



भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

BIJU. S
ADJUDICATING OFFICER
Email: bijus@sebi.gov.in

EFD/ADJ/BS/OW/2021/18777/
August 10, 2021

Through Speed Post AD

1. M/s.Sankalp Vintrade Pvt Ltd 34, C R Avenue 1 st Floor, Cabin No.02, Kolkata 700012	2. M/s.Mudra Dealtrade Pvt Ltd 5, Weston Street Kolkata 700012
3. M/sNewedge Vinimay Pvt Ltd 1, Muktaram Babu Street 2 nd Floor, Kolkata 700007	4. M/s.Silverson Tradelinks Pvt Ltd 20A, Brabourne Road Kolkata 700001
5. M/s.Unicon Tie-up Pvt Ltd 16B Madan Chatterjee Lane 2 nd Floor, Kolkata 700007	6. M/s.Vedant Commodeal Pvt Ltd 114, Rabindra Sarani, 1 st Floor Room No.39/1, Kolkata – 700007
7. M/s.Swift Dealmark Pvt Ltd 31, Rakhal Das Auddy Road Kolkata 700027	8. M/s.Anunay Commosale Pvt Ltd 196/C, C. R. Avenue Kolkata 700007
9. M/sNayan Impex Pvt Ltd 2A, Rama Nath Sadhu Lane Kolkata 700007	10. M/s.Ishwar Commercial Pvt Ltd 19B.B. Ganguly Street 2 nd Floor Suite No.8, Room No.3 Kolkata 700012

Sub: Notice under Rule 4 (1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 read with Section 15-I of SEBI Act, 1992

1. The undersigned has been appointed as Adjudicating Officer vide order dated July 16, 2021 (Annexure -I) under section 15 I of Securities and Exchange

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सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बान्द्रा कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर. एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in

SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.
Tel.: 2644 9950 / 4045 9950 (IVRS), 2644 9000 / 4045 9000 Fax : 2644 9019 to 2644 9022 Web : www.sebi.gov.in



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Board of India Act, 1992 (hereinafter referred to as "SEBI Act, 1992") to inquire into and adjudge the alleged violation of Regulation 12 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as the "SAST Regulations, 1997") by M/s.Sankalp Vintrade Pvt Ltd. and M/s. Mudra Dealtrade Pvt Ltd (hereinafter referred to as Noticee Nos.1 and 2), and Regulation 3(1) of SAST Regulations, 2011, by M/s.Newedge Vinimay Pvt Ltd, M/s.Silverson Tradelinks Pvt Ltd, M/s.Unicon Tie up Pvt Ltd., M/s.Vedant Commodeal Pvt Ltd, M/s.Swift Dealmark Pvt Ltd, M/s.Anunay Commosale Pvt Ltd, M/s.Nayan Impex Pvt Ltd, and M/s.Ishwar Commercial Pvt Ltd. (hereinafter referred to as Noticee Nos. 3 to 10) and/or collectively referred to as Noticees), in the matter of acquisition of M/s.Worth Investment and Trading Company.

2. SEBI examined the Draft Letter of Offer (*hereinafter referred to as "DLOF"*) in the matter of Open Offer made by Nimit Rajesh Ghatalia, Mihir Rajesh Ghatalia, Bina Rajesh Ghatalia and Damiyanti Pranlal Ghatalia (*Collectively may be referred to as "Acquirers"*) to the public shareholders of the M/s Worth Investment and Trading Company Ltd. (*hereinafter referred to as "Target Company"*) submitted by VC Corporate Advisors Pvt. Limited (*hereinafter referred to as "Merchant Banker/MB"*) vide letter dated January 25, 2018.
3. During the examination of DLOF, as regards the compliance with the provision of Chapter II of SAST Regulations 1997 and Chapter V of SAST Regulations 2011, it was observed that there were following incidents of violations on the part of the erstwhile promoters and certain shareholders-
 - On July 10, 2011, the erstwhile promoters viz. Mr. Laxmi Kumar Mohta and Mrs. Kusum Mohata ("Erstwhile promoters") sold their entire shareholding of 1,83,750 equity shares constituting 91.88% of the then paid-up equity shares and voting share capital of the Target Company to various public shareholders and also to the new promoters viz. M/s Sankalp Vintrade Pvt. Ltd. and M/s Mudra Dealtrade Pvt. Ltd. Pursuant to acquisition of 14,500 equity shares (7.25%) each by the promoters viz. M/s Sankalp Vintrade Pvt.



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Ltd. and M/s Mudra Dealtrade Pvt. Ltd. on July 10, 2011 ("Acquisition date"), the promoters acquired control and management of the Target Company. Pursuant to this transaction, there was change in control and hence M/s Sankalp Vintrade and M/s Mudra Dealtrade Pvt. Ltd. were liable to make an open offer under Regulation 12 of SAST Regulations, 1997. However, no open offer was made by the promoters.

4. The instant Regulation 12 of SAST Regulations, 1997 states that-

Acquisition of control over a company.

12. Irrespective of whether or not there has been any acquisition of shares or voting rights in a company, no acquirer shall acquire control over the target company, unless such person makes a public announcement to acquire shares and acquires such shares in accordance with the regulations: Provided that nothing contained herein shall apply to any change in control which takes place in pursuance to a [special resolution] passed by the shareholders in a general meeting:

[Provided further that for passing of the special resolution facility of voting through postal ballot as specified under the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2001 shall also be provided.]

[Explanation.—For the purposes of this regulation, acquisition shall include direct or indirect acquisition of control of target company by virtue of acquisition of companies, whether listed or unlisted and whether in India or abroad.]



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5. Further, vide preferential allotment dated October 26, 2013, eight companies were allotted 2,10,000 equity shares each at Rs. 15. The list of these companies are :

Name of the Allottee	Equity shares allotted	% of post preferential capital	Price per share (Rs.)
Newedge Vinimay Pvt. Ltd.	2,10,000	6.40%	15/-
Silverson Tradelinks Pvt. Ltd.	2,10,000	6.40%	15/-
Unicon Tie-up Pvt. Ltd.	2,10,000	6.40%	15/-
Vedant Commodore Pvt. Ltd.	2,10,000	6.40%	15/-
Swift Dealmark Pvt. Ltd.	2,10,000	6.40%	15/-
Anunay Commosale Pvt. Ltd.	2,10,000	6.40%	15/-
Nayan Impex Pvt. Ltd.	2,10,000	6.40%	15/-
Ishwar Commercial Pvt. Ltd.	2,10,000	6.40%	15/-
Total	16,80,000	51.20%	15/-

6. SEBI vide its email dated June 01, 2018 sought comments from the Merchant Banker (MB) whether the preferential allotment attracted open offer obligations in the hands of preferential allottee.

Further, SEBI vide its email dated February 01, 2021 again sought from MB to confirm whether the eight companies which were allotted preferential allotment on October 26, 2013 had a common shareholding and consequently whether the obligation of open offer was triggered by these entities.

MB vide its letter dated May 28, 2018 and also vide email dated February 01, 2021 (*relevant communication annexed as 'Annexure A'*) provided the



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shareholding M/s New Edge Vinimay Pvt. Ltd., M/s Silverson Tradelinks Pvt. Ltd., M/s Unicon Tie-up Pvt. Ltd. and M/s Swift Dealmark Pvt. Ltd.

Upon perusal of the shareholding of these aforementioned companies, it was observed that these companies had some common shareholding and therefore attracted open offer obligations under the SAST Regulations, 2011.

In this regard, Regulation 3 of SAST Regulations, 2011, state the following :

Substantial acquisition of shares or voting rights

3 (1) No acquirer shall acquire 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, entitle them to exercise twenty five per cent or more of the voting rights in such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations.

It is noted that no open offer was made by the allottees who acquired the shares and voting rights.

7. The competent authority in SEBI has *prima facie* felt satisfied that there are sufficient grounds to inquire and adjudicate the alleged violations of the aforesaid provisions of Regulation 12 of SAST Regulations, 1997 by Noticee No.1 and 2 and Regulation 3(1) of SAST Regulations, 2011 by Noticee no.3 to 10. Accordingly, vide order dated July 16, 2021, the undersigned has been appointed as Adjudicating Officer under Section 15-I (1) of the SEBI Act, 1992 read with Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as 'Adjudication Rules') in the matter to inquire and adjudge under Rule 5 of the Adjudication



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Rules and under section 15H (ii) of the SEBI Act, the alleged aforesaid violations by the Noticees. The said penal provision of the SEBI Act read as under:

SEBI Act

Penalty for contravention where no separate penalty has been provided.

15H(ii). 5H. Penalty for non-disclosure of acquisition of shares and take-overs.—If

any person, who is required under this Act or any rules or regulations made thereunder, fails to—

(ii) make a public announcement to acquire shares at a minimum price,

(iii) make a public offer by sending letter of offer to the shareholders of the concerned company;

He shall be liable to a penalty of twenty-five crore rupees or three times the amount of profits made out of such failure, whichever is higher.

8. Accordingly, this Show Cause Notice (hereinafter referred to as 'SCN') is being issued to you in terms of Rule 4(1) of the Adjudication Rules and you are hereby called upon to show cause as to why an inquiry should not be held against you in terms of Rule 4 of the Adjudication Rules and why penalty, if any, should not be imposed under Section 15H(ii) of the SEBI Act.
9. The reply, if any, should reach the undersigned, at the address given below, as well as in softcopy (in MSWORD format) through email at bijus@sebi.gov.in within 14 days from the date of receipt of this notice.

Securities and Exchange Board of India (SEBI)

1st Floor, SEBI Bhavan - II,

Plot No. C-7, "G" Block,

Bandra Kurla Complex, Bandra (E)

Mumbai – 400 051.



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10. In case, a reply to this notice is not received within the stipulated timelines, it shall be presumed that you have no reply to submit and the matter shall be proceeded on the basis of the material available on record in terms of sub-rule (7) of Rule (4) of the Adjudication Rules. You are also advised to submit a photocopy of your Income Tax Permanent Account Number Card (PAN Card) for our records. You are requested to keep the undersigned informed about the change in your correspondence address/ e-mail id, if any, till the proceedings are concluded.

11. You may also note that a settlement mechanism is provided under the SEBI (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 aforesaid regulations under intimation to the undersigned.

Biju. S
Adjudicating Officer

Encl : MB letter dated May 28, 2018 and email dated February 01, 2021 (enclosed as Annexure A)