BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. Order/GR/BM/2022-23/17931-17935]

UNDER SECTION 15-I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 1995

In respect of

Sl. No.	Noticee's No. in the SCN	Name of entity	PAN
1	1	Ullash Jayantilal Parikh	AASPP5758L
2	2	Golden Legend Leasing & Finance Limited	AAACG1540L
3	4	Ashok Hiralal Shah HUF	AAHHA8439E
4	5	Meena Shah/Meena Ashok Shah/Meenaben Ashok Kumar Shah	APDPS3192P
5	6	Dhanlaxmmi Lease Finance Limited	AABCD6189R

In the matter of "Golden Legend Leasing & Finance Limited"

(the aforesaid entities are hereinafter individually referred to by their respective names/ Noticee numbers in the SCN and collectively as "the Noticees")

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as ***SEBI***) conducted an investigation in the matter of Golden Legend Leasing & Finance Limited. (hereinafter referred to as "**GLLFL/the Company/ Noticee No. 2**") during the period January 01, 2013 to February 15, 2014 (hereinafter referred to as "**Investigation**

Period/IP”). However, wherever deemed necessary, reference has been made outside this period. Investigation was carried out for:

(i) disclosures under SEBI (PIT) Regulations, 1992 and SEBI (SAST) Regulations, 2011 by promoters with regard to change in promoters' shareholding, and

(ii) funding, if any, by company to the preferential allottees.

2. Based on the findings of the investigation, it was alleged that Ullash Jayantilal Parikh (hereinafter referred to as '**Noticee No. 1'**) has violated provisions of Regulation 13(4A) read with Regulation 13(5) of SEBI (PIT) Regulations 1992, Regulation 29(2) read with Regulation 29(3) of SEBI (SAST); Golden Legend Leasing & Finance Limited (hereinafter referred to as '**Noticee No. 2'**), Ashok Hiralal Shah (hereinafter referred to as '**Noticee No. 3'**), Ashok Hiralal Shah HUF (hereinafter referred to as '**Noticee No. 4**'), Meena Shah/ Meena Ashok Shah/ Meenaben Ashok Kumar Shah (hereinafter referred to as '**Noticee No. 5'**) have violated provisions of Section 12A (a), (b) and (c) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '***SEBI Act, 1992'***) read with Regulations 3(a), (b), (c), (d), 4(1) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 (hereinafter referred to as '***PFUTP Regulations, 2003'***); and Dhanlaxmi Lease Finance Limited (hereinafter referred to as '**Noticee No. 6**') have violated provisions of Section 12A (a), (b) and (c) of the ***SEBI Act, 1992*** read with Regulations 3(a), (d) and 4(1) of ***PFUTP Regulations, 2003.*** (hereinafter all of them together referred to as “**the Noticees**”).

APPOINTMENT OF ADJUDICATING OFFICER

3. In this regard, SEBI initiated Adjudication Proceedings against the Noticees and appointed the undersigned as Adjudicating Officer, vide communique dated September 28, 2020, under Section 15-I of the SEBI Act, 1992 read with Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 *(*hereinafter referred to as '***Adjudication Rules')*** to inquire into and adjudge under Section 15A(b) and/or Section 15HA of the SEBI Act, as applicable , for the alleged violation of PIT, SAST and PFUTP Regulations committed by the Noticees.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

4. A common Show Cause Notice dated February 22, 2021 (hereinafter referred to as ***SCN***) was issued to the Noticees in terms of Section 15-I of the SEBI Act, 1992 read with Rule 4 of the Adjudication Rules to show cause as to why an inquiry should not be held against them and why penalty, if any, should be not be imposed under

   (a) Section 15A(b) of the SEBI Act, 1992 for Noticee No. 1 and

   (b) Section 15HA for Noticee No. 2 to 6.

5. The SCN is summarized below:

   a) *It was observed that Ullashkumar Jayantilal Parikh (Noticee No. 1) was non-executive Director and promoter of GLLFL during October 2010 to October 2015. As per the demat transaction statement of Noticee No. 1, it was observed that he was holding 3,72,000 (which was 7.44% shareholding) shares of GLLFL as on March 31, 2013. It was observed that on April 26, 2013,* *the Noticee No. 1 sold 3,72,000 shares of GLLFL and thereby reducing his holding to NIL. The said change in shareholding of Noticee No. 1 required disclosures under Regulation 13 (4A) of PIT Regulations 1992 and Regulation 29(2) of SAST Regulations 2011 which was not made by the aforesaid Noticee.*

b) In view of the above non-compliance, it was alleged that Noticee No. 1 has violated the provisions of Regulation 13(4A) read with Regulation 13(5) of PIT Regulations, 1992 and Regulation 29(2) read with Regulation 29(3) of SAST Regulations 2011 by not making necessary disclosures regarding disposal of shares.

c) Further, it was observed that:

- *there was indirect fund transfer from GLLFL (Noticee No. 2) to the account of Ashok (Noticee No. 3), Ashok HUF (Noticee No. 4) and Meena (Noticee No. 5) through DLFL (Noticee No.6) to fund them for acquisition of warrants/ shares of GLLFL in the preferential issue.*
- *there was direct funding from GLLFL to Ashok HUF for acquisition of warrants/shares of GLLFL in the preferential issue.*
- *DLFL (Noticee No.6) aided GLLFL in giving indirect financial assistance as well as engaged in act/ assisted fraudulent scheme in connection with purchase of warrants/shares of GLLFL which were allotted to Noticee No. 2 to 5 in the preferential issue.*

d) In view of the above, it was alleged that Noticee No. 2 to 5 have violated the provisions of Section 12A(a), (b), (c) of the SEBI Act, 1992 r/w Regulation 3(a), *(b), (c), (d) & 4(1) of the PFUTP Regulations by engaging in fraudulent scheme by giving an impression of capital infusion through preferential allotment, while in reality GLLFL's own funds were used by Noticee No. 2 to 5 to buy warrants/shares issued by GLLFL.*

e) *Further, it was alleged that Noticee No. 6 has violated Section 12A(a) (b) & (c) of the SEBI Act, 1992 r/w Regulation 3(a) & (d) of the PFUTP Regulations by aiding GLLFL for engaging in fraudulent scheme by giving an impression of capital infusion through preferential allotment, while in reality GLLFL's own funds were used by Noticee No. 2 to 5 (funds received by allottees indirectly through channels of GLLFL) to buy those warrants/shares issued by GLLFL.*

6. The details of delivery of SCNs and further communication with Noticees are as follows:

a) The common SCN dated February 22, 2021 in terms of Section 15-I of the SEBI Act, 1992 read with Rule 4 of the Adjudication Rules was issued to the Noticees via SPAD. The proof of service is on record.

b) From the material available on record, it is observed that barring Noticee No. 3, till date other Noticees have not submitted their reply to the said SCN.

c) Son of Ashok Hiralal Shah (Noticee No. 3), vide email dated April 14, 2021, informed the undersigned regarding the death of Noticee No. 3 on August 09, 2020. In this regard, a copy of Death Certificate dated August 14, 2020 in support of the same was submitted. Subsequently, the undersigned disposed of the said SCN against Noticee No. 3 vide order dated April 26, 2021.

d) In the interest of natural justice and in order to conduct an inquiry in terms of Rule 4(3) of the Adjudication Rules, an opportunity of personal hearing in terms of Rule 7(d) of the Adjudication Rules, was granted to the Noticees on July 01, 2022 at SEBI Bhavan II, Mumbai, vide email dated June 24, 2022

e) It was also mentioned in the said mail that if they fail to appear for the hearing, then the matter would be decided on the basis of documents available on record.

7. In view of the above, I am of the view that principles of natural justice have been duly complied with, as SCN and hearing Notice were duly served upon the Noticees and sufficient opportunity was also granted to the Noticees to reply to the SCN and appear for hearing.

8. It is noted that the Noticees (except Noticee No. 3) have neither filed any reply nor have availed the opportunity of personal hearing despite service of notices upon them. In the facts and circumstances of this case, I am of the view that the aforesaid Noticees have nothing to submit and in terms of Rule 4(7) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, the matter can be proceeded *ex-parte* on the basis of material available on record. In the absence of

any response from the Noticees to the SCN, I presume that the Noticees have admitted the charges levelled against them.

9. In this regard, it is pertinent to note that the Hon'ble Securities Appellate Tribunal (SAT) in the matter of **Classic Credit Ltd. vs. SEBI** (Appeal No. 68 of 2003 decided on December 08, 2006) has, inter alia, observed that, *"......the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show cause notice were admitted by them"*.

Further, the Hon'ble SAT in the matter of **Sanjay Kumar Tayal & Others vs SEBI** (Appeal No. 68 of 2013 decided on February 11, 2014), has also, inter alia, observed that: *"........... appellants have neither filed reply to show cause notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges leveled against them in the show cause notices..."*

Additionally, the same position reiterated by the Hon'ble Securities Appellate Tribunal (SAT) in the matter of **Dave Harihar Kirtibhai vs SEBI** (Appeal No. 181 of 214 dated December 19, 2014), wherein the Hon'ble SAT observed as under:

"...further, it is being increasingly observed by the Tribunal that many persons/entities do not appear before SEBI (Respondent) to submit reply to SCN or, even worse, do not accept notices/letters of Respondent and when orders are

passed ex-parte by Respondent, appear before Tribunal in appeal and claim non-receipt of notice and do not appear and/or submit reply to SCN but claim violation of principles of natural justice due to not being provided opportunity to reply to SCN or not provided personal hearing. This leads to unnecessary and avoidable loss of time and resources on part of all concerned and should be eschewed, to say the least. Hence, this case is being decided on basis of material before this Tribunal..."

10. In view of the observations made by the Hon'ble SAT, I find no reason to take a different view and accordingly, I deem it appropriate to proceed against the Noticees ex parte, based on the material available on record. While deciding the case, I also cannot lose sight of settled position of law that the charge should be established with valid reasons and in accordance with law. I, therefore, deem it necessary to examine the charge based upon the trades of the Noticees and supporting material as provided in the SCN.

CONSIDERATION OF ISSUES AND FINDINGS

11. Considering the findings of Investigation, the allegations made out in the SCN and the documents / material available on record, I find that following issues require consideration in the present case:

    (a) Whether Noticee No. 1 have violated the provisions of Regulation 13(4A) read with Regulation 13(5) of SEBI (PIT) Regulations 1992 and Regulation 29(2) read with Regulation 29(3) of SEBI (SAST) Regulations 2011 by not making necessary disclosures regarding disposal of shares?

Whether Noticee No. 2, 4 and 5 have violated the provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992 read with Regulation 3(a), (b), (c), (d) & 4(1) of the PFUTP Regulations, 2003 by engaging in fraudulent scheme?

Whether Noticee No. 6 have violated the provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992 read with Regulation 3(a), (d) & 4(1) of the PFUTP Regulations, 2003 by aiding Noticee No. 2 for engaging in aforesaid fraudulent scheme?

(b) Does the violation, if any, attract penalty under Section 15A (b) and 15HA of the SEBI Act, 1992, as applicable?

(c) If so, what would be the monetary penalty that can be imposed taking into consideration the factors mentioned in Section 15J of the SEBI Act, 1992?

Issue (a) - Whether Noticee No. 1 have violated the provisions of Regulation 13(4A) read with Regulation 13(5) of SEBI (PIT) Regulations 1992 and Regulation 29(2) read with Regulation 29(3) of SEBI (SAST) Regulations 2011 by not making necessary disclosures regarding disposal of shares?

Whether Noticee No. 2, 4 and 5 have violated the provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992 read with Regulation 3(a), (b), (c), (d) & 4(1) of the PFUTP Regulations, 2003 by engaging in fraudulent scheme?

Whether Noticee No. 6 have violated the provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992 read with Regulation 3(a), (d) & 4(1) of the PFUTP Regulations, 2003 by aiding Noticee No. 2 for engaging in aforesaid fraudulent scheme?

12. Before moving forward, I find it relevant to mention provisions of various regulations which are alleged to be violated by the Noticees:

SEBI Act, 1992

Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.

12A. No person shall directly or indirectly—

(a) use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of this Act or the rules or the regulations made thereunder;

(b) employ any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognized stock exchange;

(c) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which are listed or proposed to be listed on a recognized stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder;

PIT Regulations, 1992

13(4A) Any person who is a promoter or part of promoter group of a listed company, shall disclose to the company and the stock exchange where the securities are listed in Form D, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings of such person from the last disclosure made under Listing Agreement or under sub-regulation (2A) or under this sub-regulation, and the change exceeds Rs 5 lakh in *value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower.*

13(5) The disclosures mentioned in sub-regulations (3), (4) and (4A) shall be made within two working days of

(a) the receipt of intimation of allotment of shares or

(b) the acquisition or sale of shares or voting rights, as the case may be.

SEBI SAST Regulations, 2011

29.(2) Any acquirer, 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 every acquisition or disposal of shares of such target company representing two per cent or more of the shares or voting rights in such target company in such form as may be specified.

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 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.

PFUTP Regulations, 2003

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;

(b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;

(c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;

(d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

4. Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practice in securities

Noticee No. 1

13. I note that SEBI conducted an investigation in the matter of GLLFL., during the period January 01, 2013 to February 15, 2014. I further noted that during the IP, the irregularities observed with regard to issuance preferential warrants by the company to 49 entities and non-disclosure by one entity i.e. Ullash Jayantilal Parikh (Noticee No.1).

14. Further, I note from the IR that Noticee No. 1 was non-executive Director and promoter of GLLFL during October 2010 to October 2015. During the investigation,

it was observed from the demat transaction statement of Noticee No. 1 that he was holding 3,72,000 (which was 7.44% shareholding) shares of GLLFL as on March 31, 2013. It was further observed that on April 26, 2013, Noticee No. 1 sold all the aforesaid 3,72,000 shares of GLLFL and thereby his holding reduced to NIL.

15. I note that, as per Regulation 29(2) of SAST Regulations read with Regulation 29(3) of the said Regulations., Noticee No. 1 was required to disclose the aforementioned disposal of 3,72,000 shares of GLLFL, representing two per cent or more of the shares or voting rights, to company and exchange within two days of each of the transaction

16. Further I also note that, this apart, as the change in the shareholding of Noticee No. 1 exceeded 1%, in terms of Regulation 13(4A) read with 13(5) of PIT Regulations, Noticee No. 1, being a Promoter of GLLFL, was required to make disclosure to company and exchange within two working days from date of the said transaction.

17. However, with regard to the above disclosure requirement under PIT Regulations 1992 and SAST Regulations 2011, I note that both Company and Exchange confirmed that they had not received any disclosure from Ullash Jayantilal Parikh (Noticee No. 1).

18. The aforesaid non-compliances clearly establish that the Noticee No. 1 has violated Regulation 13(4A) read with Regulation 13(5) of PIT Regulations, 1992 and Regulation 29(2) read with Regulation 29(3) of SAST Regulations 2011 by not making necessary disclosures regarding disposal of shares of GLLFL.

Noticee No. 2, 4 and 5

19. I note from the IR that the company in its Board Meeting dated February 12, 2013, granted allotment of 98,70,000 preferential warrants of Rs.10 each convertible in to equity shares to 49 allottees. I further note that the preferential warrants were allotted at first call of Rs.2.50 per warrant at the time of allotment. Subsequently, the company in its board meeting held on January 06, 2014 resolved that final call of Rs.7.50 per preferential warrant has been received by the company and 98,70,000 preferential warrants were converted into equity shares. It was further noted that the said equity shares arising out of the issue of fully convertible warrants had a lock-in a period of one year from the date of allotment of equity shares i.e. till January 06, 2015 (the scheme is hereinafter referred to as "preferential issue"). The list of preferential allottees along with the number of shares allotted was as under:

Sl. No.	Name of the Shareholder	PAN of the Shareholder	Number of Shares
1	Anita Jhunjhunwala	ACIPJ7401N	2,00,000
2	Ashok Hiralal Shah	ACTPS7672M	5,00,000
3	Ashok Hiralal Shah HUF	AAHHA8439E	7,00,000
4	Ashok Kumar Chokhani	ACMPC5844J	1,00,000
5	Ashu Jain	AAQPJ0074P	1,12,500
6	Atma Ram Sharma	ATUPS1007L	2,00,000
7	Bina Modi	AAPPM4174L	1,00,000
8	Brij Bhushan Singal	AEFPS6298M	3,00,000
9	CharuBhartia	ACSPB6374J	1,00,000
10	Garima Singh	ASTPS2847L	2,00,000
11	Gurcharan Singh Baweja	ABHPS3711N	2,12,500
12	Gyaneshwar Das Agrawal HUF	AADHG2160C	2,00,000
13	Harjit Singh Chawla	AACHH4185B	1,62,500
14	Het Ram	AFVPR5490R	2,00,000
15	Jatinder Kumar Jain	AAQPJ0072M	1,12,500
16	Jinesh Kumar Jain	AAPHJ2644Q	2,00,000
17	Kastoor Chand Gupta	ABMPG0820H	1,00,000
18	Ketaki Benara	AMPPS9801E	2,00,000
19	Meena Shah	APDPS3192P	7,00,000
20	Mithiesh Kumar Singh	ADAPS3752N	2,00,000
21	Mithlesh Sharma	AWJPS1312A	2,00,000

Sl. No.	Name of the Shareholder	PAN of the Shareholder	Number of Shares
22	Mohan Sharma	ATUPS1008F	2,00,000
23	Neeraj Singal	AAEHN4557P	3,00,000
24	Neeraj Singhal (HUF)	ANRPS7986B	3,00,000
25	PalashTyagi	AJAPT5251H	1,70,000
26	Panna Lal Jain	ACLPJ8868Q	2,00,000
27	Prakash Chand Dhandhia	AABPD4622H	2,00,000
28	Prateek Mittal	ARIPM0276H	1,00,000
29	Rajeev Yadav	AABPY9364N	2,00,000
30	Rajinder Kaur Chawla	ABSPK4386L	1,12,500
31	Rajinder Pal Singh	ABPPS4057E	1,12,500
32	Rajiv Garg	AAZPG5575F	1,37,500
33	Raman Kumar Aggarwal	ABEPA1443Q	2,00,000
34	ReenaNarain	ABEPN5070C	2,00,000
35	Renu Aggarwal	ABEPA1444K	2,00,000
36	Ritu Singal	ABHPS3711N	3,00,000
37	Rupinder Singh Chawla HUF	AABHR0976D	1,62,500
38	Samir Kumar Modi	AAVPM0628H	1,00,000
39	Sanjiv Garg	AAZPG5581D	1,37,500
40	Sarla Jain	ABWPJ2685D	2,00,000
41	Shanser Pal Singh	ABMPS3190A	3,00,000
42	Sharda Devi Chokhani	ACRPC8195K	1,00,000
43	ShikhaJhunjhunwala	AIXPM8108Q	2,00,000
44	Sumit Chawla	AAQPC4053M	1,12,500
45	Sunny Jain	AAZPJ9463D	1,12,500
46	Suresh Kumar Agarwal	ADSPA4410B	1,00,000
47	Sushma Mittal	AHBPM9110B	1,00,000
48	Vikas Garg	ABMPG6233A	1,12,500
49	Vivek Benara	AERPB3798K	2,00,000

20. I note from the submissions made by GLLFL during the investigation and from the certificate issued (submitted to BSE) by the chartered accountant firm Arvind A. Thakkar & Co, that GLLFL had realized the 25% upfront money amounting to Rs.2,46,75,000/- (i.e. Rs. 2.50 per convertible warrant issued) on or before February 12, 2013 against the allotment of 98,70,000 warrants and further the company had also realized the balance 75% allotment monies amounting to Rs. 7,40,25,000/- (i.e. Rs. 7.50 per preference share issued) from the allottees on or before January 06,

2014 against the allotment of equity shares on conversion of the warrants. However, the following was observed from the bank statement of GLLFL:

a) Out of 49 allottees, only allottees Ashu Jain, Gurcharan Singh Baweja, Sanjiv Garg, Shanser Pal Singh, Vikas Garg, Jatinder Kumar Jain, Sunny Jain alongwith Noticee No. 3 to 5 had transferred the allotment money @ Rs. 2.50 per convertible warrant on or before February 12, 2013 to the account of GLLFL.

b) Similarly, only allottees viz Garima Singh, Ketaki Banera, Panna Lal Jain, Rajeev Yadav, Reena Narain, Sarla Jain and Vivek Banera had transferred the balance allotment money @ Rs. 7.50 per convertible warrant after January 06, 2014 to the account of GLLFL.

21. Further, I note that, on analysis of bank account statements of the preferential allottees and on trail of the funds to GLLFL in connection with preferential issue of GLLFL, following observations were made:

a) It was observed that Noticee No. 3 was spouse of Noticee No. 5 and he was also Karta of Noticee No. 4. Further, it was observed that Meena Shah/ Meena Ashok Shah/ Meenaben Ashok Kumar Shah is the name of same person, i.e. Noticee No. 5.

b) Further, it was observed that Noticee No. 3 was allotted 5,00,000 shares in said preferential allotment by GLLFL for Rs.50,00,000/- and that he had transferred Rs.12,50,000/- on February 12, 2013 from his Bank of India A/c No. 2001101100015346 and Rs.37,50,000/- on August 31, 2013 from his HDFC Bank A/c No. 08881000001801 to the account of GLLFL totalling to

Rs.50,00,000/- as subscription amount. The following was observed from the analysis of Noticee No.3's aforesaid bank account statements:

i. Prior to the transfer of funds to GLLFL for preferential allotment, he had received funds amounting to Rs.12,50,000/- in his Bank of India account no. 2001101100015346 on February 11, 2013 and Rs. 37,50,000/- on August 30, 2013 in his HDFC Bank A/c No. 08881000001801 from DLFL (Noticee No. 6).

ii. The bank account balance of Noticee No. 3 before the transfer of funds from DLFL was only Rs. 8,745.98 (on August 26, 2013) in HDFC Bank account and only Rs. 14,601.22 (on February 06, 2013) in Bank of India account. Thus, it was observed that the funds received from DLFL were used by Noticee No. 3 to make payment to GLLFL as subscription amount for the preferential allotment.

iii. Further, DLFL had received Rs.1,30,36,750/- out of the preferential allotment funds from GLLFL (total amount transferred between January 21, 2013 to July 23, 2013 as per bank account statement of DLFL was Rs.1,65,11,835/-).

c) Ashok HUF (Noticee No. 4) was also allotted 7,00,000 shares in said preferential allotment by GLLFL for Rs.70,00,000/-. It had transferred Rs. 17,50,000/- on February 12, 2013 from his Bank of India A/c No. 200110110000168 and Rs.52,50,000/- on August 31, 2013 from its HDFC Bank A/c No. 08881000002218 to the account of GLLFL totalling to Rs.70,00,000/- as subscription amount. The following was observed from the analysis of Noticee No. 4's bank account statements:

i. Prior to the transfer of funds to GLLFL for preferential allotment, it had received fund amounting to Rs.17,50,000/- in its Bank of India account no. 200110110000168 on February 11, 2013 and Rs.52,50,000/- on August 30, 2013 in its HDFC Bank A/c No. 08881000002218 from DLFL (Noticee No.6).
ii. The bank account balance of Noticee No. 4 before the transfer of funds from DLFL was only Rs.2,11,568.79 in HDFC bank account (on August 16, 2013) and Rs. 9,828.59 (on February 06, 2013) in Bank of India bank account. Thus, the funds received from DLFL were used to make payment to GLLFL as subscription amount for preferential allotment.
iii. GLLFL had transferred Rs. 54,00,000/- to Noticee No. 4 on June 21, 2013 from its Bank of India account no. 200120110000527 (account in which preferential allotment proceeds were received by GLLFL).

d) Meena (Noticee No. 5) was also one of the allottee and allotted 7,00,000 shares in said preferential allotment by GLLFL at Rs. 70,00,000/-. She had transferred Rs. 17,50,000/- on February 12, 2013 from her Bank of India A/c No. 200110100015347 and Rs.52,50,000/- on August 30, 2013 from her HDFC Bank A/c No. 08881000001838 to the account of GLLFL totalling to Rs.70,00,000/- as subscription amount. It was further observed that she is spouse of Noticee No. 3. The following was observed from the analysis of Noticee No. 5's bank account statements:
   i. Prior to the transfer of funds to GLLFL for preferential allotment, she had received fund amounting to Rs.17,50,000/- in her Bank of India account

no. 200110100015347 on February 11, 2013 and Rs. 52,50,000/- on August 30, 2013 in her HDFC Bank A/c No. 08881000001838 from DLFL.

ii. The bank account balance of Noticee No. 5 before the transfer of funds from DLFL was only Rs. 1,61,500.56 in HDFC bank account (on August 14, 2013) and only Rs. 4,90,643.14 in Bank of India account (on February 06, 2013). Thus, the funds received from DLFL were used to make payment to GLLFL as subscription amount for preferential allotment.

Analysis of fund transfers by DLFL (Noticee No. 6) to Noticee No. 3, 4 and 5

22. Further, I note that in response to the summon issued to DLFL to ascertain the reasons for its transactions with Noticee No. 2, 3, 4 and 5, it was submitted by DLFL that the reasons for the transactions was “Investment sold” or “Loan”. As the reasons provided by the DLFL were not specific, the details of the specific transactions with Noticee No. 3, 4 and 5 along with documentary evidence of the said transactions were sought from DLFL vide email dated December 17, 2019. DLFL, vide its email dated December 18, 2019 submitted the following:

Sl. No.	Date	Amount	DR/ CR (in the account of Ashok Hiralal Shah)	Bank Name and A/C No.	Reason for transaction as mentioned by DLFL	Details of the purchase as mentioned by DLFL
Transactions with Ashok						
1	11.02.2013	12,50,000	Credit	BOI (200110100015346)	Investment purchase (Rs. 18,00,000)	Acquired 18000 Equity Shares of Corporate Share Registry Private Limited @ 100/- per share on 31.08.2013
2	30.08.2013	37,50,000	Credit	HDFC Bank Ltd 08881000001801	Investment purchased (Rs. 32,00,000)	Acquired 32000 Equity Shares of Corporate Strategic Allianz

						Limited @ 100/- per share on 31.08.2013
Transactions with Ashok HUF						
1	11.02.2013	17,50,000	Credit	BOI (200110110000168)	Investment purchased (Rs. 70,00,000)	Acquired 17500 Equity Shares of North Pole Finance Limited @ 400/- per share on 31.08.2013
2	30.08.2013	52,50,000	Credit	HDFC Bank Ltd 08881000002218		
Transactions with Meena						
1	11.02.2013	17,50,000	Credit	BOI (200110100015347)	Investment purchase (Rs. 70,00,000)	Acquired 17500 Equity Shares of North Pole Finance Limited @ 400/- per share on 31.08.2013
2	30.08.2013	52,	Credit	HDFC Bank 08881000001838		

23. DLFL further submitted copies of receipts dated August 31, 2013 issued by it to Noticee No. 3, 4 and 5 acknowledging payment in lieu of purchase of shares of Corporate Share Registry Private Limited, Corporate Strategic Allianz Limited and North Pole Finance Limited. DLFL, vide its email dated January 07, 2020, submitted that the shares were transferred in physical form and the shares certificates were not available with it as the transactions were very old. DLFL, vide its letter dated January 29, 2020 submitted the copies of shares certificates as mentioned below:

Sr. No.	Name of Company	Folio No.	Date of issue of share certificate	Name mentioned in certificate	Quantity of Shares	Date of transfer of shares	New Folio No.	Name of transferee as mentioned overleaf on the share certificate
1	Corporate Share Registry Private Limited	A001	31.08.2013	Ashok Hiralal Shah	18000 (Cert. No. 0004)	27.09.2014	D001	DLFL
		A001	31.08.2013	Ashok Hiralal Shah	22000 (Cert. No. 0005)	17.12.2014	D001	DLFL
		A001	31.08.2013	Ashok Hiralal Shah	5000 (Cert. No. 0001)	17.12.2014	D001	DLFL
2	North Pole	93	20.08.2013	Shreeji Broking Pvt. Ltd.	17500 (Cert. No. 173)	05.01.2014	89	DLFL

	Finance Limited	93	20.08.2013	Shreeji Broking Pvt. Ltd.	17500 (Cert. No. 174)	05.01.2014	89	DLFL

24. With regard to the share certificate of 32000 equity shares of Corporate Strategic Allianz Limited acquired by it from Noticee No. 3, I note that DLFL had submitted that it did not have the share certificate as the said shares were sold back to Noticee No. 3.

25. I note that, in response to the summons issued during the course of investigation to Noticee No. 3, 4 and 5, requesting them to provide the details of their aforesaid transactions with DLFL along with copies of the share certificates of the share transfer transactions and if the shares were acquired in demat form, then to provide the copy of the demat transaction statement. In response, Noticee No. 3, 4 and 5, vide letters attached in Noticee No. 3's email dated January 25, 2020, submitted the following:

Sl. No.	Date	Amount received DLFL	Bank Name and A/C No.	Reason transaction	Details of the transaction
Transaction between Ashok and DLFL					
1	11.02.2013	12,50,000	BOI (200110100015346)	Consideration sale of shares	Sold 18000 Equity Shares of Corporate Share Registry Private Limited @ 100/- per share on 31.08.2013
2	30.08.2013	37,50,000	HDFC Bank (08881000001801)		Sold 32000 Equity Shares of Corporate Strategic Allianz Limited @ 100/- per share on 31.08.2013 (subsequently these shares were acquired back and 27000 shares of Strategic Allianz Limited were sold @ 120 per share)

Sl. No.	Date	Amount received DLFL	Bank Name and A/C No.	Reason transaction	Details of the transaction
Transaction between Ashok HUF and DLFL					
1	11.02.2013	17,50,000	BOI (200110110000168)	Consideration sale of shares	Sold 17500 Equity Shares of Northpole Finance Limited @ 400/- per share on 31.08.2013 (The shares were bought from Shreeji Broking Ltd. and kept blank with us. However, we sold the same without getting transferred in to our name due to sudden requirement of funds)
2	30.08.2013	52,50,000	HDFC Bank (08881000002218)		
Transaction between Meena and DLFL					
1	11.02.2013	17,50,000	BOI (2001101100015347)	Consideration sale of shares	Sold 17500 Equity Shares of Northpole Finance Limited @ 400/- per share on 31.08.2013 (The shares were bought from Shreeji Broking Ltd. and kept blank with us. However, we sold the same without getting transferred in to our name due to sudden requirement of funds)
2	30.08.2013	52,50,000	HDFC Bank (08881000001838)		

26. Further I note that, Noticee No. 3, 4 and 5 also submitted the copies of share certificates as those which were submitted by DLFL. In addition, Noticee No. 3 had also submitted copies of share certificates of Corporate Strategic Allianz Limited (hereinafter referred to as CSAL) as mentioned below:

Sr. No.	Name of Company	Folio No.	Date of issue of share certificate	Name mentioned in certificate	Quantity of Shares	Details of transfer to DLFL

1	Corporate Strategic Allianz Limited (CSAL)	001	25.09.2009	Ashok Hiralal Shah	31500 (Cert. No. 0013)	Ashok has submitted that, these share were purchased back by him from DLFL before the shares were transferred in the name of DLFL.
			31.08.2013	Ashok Hiralal Shah	500 (Cert. No. 0014)	

27. From the submissions made by Noticee No. 3 to 6 during the investigation, I note the following:

a) The share certificates of Corporate Share Registry Private Limited (hereinafter referred to as CSRPL) were issued in the name of Noticee No. 3 on August 31, 2013. However, Noticee No. 6 had paid funds to Noticee No. 3 for transfer of these shares to it on February 11, 2013 which was six months prior to the claimed sale of shares transaction.

b) As per the copy of share certificate of CSRPL (18000 shares in Cert. No. 0004) submitted by Noticee No. 6, the said shares were transferred in its name on September 27, 2014 which was more than 18 months after it paid funds to Noticee No. 3 for acquisition of these shares.

c) CSRPL had not made the necessary filings with MCA regarding register of its shareholders as on March 31, 2013, March 31, 2014 and March 31, 2015. Thus, the details of the shareholders of CSRPL could not be verified from MCA Portal.

d) As submitted by Noticee No. 3 and Noticee No. 6, the shares of CSAL were never transferred in the name of DLFL though DLFL claims to have purchased 32000 shares of CSAL from Noticee No. 3. Thus, Noticee No. 3 received Rs. 37,50,000/- from DLFL on August 30, 2013 without transfer of 32000 shares of CSAL to DLFL.

e) Further, Noticee No. 4 and Noticee No. 5 had claimed to have sold 17500 shares each (total of 35000 shares) of North Pole Finance Limited (hereinafter referred to as NPFL) to DLFL on August 31, 2013. However, as per the share certificates submitted, these shares were in the name of Shreeji Broking Ltd. Further, as submitted by Noticee No. 4 and 5 vide letter dated January 27, 2020, the said shares of NPFl were not transferred in their names.

f) Noticee No. 4 and 5 had received Rs.17,50,000/- each from DLFL on February 11, 2013 which they claimed to have received for sale of shares of NPFL to DLFL on August 31, 2013. Further, the share Certificate No. 173 & 174 having 17500 each of NPFL was issued to Shreeji Broking Ltd. on August 20, 2013, which means, that even Shreeji Broking Ltd. was not having shares of NPFL in its name on February 11, 2013 when Noticee No. 4 and 5 received funds from DLFL for acquisition of the said shares.

g) As per the copies of share certificates of NPFL submitted by DLFL, 35000 shares of NPFL were transferred in its name on January 01, 2014 in folio no. 89. However, as per the list of shareholders as on March 31, 2015 and March 31, 2016 filed by NPFL on MCA Portal, the folio no. 89 (with 119630 shares) belonged to Mahavir Impex Limited. The list of shareholders of NPFL as on March 31, 2014 was not available on MCA Portal, thus, it could not be verified as to whether DLFL was shareholder with 35000 shares as on March 31, 2014 (as transfer claimed to have executed in January 2014).

28. The aforesaid facts establish that the claims made by Noticee No. 3, 4, 5 and 6 that funds had been transferred by Noticee No. 6 to Noticee No. 3, 4 and 5 to acquire/buy shares from them were not genuine.

Analysis of fund transfers by GLLFL (Noticee No. 2) to Ashok HUF (Noticee No. 4)

29. I note that Noticee No. 2 had transferred Rs.54,00,000 to Noticee No. 4 on June 21, 2013 from its Bank of India account no. 200120110000527 (account in which preferential allotment proceeds were received by GLLFL).

30. Further I note that, Noticee No. 2, vide its email dated December 17, 2019, submitted that Rs.54,00,000 was transferred to Noticee No. 4 on June 21, 2013 for payment towards consideration for purchase 1,35,000 Equity Shares of Devine Impex Limited from him. Noticee No. 2 also submitted that the shares were acquired in physical form on April 25, 2014 and the procedure for transfer of shares into its name was not done since it did not have demat account.

31. I note that Noticee No. 4, vide letters attached in Noticee No. 3's email dated January 25, 2020, had submitted the following:

Sl. No.	Date	Amount received from GLLFL	Bank Name and A/C No.	Reason for transaction as mentioned by Ashok HUF	Details of the purchase as mentioned by Ashok HUF
1	21.06.2013	54,00,000	BOI (200110110000168)	Consideration for sale of shares	Sold 135000 Equity Shares of Divine Impex Limited @ Rs. 54 per share on 29.05.2013.

32. With regard to the above transaction, Noticee No. 4 submitted that the transaction was done off-market in physical mode and the copy of the share certificates was not traceable and the same would be submitted as soon as Noticee No. 4 finds it.

33. Subsequently, as the claimed share transfer transaction was done in physical mode, clarification from Link Intime India Pvt Ltd, the Registrar and Share Transfer Agent (RTA) of Devine Impex Limited, was sought as to whether any person with the name Ashok Hiralal Shah HUF or Ashok Hiralal Shah was shareholder in Devine impex Limited on or before April 25, 2014. The RTA, vide its email dated December 18,

2019 had submitted that Ashok Shah or Ashok Hiralal Shah HUF or Ashok Hiralal Shah was not appearing in the Register of Members (physical holding) of Devine Impex Ltd on or before April 25, 2014.

34. The aforesaid facts establish that the claims made by Noticee No. 2 and Noticee No. 4 that funds were transferred by Noticee No. 2 to Noticee No. 4 to acquire/buy shares from Ashok HUF was not genuine.

Analysis of fund transfers by GLLFL (Noticee No. 2) to DLFL (Noticee No. 6)

35. I note that Noticee No. 6 had received Rs.1,30,36,750/- out of the preferential allotment funds from Noticee No. 2 (total amount transferred between January 21, 2013 to July 23, 2013 as per bank account statement of DLFL was Rs.1,65,11,835/) for which, Noticee No.2, vide its letter dated October 04, 2019 and email dated November 25, 2019, had submitted that it had transferred funds to Noticee No. 6 as “investment” i.e. to purchase shares of various companies.

36. I further note that, Noticee No. 2, vide its letter dated January 16, 2020, had submitted that it had paid Rs.1,30,36,750/- to Noticee No. 6 toward acquisition of shares of Presha Metallurgical Limited (hereinafter referred to as “PML”) in demat form and as Noticee No. 6 was taking too long time to dematerialise the shares of PML and transfer the same to it, the deal was cancelled. Thereafter, Noticee No. 6 repaid the entire money to Noticee No. 2 in calendar year 2014.

37. From the bank account statement of Noticee No. 6, I note that Noticee No. 2 had transferred funds to Noticee No. 6 in several transactions during January 21, 2013 to July 23, 2013. As mentioned above, though Noticee No. 6 never delivered any share of PML, Noticee No. 2 continued to transfer funds. Further I note that, Noticee No. 2 had not submitted any documents pertaining to the share transfer deal/ agreement/ cancellation of such deal with Noticee No. 6.

38. Clarification, vide email dated January 17, 2020, regarding shareholding of Noticee No. 6 in PML during January 01, 2013 to December 31, 2013 was sought from Satellite Corporate Services Pvt Ltd. (hereinafter referred to as "SCSPL") which was Registrar and Share Transfer Agent of PML. I note that, SCSPL, vide its email dated January 17, 2020 had submitted that the below mentioned shares of PML were lying in Noticee No. 6's demat account:

Sr. No.	Benpos Date	No. of Shares
1.	09-03-2013	29000
2.	03-05-2013	63000
3.	06-09-2013	NIL

39. From the submission of SCSPL, I note that Noticee No. 6 already had the shares of PML in demat form. Thus, the submission of Noticee No. 2 that the share transfer deal with Noticee No. 6 was cancelled as it was taking too long to dematerialise the shares of PML, is incorrect.

40. In view of the above, I find that the claim made by Noticee No. 2 that funds have been transferred by it to Noticee No. 6 to acquire/buy shares from it was not genuine.

41. From the above observations, as mentioned in the preceding paragraphs, I note that the claim of GLLFL (Noticee No. 2) that transfer of funds to DLFL (Noticee No. 6) was for acquisition of the shares and further the claim of DLFL that the transfer of funds to Ashok (Noticee No. 3), Ashok HUF (Noticee No. 4) and Meena (Noticee No. 5) was also for acquisition of the shares is false.

42. Accordingly, I conclude that there was indirect fund transfer from Noticee No. 2 to the account of Noticee No. 3, 4 and 5 through Noticee No. 6 to fund them for acquisition of warrants/ shares of GLLFL in the preferential issue.

43. Further, I note that the claim of Noticee No. 2 that the transfer of Rs.54,00,000/- to Noticee No. 4 was for acquisition of the shares is not correct and therefore I conclude that, Noticee No. 2 directly funded Noticee No. 4 for acquisition warrants/shares of GLLFL in the preferential issue.

44. From the above observations, I also conclude that Noticee No. 6 aided Noticee No. 2 in giving indirect financial assistance as well as engaged in act/ assisted fraudulent scheme in connection with purchase of warrants/shares of GLLFL which were allotted to Noticee No. 3, 4 and 5 in the preferential issue.

45. In view of the above, I hold that Noticee No. 1 violated provisions of Regulation 13(4A) read with Regulation 13(5) of SEBI (PIT) Regulations 1992 and Regulation 29(2) read with Regulation 29(3) of SEBI (SAST) Regulations 2011 by not making necessary disclosures regarding disposal of shares. Further, I hold that Noticee No. 2, 4 and 5 have violated provision of Section 12A(a), (b), (c) of the SEBI Act, 1992 r/w Regulation 3(a), (b), (c), (d) & 4(1) of the PFUTP Regulations by engaging in fraudulent scheme by giving an impression of capital infusion through preferential allotment, while in reality GLLFL's own funds were used by Noticee No. 4 and 5 to buy warrants/shares issued by GLLFL.

46. I also hold that Noticee No. 6 has violated Section 12A(a) (b) & (c) of the SEBI Act, 1992 r/w Regulation 3(a) & (d) of the PFUTP Regulations by aiding Noticee No. 2 for engaging in aforesaid fraudulent scheme.

Issue (b) - Does the violation, if any, attract penalty under Section 15 A(b) and Section 15HA of the SEBI Act, 1992?

47. I note that the Hon'ble Supreme Court of India in the matter of **SEBI v/s Shri Ram Mutual Fund [2006] 68 SCL 216(SC)** held that *"In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the Regulations is established and hence the intention of the parties committing such violation becomes wholly irrelevant…."*

48. Therefore, I am of the view that monetary penalty needs to be imposed upon

a) Notice No. 1 under Section 15A(b) of the SEBI Act, 1992 for violation of provisions of Regulation 13(4A) read with Regulation 13(5) of SEBI (PIT) Regulations 1992 and Regulation 29(2) read with Regulation 29(3) of SEBI (SAST) Regulations 2011;
b) Noticee No. 2, 4 and 5 under Section15 HA of the SEBI Act, 1992 for violation of the provisions of Section 12A(a), (b), (c) of the SEBI Act, 1992 read with Regulations 3(a), (b), (c) & (d) & 4(1) of PFUTP Regulations, 2003
c) Noticee No. 6 under Section15 HA of the SEBI Act, 1992 for violation of the provisions of Section 12A(a), (b), (c) of the SEBI Act, 1992 read with Regulations 3(a), (d) & 4(1) of PFUTP Regulations, 2003.

The texts of Section 15A (b) and Section 15HA of SEBI Act, 1992 are reproduced hereunder:

SEBI Act, 1992

Penalty for fraudulent and unfair trade practices.

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, he shall be liable to [1][a penalty [2][which shall not be less than one lakh rupees but which may extend to one lakh rupees for

[1]Substituted for —a penalty not exceeding five thousand rupees for every day during which such failure continues||, by the SEBI (Amendment) Act, 2002, w.e.f. 29-10-2002.
[2]Substituted for the words —of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less|| by the Securities Laws (Amendment) Act, 2014, w.e.f. 08-09-2014.
[3]Substituted for the words "twenty-five crore rupees or three times the amount of profits made out of such failure, whichever is higher" by the Securities Laws (Amendment) Act, 2014, w.e.f. 08-09-2014.

each day during which such failure continues subject to a maximum of one crore rupees]];

15HA. If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty [3][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].

Issue (c) - If so, what would be the monetary penalty that can be imposed taking into consideration the factors mentioned in Section 15J of SEBI Act, 1992?

49. While determining the quantum of penalty under Section 15A(b) and 15HA of the SEBI Act, 1992, it is important to consider the factors stipulated in Section 15J of the SEBI Act, 1992 read with Rule 5(2) of the Adjudication Rules, 1995 which read as under:

SEBI Act, 1992

15J While adjudging quantum of penalty under section 15-I, the adjudicating officer shall have due regard to the following factors, namely

(a)the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;

(b) the amount of loss caused to an investor or group of investors as a result of the default;

(c) the repetitive nature of the default.

50. I observe, that the material available on record does not quantify any disproportionate gains or unfair advantage, if any, made by Noticees and the losses, if any, suffered by the investors due to such violations on the part of Noticees. Further, material available on record does not show that the said failure is repetitive. However, in the present matter I note that by failing to make disclosure, Noticee 1 has violated provisions of Regulation 13(4A) read with Regulation 13(5) of SEBI (PIT) Regulations 1992 and Regulation 29(2) read with Regulation 29(3) of SEBI (SAST) Regulations 2011, Noticee No. 2, 4 and 5 violated provisions of Section 12A (a), (b), (c) of the SEBI Act, 1992 and Regulation 3(a), (b), (c), (d) and 4 (1), of the PFUTP Regulations, 2003 by engaging in fraudulent scheme by giving an impression of capital infusion through preferential allotment, while in reality GLLFL's own funds were used by the Noticee No. 2, 4 and 5 to buy warrants/shares issued by GLLFL and Noticee No. 6 violated provisions of Section 12A (a),(b) & (c) of the SEBI Act, 1992 r/w Regulation 3(a) & (d) of the PFUTP by aiding GLLFL in aforesaid fraudulent scheme.

ORDER

51. Accordingly, taking into account the aforesaid observations and in exercise of power conferred upon me under Section 15-I of the SEBI Act read with Rule 5 of the Adjudication Rules, 1995, I hereby impose following penalty under (a) Section 15A(b) of the SEBI Act, 1992 on **Noticee 1** for violation of provisions of Regulation 13(4A) read with Regulation 13(5) of SEBI (PIT) Regulations 1992, Regulation 29(2) read with Regulation 29(3) of SEBI (SAST) Regulations 2011; (b) Section 15 HA of the SEBI Act on **Noticee No 2, 4 & 5** for violation of provisions of Section 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulation 3(a), (b), (c), (d) and 4 (1), of the

PFUTP Regulations, 2003; and (c) Section 15 HA of the SEBI Act on **Noticee No 6** for violation of provisions of Section 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulation 3(a),(d) & 4 (1), of the PFUTP Regulations, 2003:

Name of the Noticees	**Penal provisions**	**Penalty**
1.Ullash Jayantilal Parikh **(Noticee No. 1)**	Section 15A(b) of SEBI Act 1992	Rs 1,00,000/- (Rs One lakh only)
2.Golden Legend Leasing & Finance Limited **(Noticee No. 2)** 3.Ashok Hiralal Shah HUF **(Noticee No. 4)** 4.Meena Shah/Meena Ashok Shah/Meenaben **(Noticee No. 5)** 5.Dhanlaxmi Lease Finance Limited **(Noticee No. 6)**	Section 15HA of the SEBI Act, 1992	Rs 10,00,000/- (Rs Ten Lakh only) on Noticee No. 2 Rs 5,00,000/- (Rs Five Lakh only) on Noticee No. 4 Rs 5,00,000/- (Rs Five Lakh only) on Noticee No. 5 Rs 5,00,000/- (Rs Five Lakh only) on Noticee No. 6

52. The aforesaid Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order either by way of Demand Draft in favour of "SEBI - Penalties

Remittable to Government of India", payable at Mumbai, OR through online payment facility available on the website of SEBI, i.e. www.sebi.gov.in on the following path, by clicking on the payment link:

ENFORCEMENT → ORDERS → ORDERS OF AO → PAY NOW

53. The said demand draft or forwarding details and confirmations of e-payments made (in the format as given in table below) should be forwarded to "The Division Chief, Enforcement Department (EFD1 – DRA I), Securities and Exchange Board of India, SEBI Bhavan, Plot No. C –4 A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai –400 051.

1. Case Name:	
2. Name of the Noticee:	
3. PAN No. of the Noticee	
4. Date of payment:	
5. Amount paid:	
6. Transaction no.:	
7. Bank details in which payment is made:	
8. Payment is made for: (like penalties/ disgorgement/ recovery/ settlement amount etc.)	

54. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, SEBI may initiate consequential actions including but not limited to

recovery proceedings under Section 28A of the SEBI Act, 1992 for realization of the said amount of penalty along with interest thereon, *inter alia*, by attachment and sale of movable and immovable properties.

55. In terms of the provisions of rule 6 of the Adjudication Rules, a copy of this order is being sent to the Noticees and also to the Securities and Exchange Board of India.

Date: July 14, 2022 **G RAMAR**

Place: Mumbai **ADJUDICATING OFFICER**