

SECURITIES AND EXCHANGE BOARD OF INDIA
ORDER

UNDER SECTION 12(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH REGULATION 27 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (INTERMEDIARIES) REGULATIONS, 2008

In respect of:

Aranox Commodities Private Limited

SEBI Registration No. : INZ000158434.

PAN : AAPCA2207H

In the matter of Aranox Commodities Private Ltd.

BACKGROUND

1. Securities and Exchange Board of India ('**SEBI**') had carried out an inspection of Aranox Commodities Private Limited (*hereinafter also referred as 'Noticee/ACPL*'), registered with SEBI as a stock broker in the commodity derivative segment with registration No. INZ000158434.
2. Based on an inspection of the intermediary, it was *prima facie*, observed that the Noticee had misutilised the funds and securities of clients thereby violating Section 23D of the Securities Contracts (Regulation) Act, 1956 (**SCRA**) read with Clause 1 of SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993 (*hereinafter also referred to as **SEBI Circular dated November 18, 1993***) and Clause 3 of Annexure of SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016 (*hereinafter also referred to as **SEBI Circular dated September 26, 2016***).

Order in respect of Aranox Commodities Private Limited

3. Thereafter, SEBI initiated enquiry proceedings against the Noticee under Regulation 23 of the SEBI (Intermediaries) Regulations, 2008 (**“Intermediaries Regulations, 2008”**) read with Section 12(3) of the SEBI Act, 1992.

ENQUIRY BY THE DESIGNATED AUTHORITY

4. A Designated Authority (*hereinafter referred to as “DA”*) was appointed by SEBI vide communique dated June 28, 2023 to conduct an enquiry against the Noticee and submit a report and make recommendations in compliance with Regulations 26 of the Intermediaries Regulations, 2008.
5. Accordingly, the DA in terms of Regulation 25(1) of the Intermediaries Regulations issued Show Cause Notice dated October 20, 2023 (*hereinafter referred to as “Enquiry SCN”*) to the Noticee to show cause as to why appropriate recommendations be not made against the Noticee for the alleged violations.
6. The said Enquiry SCN issued to the Noticee was duly delivered to the Noticee vide SPAD. The Noticee had not provided a reply to the Enquiry SCN. Thereafter, in the interest of natural justice, an opportunity of hearing was granted, which was availed by the Noticee on December 12, 2023 before the DA. Mr. Deepak Kumar Srivastava, Director and Mr. Alok Chandra Srivastava, Compliance Officer of the Noticee appeared for the hearing which was held through Webex i.e. video conferencing. Pursuant to the hearing, the Noticee vide letter dated December 18, 2023 submitted its reply.

7. Upon completion of the enquiry, an Enquiry Report dated March 26, 2024 ("**Enquiry Report**") was submitted by the DA to the Competent Authority with the following recommendation :-

"After taking into consideration the facts and circumstances of the case, material available on record and submissions made by the Noticee, having regard to orderly functioning of the securities market and protection of interest of investors, I recommend that the Noticee i.e., Aranox Commodities Private Limited, SEBI Registration No: INZ000158434 as a Broker, be prohibited from taking up any new assignment or contract or launch a new scheme for a period of three months."

POST ENQUIRY PROCEEDINGS BY THE COMPETENT AUTHORITY

Show Cause Notice, Reply and Personal Hearing

8. A post enquiry Show Cause Notice ("**Post Enquiry SCN**") dated April 5, 2024 was issued to the Noticee vide SPAD, enclosing therewith a copy of the Enquiry Report dated March 26, 2024 submitted by the DA and calling upon it to show cause in terms of Regulation 27 of the Intermediaries Regulations, 2008 as to why action as recommended by the DA or any other action should not be taken against the Noticee in terms of the said Regulations, as deemed fit by the Competent Authority.
9. The Noticee replied to the Post Enquiry SCN vide email dated April 16, 2024 stating, *inter alia*, the following :-
- 9.1 From April 22, 2020, the trading operation has stopped and on June 5, 2020 the MCX membership has already been temporarily deactivated. Since the last 4 years, the noticee has not been in operation because of the huge loss for the negative crude oil pricing settlement of April 20, 2020.

- 9.2 In this scenario, the Noticee has paid all credit balance and followed all due diligence.
- 9.3 The noticee has also been levied penalty by the Adjudicating Officer under Section 23D of SCRA and 15HB of the SEBI Act, 1992.
- 9.4 The Noticee honors the judgement in this matter but there is no fault at Noticee's end but is totally at the MCX end.
10. Thereafter, in the interest of natural justice, an opportunity of personal hearing was granted to the noticee before the Competent Authority on May 07, 2024 vide hearing notice dated April 18, 2024. On the scheduled date, the Authorised Representatives (ARs), Mr. Deepak Kumar Srivastava, Director and Mr. Alok Chandra Srivastava, Compliance Officer of the Noticee attended the hearing through WebEx and reiterated the submissions made vide its reply dated December 18, 2023 before the DA and its letter dated April 16, 2024 to the post enquiry SCN.

CONSIDERATION OF ISSUES AND FINDINGS

11. I have carefully examined the allegations levelled against the Noticee and his reply to the post enquiry SCN and other material available on record. The issue that arises for consideration in the instant case is to examine whether the Noticee has misutilized the funds and securities of its clients thereby violating the SEBI Circulars as alleged in Para 2 above and if yes, whether the recommendations made by the DA in the Enquiry Report be issued in respect of the Noticee.
12. Before moving forward, I find it pertinent to refer to the relevant text of the provisions alleged to have been violated by the Noticee, which *inter alia* reads as under:-
- Clause 1 of SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993

“ ...

1. It shall be compulsory for all Member brokers to keep the money of the clients in a separate account and their own money in a separate account. No payment for transactions in which the Member broker is taking a position as a principal will be allowed to be made from the client's account. The above principles and the circumstances under which transfer from client's account to Member broker's account would be allowed are enumerated below.

...

D] What moneys to be withdrawn from "clients account". No money shall be drawn from clients account other than –

- i. money properly required for payment to or on behalf of clients or for or towards payment of a debt due to the Member from clients or money drawn on client's authority, or money in respect of which there is a liability of clients to the Member, provided that money so drawn shall not in any case exceed the total of the money so held for the time being for such each client;
- ii. such money belonging to the Member as may have been paid into the client account under para 1 C [ii] or 1 C [iv] given above;
- iii. money which may by mistake or accident have been paid into such account in contravention of para C above.

...”

(Emphasis supplied)

Clause 3 of Annexure of SEBI Circular SEBI/HO/ MIRSD/ MIRSD2/CIR/P/2016/95 dated September 26, 2016.

“ ...

3. Monitoring of Clients' Funds lying with the Stock Broker by the Stock Exchanges

...

3.2. Stock brokers shall submit the following data as on last trading day of every week to the Stock Exchanges on or before the next trading day:

A-Aggregate of fund balances available in all Client Bank Accounts, including the Settlement Account, maintained by the stock broker across stock exchanges

B-Aggregate value of collateral deposited with clearing corporations and/or clearing member (in cases where the trades are settled through clearing member) in form of Cash and Cash Equivalents (Fixed deposit (FD), Bank guarantee

(BG), etc.)(across Stock Exchanges). Only funded portion of the BG, i. e. the amount deposited by stock broker with the bank to obtain the BG, shall be considered as part of B.

C-Aggregate value of Credit Balances of all clients as obtained from trial balance across Stock Exchanges (after adjusting for open bills of clients, uncleared cheques deposited by clients and uncleared cheques issued to clients and the margin obligations)

...

3.3. Based on the aforesaid information submitted by the stock broker, Stock Exchanges shall put in place a mechanism for monitoring of clients' funds lying with the stock brokers on the principles enumerated below:

3.3.1. Funds of credit balance clients used for settlement obligation of debit clients or for own purpose:

Principle:

The total available funds i.e. cash and cash equivalents with the stock broker and with the clearing corporation/clearing member (A + B) should always be equal to or greater than Clients' funds as per ledger balance (C)

Stock Exchanges shall calculate the difference i.e. G as follows

-

$$G = (A+B)-C$$

If difference G is negative, then the total available fund is less than the ledger credit balance of clients. The value of G may indicate utilization of clients' funds for other purposes i.e. funds of credit balance clients are being utilized either for settlement obligations of debit balance clients or for the stock brokers' own purposes. The negative value of G acts as an alert to the Stock Exchanges.

..."

(Emphasis supplied)

13. In this regard, it is *inter alia* alleged that G was negative for 61 of the 64 sample instances, funds of credit balance clients were misutilized for meeting the obligations of debit balance clients and /or for its own purpose. The average misutilized amount was Rs.1.5 crore and the amount ranged from Rs.1.36 crore to Rs.1.64 crore which was in violation of the provisions of Section 23D of SCRA read with Clause 1 of SEBI Circular SMD/SED/CIR/93/23321 dated

November 18, 1993 and Clause 3 of Annexure of SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016. The details of value of G are as follows:-

S. No	Member ID	Name of the Member	As on Date	Aggregate of fund balances available in all Client Bank Accounts, including the Settlement Account, maintained by the stock broker across stock exchanges (A)	Aggregate value of collateral deposited with Exchange / Clearing Corporation (in cases where the trades are settled through clearing member) in form of Cash and Cash Equivalents (Fixed deposit (FD), Bank guarantee (BG), etc.) (across Stock Exchanges). Only funded portion of the BG, i. e. the amount deposited by stock broker with the bank to obtain the BG, shall be considered while submitting this amount (B1)	Aggregate value of collateral deposited with clearing member (in cases where the trades are settled through clearing member) in form of Cash and Cash Equivalents (Fixed deposit (FD), Bank guarantee (BG), etc.) (across Stock Exchanges). Only funded portion of the BG, i. e. the amount deposited by stock broker with the bank to obtain the BG, shall be considered while submitting this amount (B2)	Aggregate value of Credit Balances of all clients as obtained from trial balance across Stock Exchanges (after adjusting for open bills of clients, uncleared cheques deposited by clients and uncleared cheques issued to clients and the margin obligations) (C)	G
1.	55780	Aranox Commodities Private Limited	03/04/2020	493381	500000	3124390	1773892	2343879
2.	55780	Aranox Commodities Private Limited	09/04/2020	659836	500000	3332205	2057564	2434477
3.	55780	Aranox Commodities Private Limited	17/04/2020	757736	500000	3714380	2168339	2803777
4.	55780	Aranox Commodities Private Limited	24/04/2020	726633	500000	-13457634	1401619	-13632620
5.	55780	Aranox Commodities Private Limited	30/04/2020	727388	500000	-13520329	1401186	-13694127
6.	55780	Aranox Commodities Private Limited	08/05/2020	327610	500000	-13535986	1401408	-14109784
7.	55780	Aranox Commodities Private Limited	15/05/2020	327610	500000	-13747711	1401408	-14321509
8.	55780	Aranox Commodities Private Limited	22/05/2020	327687	500000	-13747711	1350491	-14270515
9.	55780	Aranox Commodities Private Limited	29/05/2020	327687	500000	-13747711	1350491	-14270515
10.	55780	Aranox Commodities Private Limited	05/06/2020	326843	500000	-13746627	1345947	-14265731
11.	55780	Aranox Commodities Private Limited	12/06/2020	326813	500000	-13955671	1345947	-14474805
12.	55780	Aranox Commodities Private Limited	19/06/2020	326812	500000	-13955671	1145946	-14274805
13.	55780	Aranox Commodities Private Limited	26/06/2020	326628	500000	-13955671	1128237	-14257280
14.	55780	Aranox Commodities Private Limited	03/07/2020	327610	500000	-13955671	1114237	-14242298
15.	55780	Aranox Commodities Private Limited	10/07/2020	328745	500000	-14161318	1110383	-14442956
16.	55780	Aranox Commodities Private Limited	17/07/2020	328745	500000	-14161318	1110383	-14442956
17.	55780	Aranox Commodities Private Limited	24/07/2020	328745	500000	-14161318	1110383	-14442956
18.	55780	Aranox Commodities Private Limited	31/07/2020	328046	500000	-14161318	1109684	-14442956
19.	55780	Aranox Commodities Private Limited	07/08/2020	328046	500000	-14377107	1109684	-14658745
20.	55780	Aranox Commodities Private Limited	14/08/2020	326051	500000	-14377107	1109684	-14660740
21.	55780	Aranox Commodities Private Limited	21/08/2020	326081	500000	-14377107	1109684	-14660710
22.	55780	Aranox Commodities Private Limited	28/08/2020	326081	500000	-14377107	1109684	-14660710
23.	55780	Aranox Commodities Private Limited	04/09/2020	327681	500000	-14377107	1105684	-14655110
24.	55780	Aranox Commodities Private Limited	11/09/2020	327681	500000	-14377107	1105684	-14655110
25.	55780	Aranox Commodities Private Limited	18/09/2020	327198	500000	-14596266	958480	-14727548

Order in respect of Aranox Commodities Private Limited

S. No	Member ID	Name of the Member	As on Date	Aggregate of fund balances available in all Client Bank Accounts, including the Settlement Account, maintained by the stock broker across stock exchanges (A)	Aggregate value of collateral deposited with Exchange / Clearing Corporation (in cases where the trades are settled through clearing member) in form of Cash and Cash Equivalents (Fixed deposit (FD), Bank guarantee (BG), etc.) (across Stock Exchanges). Only funded portion of the BG, i. e. the amount deposited by stock broker with the bank to obtain the BG, shall be considered while submitting this amount (B1)	Aggregate value of collateral deposited with clearing member (in cases where the trades are settled through clearing member) in form of Cash and Cash Equivalents (Fixed deposit (FD), Bank guarantee (BG), etc.) (across Stock Exchanges). Only funded portion of the BG, i. e. the amount deposited by stock broker with the bank to obtain the BG, shall be considered while submitting this amount (B2)	Aggregate value of Credit Balances of all clients as obtained from trial balance across Stock Exchanges (after adjusting for open bills of clients, uncleared cheques deposited by clients and uncleared cheques issued to clients and the margin obligations) (C)	G
26.	55780	Aranox Commodities Private Limited	25/09/2020	327198	500000	-14596266	958480	-14727548
27.	55780	Aranox Commodities Private Limited	01/10/2020	327198	500000	-14596266	958480	-14727548
28.	55780	Aranox Commodities Private Limited	09/10/2020	327440	500000	-14596266	690222	-14459048
29.	55780	Aranox Commodities Private Limited	16/10/2020	327440	500000	-14810703	690222	-14673485
30.	55780	Aranox Commodities Private Limited	23/10/2020	325303	500000	-14810703	687222	-14672622
31.	55780	Aranox Commodities Private Limited	30/10/2020	325303	500000	-14810703	687222	-14672622
32.	55780	Aranox Commodities Private Limited	06/11/2020	325303	500000	-14810703	687222	-14672622
33.	55780	Aranox Commodities Private Limited	13/11/2020	325303	500000	-15035860	687222	-14897779
34.	55780	Aranox Commodities Private Limited	20/11/2020	325303	500000	-15035860	687222	-14897779
35.	55780	Aranox Commodities Private Limited	27/11/2020	325303	500000	-15035860	687222	-14897779
36.	55780	Aranox Commodities Private Limited	04/12/2020	321608	500000	-15035860	666827	-14881079
37.	55780	Aranox Commodities Private Limited	11/12/2020	321596	500000	-15035860	666827	-14881091
38.	55780	Aranox Commodities Private Limited	18/12/2020	321596	500000	-15256981	666827	-15102212
39.	55780	Aranox Commodities Private Limited	24/12/2020	321596	500000	-15256981	666827	-15102212
40.	55780	Aranox Commodities Private Limited	01/01/2021	321596	500000	-15256981	666827	-15102212
41.	55780	Aranox Commodities Private Limited	08/01/2021	321596	500000	-15256981	666827	-15102212
42.	55780	Aranox Commodities Private Limited	15/01/2021	321596	500000	-15488840	666827	-15334071
43.	55780	Aranox Commodities Private Limited	22/01/2021	321596	500000	-15488840	666827	-15334071
44.	55780	Aranox Commodities Private Limited	29/01/2021	321596	500000	-15488840	666827	-15334071
45.	55780	Aranox Commodities Private Limited	05/02/2021	321596	500000	-15488840	666827	-15334071
46.	55780	Aranox Commodities Private Limited	12/02/2021	334063	500000	-15682857	666827	-15515621
47.	55780	Aranox Commodities Private Limited	19/02/2021	331562	500000	-15682857	664827	-15516122
48.	55780	Aranox Commodities Private Limited	26/02/2021	322311	500000	-15682857	655576	-15516122
49.	55780	Aranox Commodities Private Limited	05/03/2021	322311	500000	-15682857	655576	-15516122
50.	55780	Aranox Commodities Private Limited	12/03/2021	322145	500000	-15898762	646810	-15723427
51.	55780	Aranox Commodities Private Limited	19/03/2021	322145	500000	-15898762	646810	-15723427
52.	55780	Aranox Commodities Private Limited	26/03/2021	320599	500000	-15898762	637810	-15715973
53.	55780	Aranox Commodities Private Limited	01/04/2021	320599	500000	-16133204	637810	-15950415
54.	55780	Aranox Commodities Private Limited	09/04/2021	320599	500000	-16122659	637810	-15939870
55.	55780	Aranox Commodities Private Limited	16/04/2021	320599	500000	-16122659	637810	-15939870

Order in respect of Aranox Commodities Private Limited

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56.	55780	Aranox Commodities Private Limited	23/04/2021	320599	500000	-16122659	637810	-15939870
57.	55780	Aranox Commodities Private Limited	30/04/2021	320599	500000	-16122659	637810	-15939870
58.	55780	Aranox Commodities Private Limited	07/05/2021	320599	500000	-16122659	637810	-15939870
59.	55780	Aranox Commodities Private Limited	14/05/2021	320599	500000	-16361186	637810	-16178397
60.	55780	Aranox Commodities Private Limited	21/05/2021	320599	500000	-16361186	637810	-16178397
61.	55780	Aranox Commodities Private Limited	28/05/2021	320599	500000	-16361186	637810	-16178397
62.	55780	Aranox Commodities Private Limited	04/06/2021	320599	500000	-16361186	637810	-16178397
63.	55780	Aranox Commodities Private Limited	11/06/2021	320599	500000	-16610251	637810	-16427462
64.	55780	Aranox Commodities Private Limited	18/06/2021	321304	500000	-16610251	628328	-16417275

14. As noted in the Enquiry Report, vide letters dated October 27, 2023 and December 18, 2023, the Noticee had *inter alia* submitted that the debit position has arisen due to the negative crude oil price settlement i.e Rs -2885 on April 20, 2020. G has become negative and the same has repeated every time thereafter. The negative position had arisen as the DDR for crude oil at Rs. -2885 negative price settlement was fixed by MCX. All the funds which were available with MCX / Clearing member were debited which led then to the balance becoming Zero & thereafter becoming negative and the amount has ranged from Rs.1.36 Crore to Rs. 1.64 Crore. The clearing member ie. Globe Commodities Ltd. has also charged interest amount from time to time and the noticee was in huge financial trouble after April 20, 2020. However, they have cleared dues of all clients with credit balance and there is no credit balance liability of any client.

Order in respect of Aranox Commodities Private Limited

15. The Noticee has neither disputed nor denied the calculation of value of G in all the 64 instances including the 61 instances where G was negative and instead the submissions of the Noticee are in the nature of admission as Noticee has *inter alia* stated that “...The DDR for crude oil at Rs-2885 negative price settlements was fixed by MCX then we have in debit position. All funds (sic) was available with MCX/Clearing member & debit the same then our balance was Zero and gone it negative 1.36 Crore to Rs.1.64 Crore...” and that “ we have cleared dues of all credit clients balance....”

16. Further, the Noticee has not demonstrated that any exemption was allowed to it as regards using funds of credit balance clients for settlement of obligation of debit balance clients or for own purpose. In the absence of any such exemption, the provisions of the SEBI Circular dated November 18, 1993 and September 26, 2016 are applicable on the Noticee and the Noticee was obliged to abide by them. The SEBI circular dated November 18, 1993 *inter alia* provides for what moneys can be withdrawn from "clients account" wherein it mentions that no money shall be drawn from clients account other than money properly required for payment to or on behalf of clients or for or towards payment of a debt due to the Member from clients or money drawn on client's authority, or money in respect of which there is a liability of clients to the Member, provided that money so drawn shall not in any case exceed the total of the money so held for the time being for each such client. Further, I note that the SEBI Circular dated September 26, 2016 *inter alia* provides for calculation of G wherein it mentions that if G is negative, then the total available fund is less than the ledger credit balance of clients. The negative value of G indicates utilization of clients' funds for other purposes i.e. funds of credit balance clients are being utilized either for settlement obligations of debit balance clients or for the stock brokers' own purposes.

17. The Noticee had *inter alia* also contended that “...MCX issued The circular no. MCX/MCXCCL/282/2020 dated 21.04.2020 fixing the DDR at Rs. (-) 2884 per barrel is illegal and cannot be made basis for any liability against us....That action of the MCX has already been challenged fixing the DDR at (-) 2884/- per barrel in the Honourable High Court Delhi case no. WP (c)no 30/09/2020 date of case filing April 2020 then case clubbing in Honourable Supreme Court & case has stiffered/transferred at Honourable Bombay High Court case no. WP/4796/2022...On the date of 10th December 2020 MCX passed Arbitration award against us (Aranox commodities Pvt. Ltd.) in Arbitration Matter (A.M.) No. MCX/ARB/5037A/20 against arbitration Award passed by MCX we, Aranox Commodities Pvt. LTD move to case filed case no.- Miscellaneous 50/2021 M/S Aranox Commodities Pvt. Ltd. VS M/S Globe commodities Pvt. Ltd. in Honorable Court Patna. Against Our Case Aranox Commodities Pvt. LTD. case filed by Globe Commodities Pvt. Ltd. case no. Execution 195/2021....”

18. In this regard, I note that the Noticee has not submitted any document whatsoever regarding appeals referred by him as mentioned above. I also note that no order has been submitted by the Noticee whereby any stay is granted in the instant proceedings by appellate/ higher courts. I note that the Noticee did not bring out as to how the context of the above mentioned proceedings /appeals filed by the Noticee have any bearing on the instant proceedings considering that the subject matter of instant proceedings are with respect to the allegation of misuse of client funds, as brought out in the foregoing paragraphs and not about the pricing of a security viz., crude oil in the instant matter. Further, the submissions of the noticee that circular of MCX is under challenge before the different courts of India in various writ petitions, as submitted by the Noticee, the same is for consideration of the concerned judicial fora. In view thereof, the contentions of the Noticee in this regard are devoid of merit and hence cannot be accepted.

19. I further note that the Noticee in his reply dated December 18, 2023 had stated, “....G value was negative again and again because of on 21/04/2024, The MCX had applied wrong parameters.....”. Even vide reply dated April 15, 2024 while replying to the Post Enquiry SCN, the noticee has not refuted the findings of the Enquiry Report but has rather stated that from April 22, 2020 the trading operation has stopped and since June 5, 2020 the MCX membership has been temporarily deactivated and the Noticee has not been in operation since the last 4 years. Hence, I note that the noticee has not refuted the allegation that the value of G has become negative. Irrespective of the reasons cited, the Noticee being a registered intermediary was responsible to ensure that the value of G does not become negative in compliance with the Circulars.
20. I further also note that proceeding under Section 15-I of the SEBI Act, 1992 r/w Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and under Section 23-I of SCRA, 1956 read with Rule 5 of the SCRA (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 had also been conducted against the Noticee. Vide an Order dated March 26, 2024 which has been passed, it has been clearly established that the noticee has violated various provisions of the SEBI Act, SCRA and SEBI Circulars including misuse of clients’ funds and securities which is subject matter of the current proceedings as well. Vide the said order penalty has also been imposed on the Noticee.
21. From the foregoing, I find that the allegation that G was negative on 61 out of 64 sample instances, funds of credit balance clients were misutilized for meeting the obligations of debit balance clients and/or for its own purpose wherein the average misutilized amount was Rs. 1.5 Crore and the amount of misutilization ranged from Rs. 1.36 Crore to Rs. 1.64 Crore, stands established. Therefore, I hold that the Noticee who is a SEBI registered intermediary has violated provisions of Section 23D of SC(R) Act, 1956 read with Clause 1 of SEBI Circular SMD/SED/CIR/93/23321 dated November 18,

1993 and Clause 3 of Annexure of SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016. I, therefore, concur with the recommendation made by DA that the Noticee be prohibited from taking up any new assignment or contract or launch a new scheme for a period of three month.

DIRECTIONS

22. In view of above, I, in exercise of the powers conferred upon me in terms of Section 12(3) read with Section 19 of the SEBI Act, 1992 and Regulation 27 of the SEBI (Intermediaries) Regulations, 2008 hereby prohibit the Noticee viz Aranox Commodities Private Limited (SEBI Registration No.INZ000158434) from taking up any new assignment or contract or launching a new scheme for a period of three months.
23. This order shall come into force with immediate effect.
24. A copy of this order shall be served on the Noticee and the recognized stock exchange.

Date: May 22 , 2024

Place: Mumbai

DR. ANITHA ANOOP
CHIEF GENERAL MANAGER
SECURITIES AND EXCHANGE BOARD OF INDIA

Order in respect of Aranox Commodities Private Limited