	25,00,000
		TOTAL	2,75,00,000
Zuber Trading LLP (A/c no. 5345419975 in Kotak Bank)	Smart Infraproperties Pvt. Ltd. (A/c No. 2121253136913201 in AU Bank)	09/02/22	25,00,000
		09/02/22	95,00,000
		09/02/22	50,00,000
		10/02/22	1,50,00,000
		11/02/22	97,00,000
		11/02/22	50,00,000
		15/02/22	90,25,000
		16/02/22	5,00,000
		16/02/22	5,00,000
		16/02/22	5,00,000
		16/02/22	80,00,000
		18/02/22	25,25,000
		18/02/22	50,00,000
		TOTAL	7,27,50,000
Yuvika Tradewing LLP (A/c No. 042163400001760 in Yes Bank)	Smart Infraproperties Pvt. Ltd. (A/c No. 2121253136913201 in AU Bank)	25/01/22	2,40,00,000
		27/01/22	1,00,00,000
		09/02/22	3,34,00,000
		14/02/22	3,50,00,000

		15/02/22	70,00,000
		TOTAL	10,94,00,000
Yuvika Tradewing LLP (A/c No. 100204180004951 in Sahyadri Sahakari Bank Ltd.)	Smart Infraproperties Pvt. Ltd. (A/c No. 2121253136913201 in AU Bank)	21/01/2022	25,00,000
		21/01/2022	25,00,000
		21/01/2022	25,00,000
		21/01/2022	25,00,000
		21/01/2022	25,00,000
		21/01/2022	25,00,000
		21/01/2022	25,00,000
		TOTAL	2,00,00,000
Indranil Traders LLP (A/c No. 100204180004975 in Sahyadri Sahakari Bank Ltd.)	Smart Infraproperties Pvt. Ltd. (A/c No. 2121253136913201 in AU Bank)	21/02/2022	25,00,000
		21/02/2022	25,00,000
		21/02/2022	25,00,000
		21/02/2022	25,00,000
		21/02/2022	25,00,000
		21/02/2022	25,00,000
		21/02/2022	25,00,000
		21/02/2022	25,00,000
		21/02/2022	25,00,000
		22/02/2022	13,00,000
		23/02/2022	25,00,000
		TOTAL	2,88,00,000

4.3.7. With regard to the above-mentioned fund transfers made by Parag Commosales to Smart Infraproperties Pvt. Ltd., the following is observed:

- Same/similar funds were transferred by Smart Infraproperties Pvt. Ltd. to an entity named "Gittanjali Commosales LLP".
- Gittanjali Commosales LLP transferred the funds received by it from Smart Infraproperties Pvt. Ltd. to "Parag Commosales".
- Parag Commosales transferred the funds back to "Smart Infraproperties Pvt. Ltd." as mentioned in above table.

4.3.8. The details of aforesaid fund transfers between Smart Infraproperties Pvt. Ltd., Gittanjali Commosales LLP and Parag Commosales is placed below:

Table-18

Funds Transferred by Smart Infraproperties Pvt. Ltd. to Gittanjali Commosales LLP		Funds Transferred by Gittanjali Commosales LLP to Parag Commosales		Funds Transferred by Parag Commosales to Smart Infraproperties Pvt. Ltd.	
24/01/22	2,50,00,000	24/01/22	2,55,00,000	24/01/22	58,00,000
24/01/22	2,30,00,000	24/01/22	2,30,00,000	24/01/22	2,50,00,000
24/01/22	2,35,00,000	24/01/22	82,00,000	24/01/22	2,35,00,000
25/01/22	2,50,00,000	24/01/22	1,50,00,000	24/01/22	82,00,000
25/01/22	2,50,00,000	25/01/22	2,50,00,000	24/01/22	1,50,00,000
25/01/22	1,82,00,000	25/01/22	1,85,00,000	25/01/22	2,50,00,000
TOTAL	13,97,00,000	TOTAL	11,52,00,000	TOTAL	12,07,00,000

4.3.9. The following is observed from the above analysis:

- Three entities viz. (1) Ashok Govindbhai Sakariya, (2) Tango Commosales LLP and (3) Avance Technologies Ltd. have not paid any consideration as mentioned in the DIS slips, in terms of the provisions of SCRA, for the shares of CSL purchased by them in off-market from Smart Infraproperties Pvt. Ltd.
- One entity viz. Orange Mist Productions Pvt. Ltd. has made partial payment as consideration mentioned in the DIS slips to Smart Infraproperties Pvt. Ltd. with a delay of approximately 2.5 months.
- One entity viz. Heroic Mercantile Pvt. Ltd. (through Parag Commosales) made partial payment as consideration mentioned in the DIS slips to Smart Infraproperties Pvt. Ltd. with a delay of approximately 1.5 months. However, majority of the funds paid by it to Smart Infraproperties Pvt. Ltd. were received by it from Smart Infraproperties Pvt. Ltd., routed through Gittanjali Commosales LLP.
- Three entities viz. (1) Zuber Trading LLP, (2) Yuvika Tradewing LLP and (3) Indranil Traders LLP have made payment of consideration mentioned in the DIS slips to Smart Infraproperties Pvt. Ltd. with a delay of approximately 2 months, 1.5 months and 1 month, respectively.

4.3.10. Information regarding off-market transactions was sought from entities viz. Heroic Mercantile Pvt. Ltd., Tango Commosales LLP, Orange Mist Productions Pvt. Ltd., Avance Technologies Ltd., Zuber Trading LLP, Yuvika Tradewing LLP and Indranil Traders LLP, *vide* emails dated July 12, 2023, December 29, 2023, November 7, 2024, however, no reply was received. Information was also sought *vide* letters dated January 03, 2024, however, the letters returned undelivered.

4.3.11. Information regarding off-market transactions was sought from Smart Infraproperties Pvt. Ltd. *vide* email dated November 21, 2024, however, no reply was received from Smart Infraproperties Pvt. Ltd. Two of the erstwhile Directors of the company viz. Ajit Kumar Tulsian (email dated November 22, 2024) and Kamal Kishore Khandelwal (email dated

November 22, 2024) replied and stated that the transactions pertain to the period after they had resigned as Directors from Smart Infraproperties Pvt. Ltd.

4.3.12. Thus, it is observed that the 9 entities viz. (i) Heroic Mercantile Pvt. Ltd., (ii) Ashok Govindbhai Sakariya, (iii) Tango Commosales LLP, (iv) Orange Mist Productions Pvt. Ltd., (v) Avance Technologies Ltd., (vi) Zuber Trading LLP, (vii) Yuvika Tradewing LLP, (viii) Indranil Traders LLP and (ix) Smart Infraproperties Pvt. Ltd. have violated Section 16 of SCRA read with SEBI Notification LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013, Section 13 and Section 18 of SCRA read with Section 2(i) of SCRA.

4.4. Allegation regarding trading by 200 companies during IP

4.4.1. It was alleged that certain companies which are struck-off from the records of ROC had sold the shares of CSL, causing artificial market fluctuation.

4.4.2. The trading details of the 169 entities (195 minus 26) was verified from the trade data during the IP. It is observed that only 2 entities viz. Amluckie Investment Company Limited (sold 1,13,632 shares) and Realstep Vinimay Private Limited (sold 22,500 shares) have traded in the scrip of CSL during the IP.

4.4.3. It was observed from the trading details submitted by BSE vide email dated November 22, 2024 (**Annexure-14**) that 11 entities viz. Grant Suppliers Private Limited, Swar Vincom Private Limited, Aryadeep Traders Pvt. Ltd., Swapno Conclave Private Limited, Admire Buildcon Private Limited, Swapno Retailros Private Limited, Prasana Commodeal Private Limited, Artman Dealcom Pvt. Ltd. and Realstep Vinimay Private Limited had traded in the scrip of CSL at BSE during the said period (including the two entities mentioned in above para).

4.4.4. It was observed that out of 11 entities, 9 entities (PAN Basis) have traded in the scrip of CSL on BSE even after their names were struck-off from the ROC records. The details are placed below:

Table-19

S.N.	Client Name	Strike-off Date	PAN	Trade Month	Sell Qty.
1	Admire Buildcon Private Limited	01/11/2019	AAJCA8498E	23/06/2021	1,100
2	Artman Dealcom Pvt Ltd	01/11/2019	AAMCA8829J	09/08/2021	20,000
3	Aryadeep Traders Pvt Ltd	06/11/2019	AALCA1576B	31/12/2021	93
4	Grant Suppliers Private Limited	01/11/2019	AAECG4006H	01/07/2021	1,300
		27/06/2019		30/11/2021	15
		01/11/2019		08/12/2021	32,250
5	Prasana Commodeal Private Limited	27/06/2019	AAGCP9181L	18/10/2021	477
6	Realstep Vinimay Private Limited	27/06/2019	AAHCR0289G	28/02/2022	22,500
7	Swapno Conclave Private Limited	25/08/2021	AARCS3259D	08/12/2021	50,000
8	Swapno Retailros Private Limited	01/11/2019	AASCS3746C	16/02/2022	142
9	Swar Vincom Private Limited	01/11/2019	AANCS7270C	12/10/2021	772
				29/11/2021	7,00,000
				30/11/2021	2,51,565
				Dec-2021	2,00,000

4.4.5. It is noted that the above-mentioned companies had been struck-off from the records of the RoC on the dates mentioned against their names, consequently, these companies should not have performed any operation after the said strike-off date. However, these companies have traded in the shares of CSL even after the strike-off date indicating that they misused their trading accounts to deal in the shares of a listed company on stock exchange platform.

4.4.6. As the above-mentioned companies have been struck-off from the RoC records, comments regarding their dealings in the scrip of CSL after strike-off dates were sought from their Directors (as per MCA records – placed as **Annexure-15**) vide emails dated November 25-26, 2024. It is noted that no reply was received from the respective directors. The details are placed below:

Table-20

Company Name	Strike-off date	Director 1 (PAN)	Appointment Date (Dir. 1)	Director 2 (PAN)	Appointment Date (Dir. 2)	Info. sought vide email dated
Admire Buildcon Pvt Ltd	01/11/2019	Suresh Singh (FAVPS7265F)	12/01/2017	Vinoy Singhania (FEFPS6190D)	12/01/2017	25/11/2024

Company Name	Strike-off date	Director 1 (PAN)	Appointment Date (Dir. 1)	Director 2 (PAN)	Appointment Date (Dir. 2)	Info. sought vide email dated
Artman Dealcom Pvt Ltd	01/11/2019	Debendra Das (AICPD9734G)	10/08/2015	Tapas Santra (HPJPS7716N)	16/08/2017	25/11/2024
Aryadeep Traders Pvt Ltd	06/11/2019	Jay Mangal Pathak (DHEPP0881E)	10/04/2017	Ramesh Pandey (CIPPP1233F)	10/04/2017	25/11/2024
Grant Suppliers Pvt Ltd	01/11/2019	Rohit Roy (BNOPR6440K)	24/07/2018	Sharvan Sharma (BCDPS0350R)	24/07/2018	25/11/2024
Prasana Commodeal Pvt Ltd	27/06/2019	Uday Sankar Sinha (GJDPS7883B)	17/01/2017	Mahesh Jaiswal (AXLPJ2419E)	25/01/2017	26/11/2024
Realstep Vinimay Pvt Ltd	01/11/2019	Rajesh Bansal (CIXPB3150K)	16/06/2016	Tapas Santra (HPJPS7716N)	20/12/2017	26/11/2024
Swapno Conclave Pvt Ltd	27/06/2019	Tarkeshwar Yadav (AFJPHY7607K)	01/06/2016	Sumit Singh (BPVPS3282M)	16/03/2018	26/11/2024
Swapno Retailros Pvt Ltd	27/06/2019	Uday Sankar Sinha (GJDPS7883B)	17/01/2017	Mahesh Jaiswal (AXLPJ2419E)	25/01/2017	26/11/2024
Swar Vincom Pvt Ltd	25/08/2021	Hitesh Sah (EIYPS1934P)	07/06/2018	Urmila Mahato (DABPM9534F)	07/06/2018	26/11/2024

4.4.7. Moreover, the Section 248(7) of the Companies Act, 2013, *inter alia*, states that “The liability, if any, of every director, manager or other officer who was exercising any power of management, and of every member of the company dissolved under sub-section (5), shall continue and may be enforced as if the company had not been dissolved”.

4.4.8. Keeping the above in view, it is observed that the persons mentioned in above table as Directors of the companies mentioned against their names, were responsible for the affairs of their companies and the trades carried out by their company in the scrip of CSL after the name of such company was struck-off from the records of the RoC.

4.4.9. Therefore, it is observed that the aforesaid entities viz. (i) Debendra Das & Tapas Santra as Directors of Artman Dealcom Pvt. Ltd., (ii) Rohit Roy & Sharvan Sharma as Directors of Grant Suppliers Pvt. Ltd., (iii) Rajesh Bansal & Tapas Santra as Directors of Realstep Vinimay Pvt. Ltd., (iv) Tarkeshwar Yadav & Sumit Singh as Directors of Swapno Conclave Pvt. Ltd., (v) Hitesh Sah & Urmila Mahato as Directors of Swar Vincom Pvt. Ltd., by carrying out trades in the scrip of CSL through the accounts of the mentioned companies even after striking-off of the name of such company

from the records of RoC, have misused the trading account of the company and thereby created a false or misleading appearance of trading in the securities market. Thus, these entities have violated Section 12 A (a) of SEBI Act, 1992 r/w Regulations 3(a), 4(1) and 4(2)(a) of the PFUTP Regulations.

5. In view thereof, the following is alleged against the Noticees:

- Noticees 1-3 failed/ delayed to make necessary disclosures under the SAST Regulations regarding acquisition and/or disposal of shares of CSL in timely manner and thereby violated Regulation 29(1) and/or 29(2) r/w Regulation 29 (3) of the SAST Regulations, 2011.
- Noticees 1-9 entered into off market transactions in the shares of Cressanda Solutions Ltd without complying with the provisions of Spot Delivery Contract as mentioned at Section 2(i) of the SCRA, 1956 and thereby violated Section 16 of SCRA, 1956 read with SEBI Notification LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013, Section 13 and Section 18 of SCRA, 1956 read with Section 2(i) of SCRA, 1956.
- Noticees 10-18
 - a) The companies viz. Artman Dealcom Pvt Ltd, Grant Suppliers Pvt Ltd, Realstep Vinimay Pvt Ltd, Swapno Conclave Pvt Ltd, Swar Vincom Pvt Ltd, Admire Buildcon Pvt Ltd, Aryadeep Traders Pvt Ltd, Prasana Commodeal Pvt Ltd and Swapno Retailros Pvt Ltd have traded in the shares of CSL even after their names were "struck-off" from the RoC records indicating that they misused their trading accounts to deal in the shares of a listed company on stock exchange platform.
 - b) The Directors of these companies were responsible for the affairs of their companies and the trades carried out by their company in the scrip of CSL after the name of such company was struck-off from the records of the RoC.

- c) Section 248(7) of the Companies Act, 2013, inter alia, states that
“The liability, if any, of every director, manager or other officer who
was exercising any power of management, and of every member of
the company dissolved under sub-section (5), shall continue and
may be enforced as if the company had not been dissolved”.

In view thereof, Noticees 10-18 violated Regulations 3(a), 4(1) and
4(2)(a) of the PFUTP Regulations, 2003.

6. The text of relevant provisions which are alleged to have been violated by the
Noticees are reproduced below:

SEBI SAST Regulations, 2011

“ ...

Disclosure of acquisition and disposal.

29.(1)⁹⁸[Any acquirer, together with persons acting in concert with him acquiring shares or voting rights in a target company, which taken together aggregates to five per cent or more of the shares of such target company, shall disclose their aggregate shareholding and voting rights in such target company in such form as may be specified:]⁹⁹[Provided that in case of listed entity which has listed its specified securities on Innovators Growth Platform, any reference to “five percent” shall be read as “ten percent”]

29. ¹⁰⁰[(2)¹⁰¹[Any person together] with persons acting in concert with him, holds shares or voting rights entitling them to five per cent or more of the shares or voting rights in a target company, shall disclose the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below five per cent, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds two per cent of total shareholding or voting rights in the target company, in such form as may be specified.]

¹⁰²[Provided that in case of listed entity which has listed its specified securities on Innovators Growth Platform, any reference to “five percent” shall be read as “ten percent” and any reference to “two percent” shall be read as “five per cent”.]

(3) The disclosures required under sub-regulation (1) and sub-regulation (2) shall be made within two working days of the receipt of intimation of allotment of shares, or the acquisition ¹⁰³[or the disposal] of shares or voting rights in the target company to,—

(a) every stock exchange where the shares of the target company are listed; and



(b) the target company at its registered office.

...

SCRA, 1956

“ ...

Contracts in notified areas illegal in certain circumstances.

13. If the Central Government⁷⁴ is satisfied, having regard to the nature or the volume of transactions in securities in any ⁷⁵[State or States or area] that it is necessary so to do, it may, by notification in the Official Gazette, declare this section to apply to such ⁷⁶[State or States or area], and thereupon every contract in such ⁷⁷[State or States or area] which is entered into after the date of the notification otherwise than ⁷⁸[between members of a recognised stock exchange or recognised stock exchanges] in such ⁷⁹[State or States or area] or through or with such member shall be illegal:

:⁸⁰[Provided that any contract entered into between members of two or more recognised stock exchanges in such State or States or area, shall—

- (i) be subject to such terms and conditions as may be stipulated by the respective stock exchanges with prior approval of Securities and Exchange Board of India;
- (ii) require prior permission from the respective stock exchanges if so stipulated by the stock exchanges with prior approval of Securities and Exchange Board of India.]

“ ...

Power to prohibit contracts in certain cases. ⁸²

16. (1) If the Central Government is of opinion that it is necessary to prevent undesirable speculation in specified securities in any State or area, it may, by notification in the Official Gazette, declare that no person in the State or area specified in the notification shall, save with the permission of the Central Government, enter into any contract for the sale or purchase of any security specified in the notification except to the extent and in the manner, if any, specified therein.

(2) All contracts in contravention of the provisions of sub-section (1) entered into after the date of notification issued thereunder shall be illegal.

18. (1) Nothing contained in sections 13, 14, 15 and 17 shall apply to spot delivery contracts.

(2) Notwithstanding anything contained in sub-section (1), if the Central Government⁸⁵ is of opinion that in the interest of the trade or in the public interest it is expedient to regulate and control the business of dealing in spot delivery contracts also in any State or area (whether section 13 has been declared to apply to that State or area or not), it may, by notification in the Official Gazette, declare that

the provisions of section 17 shall also apply to such State or area in respect of spot delivery contracts generally or in respect of spot delivery contracts for the sale or purchase of such securities as may be specified in the notification, and may also specify the manner in which, and the extent to which, the provisions of that section shall so apply.

...

SEBI Notification LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013
(Annexure C)

PFUTP Regulations

...

3. Prohibition of certain dealings in securities

No person shall directly or indirectly—

(a) buy, sell or otherwise deal in securities in a fraudulent manner;

...

4. Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a ⁶[manipulative,] fraudulent or an unfair trade practice in securities ⁷[markets].

⁸[Explanation.—For the removal of doubts, it is clarified that—

(i) any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company, or

(ii) transactions through mule accounts for indulging in manipulative, fraudulent and unfair trade practice shall be and shall always be deemed to have been included in sub-regulation (1).]

(2) Dealing in securities shall be deemed to be a ⁹[manipulative] fraudulent or an unfair trade practice if it involves ¹⁰[any of the following]:—

(a) ¹¹[knowingly] indulging in an act which creates false or misleading appearance of trading in the securities market;

...

Note: for detailed/ complete text of the provisions, relevant Acts etc., may please be referred

7. The aforesaid alleged violation, if established, make the Noticees 1-3 liable for monetary penalty under Section 15A(b) of SEBI Act, 1992, Noticees 1-9 liable for monetary penalty under Section 23H of SCR Act, 1956 and Noticees 10-18 liable for monetary penalty under Section 15HA of SEBI Act, 1992 which reads as follows:

SEBI Act, 1992

“...

Penalty for failure to furnish information, return, etc.

15A. If any person, who is required under this Act or any rules or regulations made thereunder,—

(b) to file any return or furnish any information, books or other documents within the time specified therefor in the regulations, fails to file return or furnish the same within the time specified therefor in the regulations ⁶⁶[or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents], he shall be liable to ⁶⁷[a penalty ⁶⁸[which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees]];

Penalty for fraudulent and unfair trade practices.

15HA. If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty ¹⁰²[which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher].

...”

SCR Act, 1956

“...

¹³²[Penalty for contravention where no separate penalty has been provided.

23H. Whoever fails to comply with any provision of this Act, the rules or articles or bye-laws or the regulations of the recognised stock exchange or directions issued by the Securities and Exchange Board of India for which no separate penalty has been provided, shall be ¹³³[liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees.]

...”

Note: for detailed/ complete text of the provisions, relevant Acts etc., may please be referred

8. In view thereof, you are hereby called upon to show cause as to why an inquiry should not be held against you in terms of Rule 4(1) of SEBI Rules, read with Section 15-I of the SEBI Act, 1992 and Rule 4(1) of SCR Rules, read with Section 23-I of SCR Act, 1956; and why penalty be not imposed under Section 15A(b) of SEBI Act, 1992, Noticees 1-9 liable for monetary penalty under Section 23H of SCR Act, 1956 and Noticees 10-18 liable for monetary penalty under Section 15HA of SEBI Act, 1992.
9. Your reply to the SCN, if any, along with the relevant supporting documents, should reach the undersigned at the address mentioned below, as well as through email at AMARN@SEBI.GOV.IN and RISHABHG@SEBI.GOV.IN (both in .pdf and MS-word format) within 14 days from the date of receipt of this notice, failing which it shall be presumed that you have no reply to submit and the matter would be further proceeded with on the basis of material / facts available on record.

Address for reply/correspondence:	Enquiries and Adjudication Department – EAD-3 Securities and Exchange Board of India SEBI Bhavan - II, Plot no. C-7, Block 'G', Bandra Kurla Complex, Bandra (East) Mumbai – 400 051
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10. You may also indicate whether you desire a personal hearing in the matter.
11. You are advised to provide contact details such as phone numbers, email id's, complete correspondence addresses with pin code etc. for our records and also submit the copies of its PAN Card, Proof of Identity and Proof of Address. You are also advised to keep the undersigned informed promptly /immediately about the change in any of its contact and/or correspondence address, if any, and provide updated email-id and phone numbers, till the proceedings are complete.
12. You may also note that a settlement mechanism is provided under the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018. If

you wish to opt for the settlement process, you may apply for the same in the manner given in the regulations under prompt intimation to the undersigned.

13. You are advised to acknowledge receipt of this Notice on prompt basis by way of email (AMARN@SEBI.GOV.IN and RISHABHG@SEBI.GOV.IN) and/or letter (at the address given under Para 9 above).


AMAR NAVLANI
ADJUDICATING OFFICER

List of Enclosures/Annexures (in CD: 95.5MB):

S. No.	Annexure No.	Particulars/Details
1	Annexure A	Copy of the Communique dated April 22, 2025
2	Annexure B	Copy of relevant investigation report and annexures
3	Annexure C	SEBI Notification LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013