



भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

PRASANTA MAHAPATRA  
ADJUDICATING OFFICER

Email: [prasantam@sebi.gov.in](mailto:prasantam@sebi.gov.in)

**By Speed Post – Acknowledgment Due**

EAD-8/PM/NJMR/18020/2020  
October 27, 2020

|                                                                                                                                                                                                                                                            |                                                                                                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| 1. JMD Telefilms Industries Ltd.,<br>(now known as JMD Ventures<br>Ltd.), Unit No. 323 & 324, 3 <sup>rd</sup><br>Floor, Building No. 9, Laxmi<br>Plaza, Laxmi Industrial Estate<br>New Link Road, Andheri West<br>Mumbai – 400053.                         | 2. Kailash Prasad Purohit<br>2 <sup>nd</sup> Floor, Room No. 5<br>2, Ganesh Chandra Avenue<br>Kolkata – 700013.                              |
| 3. Jagadish Prasad Purohit<br>Director, JMD Telefilms Industries<br>Ltd., (JMD Ventures Ltd.), Unit<br>No. 323 & 324, 3 <sup>rd</sup> Floor, Building<br>No. 9, Laxmi Plaza, Laxmi<br>Industrial Estate<br>New Link Road, Andheri West<br>Mumbai – 400053. | 4. Pravin Tukaram Sawant<br>Room No. 29, 2 <sup>nd</sup> Floor<br>Sarvant Building, GT College<br>Compound, G T Hospital<br>Mumbai – 400001. |
| Pravin Tukaram Sawant<br>B-62, S P Bhagat Society<br>Kopar Cross Road, Shastri<br>Nagar, Near Santoshi Mata<br>Mandir, Dombivali (West)<br>Thane – 421202.                                                                                                 | 5. Renuka Trust<br>P-27, Princep Street<br>3 <sup>rd</sup> Floor<br>Kolkata – 700072.                                                        |
| 6. Saurabh Family Trust<br>P-27, Princep Street<br>3 <sup>rd</sup> Floor<br>Kolkata – 700072.                                                                                                                                                              | 7. Priyanka Trust<br>P-27, Princep Street<br>3 <sup>rd</sup> Floor<br>Kolkata – 700072.                                                      |
| 8. Madhav Trust<br>P-27, Princep Street<br>3 <sup>rd</sup> Floor<br>Kolkata – 700072.                                                                                                                                                                      | 9. Adarsh Trust<br>P-27, Princep Street<br>3 <sup>rd</sup> Floor<br>Kolkata – 700072.                                                        |
| 10. Unisys Softwares & Holding<br>Industries Ltd.,<br>75/C, Park Street (Basement)<br>Kolkata – 700016.                                                                                                                                                    | 11. JMD Sounds Ltd.,<br>P-27, Princep Street<br>3 <sup>rd</sup> Floor<br>Kolkata – 700072.                                                   |

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (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](http://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](http://www.sebi.gov.in)



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|                                                                                                                                                                                          |                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| JMD Sounds Ltd.,<br>75/C, Park Street (Basement)<br>Kolkata – 700016.                                                                                                                    | 12. Matris Systel Pvt., Ltd.,<br>G-12, 'A' Wing, Durga<br>Complex, Cabin Road<br>East Bhayander<br>Thane – 401105.          |
| 13. Rigmadirappa Investment Pvt.,<br>Ltd.,<br>9, Hungerford Street<br>Kolkata – 700017.                                                                                                  | 14. Nirnidhi Consultant Pvt., Ltd.,<br>P-27, Princep Street<br>3 <sup>rd</sup> Floor<br>Kolkata – 700072.                   |
| 15. Allbright Electricals Pvt., Ltd.,<br>7, Mangoe Lane, 1 <sup>st</sup> Floor<br>Room No. 105<br>Kolkata – 700001.                                                                      | 16. Warner Multimedia Ltd.,<br>P-27, Princep Street<br>3 <sup>rd</sup> Floor<br>Kolkata – 700072.                           |
| 17. Blazer Venture Pvt., Ltd.,<br>Shop No. 54, 1 <sup>st</sup> Floor<br>Raghuleela Mega Mall CHS Ltd.,<br>Borsa Pada, Kandivali (W)<br>Behind BEST Bus Depot, Poisar<br>Mumbai – 400067. | 18. Natraj Vinimay Ltd.,<br>2E, Cornfield Road<br>Ground Floor<br>Kolkata – 700019.                                         |
| 19. Ranisati Distributors Pvt., Ltd.,<br>7, Khairu Place, 2 <sup>nd</sup> Floor<br>Kolkata – 700072.                                                                                     | 20. Prime Capital Market Ltd.,<br>Plot No. 18A, BJB Nagar<br>Khorda<br>Bhubaneswar – 751014.                                |
| 21. Vibhuti Multitrade Pvt., Ltd.,<br>Tiwari Layout, Pulgaon Road<br>Survey No. 324, Taluka Deoli<br>Wardha – 442001.                                                                    | ✓ 22. Madhav Vinyas<br>Commerce House, 2<br>Ganesh Chandra Avenue<br>2 <sup>nd</sup> Floor, Room No. 5<br>Kolkata – 700013. |

**Notice under Rule 4 of SEBI (Procedure for Holding Inquiry and imposing penalties) Rules, 1995 read with Section 15I of Securities and Exchange Board of India [SEBI] Act**

- The undersigned has been appointed as Adjudicating Officer, vide Order dated September 14, 2020 under Section 19 read with Sub-section (1) of Section 15-I of the SEBI Act, 1992 and Rule 3 of the SEBI (Procedure for Holding Inquiry and imposing penalties) Rules, 1995 (*hereinafter referred to as "SEBI Adjudication Rules"*) to inquire into and adjudge the alleged violations committed by the following entities of the provisions of the corresponding Act & Regulations viz., SEBI Act, SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (*hereinafter referred to as "SEBI (PFUTP)*



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

Regulations"} and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 {hereinafter referred to as "SEBI (SAST) Regulations} under respective Sections of SEBI Act.

| Sl. No. | Name of the Entity                                                  | Violations observed                                                                                                     | Adjudication under the legal provisions of |
|---------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| 1.      | JMD Telefilms Industries Ltd.,<br>(now known as JMD Ventures Ltd.,) | Section 12 A(a), (b) & (c) of SEBI Act read with Regulations 3(b), (c), (d) and 4(1) of SEBI (PFUTP) Regulations, 2003. | Section 15HA of SEBI Act                   |
| 2.      | Kailash Prasad Purohit                                              |                                                                                                                         |                                            |
| 3.      | Jagadish Prasad Purohit                                             |                                                                                                                         |                                            |
| 4.      | Pravin Tukaram Sawant                                               |                                                                                                                         |                                            |
| 5.      | Renuka Trust                                                        | Section 12 A(a), (b) & (c) of SEBI Act read with Regulations 3(b), (c), (d) and 4(1) of SEBI (PFUTP) Regulations, 2003. | Section 15HA of SEBI Act                   |
| 6.      | Saurabh Family Trust                                                |                                                                                                                         |                                            |
| 7.      | Priyanka Trust                                                      |                                                                                                                         |                                            |
| 8.      | Madhav Trust                                                        |                                                                                                                         |                                            |
| 9.      | Adarsh Trust                                                        |                                                                                                                         |                                            |
| 10.     | Unisys Softwares & Holding Industries Ltd.,                         | Regulation 7(2) of SEBI (SAST) Regulations, 1997                                                                        | Section 15 A(b) of SEBI Act                |
| 11.     | JMD Sounds Ltd.,                                                    |                                                                                                                         |                                            |
| 12.     | Matris Systel Pvt., Ltd.,                                           | Section 12 A(a), (b) & (c) of SEBI Act read with Regulations 3(b), (c), (d) and 4(1) of SEBI (PFUTP) Regulations, 2003. | Section 15HA of SEBI Act                   |
| 13.     | Rigmadirappa Investment Pvt., Ltd.,                                 |                                                                                                                         |                                            |
| 14.     | Nirnidhi Consultant Pvt., Ltd.,                                     |                                                                                                                         |                                            |
| 15.     | Allbright Electricals Pvt., Ltd.,                                   |                                                                                                                         |                                            |
| 16.     | Warner Multimedia Ltd.,                                             |                                                                                                                         |                                            |
| 17.     | Blazer Venture Pvt., Ltd.,                                          |                                                                                                                         |                                            |
| 18.     | Natraj Vinimay Ltd.,                                                |                                                                                                                         |                                            |
| 19.     | Ranisati Distributors Pvt., Ltd.,                                   |                                                                                                                         |                                            |
| 20.     | Prime Capital Market Ltd.,                                          |                                                                                                                         |                                            |
| 21.     | Vibhuti Multi Trade Pvt., Ltd.,                                     |                                                                                                                         |                                            |
| 22.     | Madhav Vinyas                                                       | Section 11C(3) read with Section 11C(2) of SEBI Act, 1992                                                               | Section 15A(a) of SEBI Act                 |
|         |                                                                     | Regulation 7(2) of SEBI (SAST) Regulations, 1997                                                                        | Section 15 A(b) of SEBI Act                |

(The aforesaid entities are hereinafter referred to by their respective names/serial numbers or collectively as "the Noticees")

2. SEBI carried out an investigation in the scrip of JMD Telefilms Industries Ltd., (presently known as JMD Ventures Ltd.,) (hereinafter referred to as the "Company" / "JMD") to ascertain whether there were any disclosure violations under SEBI (Prohibition of Insider Trading) Regulations, 1992 and/or SEBI (SAST) Regulations,



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

1997 and also to examine the preferential allotment process with respect to funding by the Company to the preferential allottees during the period January 1, 2009 to March 31, 2011 (hereinafter referred to as "investigation period" / "IP").

3. The Board of Directors of the Company during the investigation period are as under:

(Source: [www.mca.gov.in](http://www.mca.gov.in) and Annual Reports of the Company for 2009-10 & 2010-11)

| Name                   | Designation                    | PAN        | Date of appointment | Date of cessation |
|------------------------|--------------------------------|------------|---------------------|-------------------|
| Kailash Prasad Purohit | Chairman and Managing Director | AFQPP2675H | 01.04.2002          | 08.04.2019        |
| Jagdish Prasad Purohit | Whole Time Director            | AFSPP1444E | 22.03.2007          | -                 |
| Ashok Bothra           | Independent Director           | AADPB5818Q | 20.12.2005          | 04.12.2014        |
| Pravin Tukaram Sawant  | Independent Director           | ANTPS3885K | 20.12.2005          | 12.08.2013        |

4. The quarterly shareholding pattern of the Company during the investigation period is as follows:

| Particulars          | Quarter ended 31-Dec-2008 |               |       | Quarter ended 31-Mar-2009 |               |       | Quarter ended 30-Jun-2009 |               |       |
|----------------------|---------------------------|---------------|-------|---------------------------|---------------|-------|---------------------------|---------------|-------|
|                      | No. of shareholders       | No. of shares | %     | No. of shareholders       | No. of shares | %     | No. of shareholders       | No. of shares | %     |
| Promoter Holding     | 1                         | 1250000       | 62.05 | 1                         | 1250000       | 17.82 | 1                         | 1250000       | 17.82 |
| Non Promoter Holding | 49                        | 764600        | 37.95 | 128                       | 5764600       | 82.18 | 132                       | 5764600       | 82.18 |
| Total share capital  | 50                        | 2014600       | 100   | 129                       | 7014600       | 100   | 133                       | 7014600       | 100   |
| Particulars          | Quarter ended 30-Sep-2009 |               |       | Quarter ended 31-Dec-2009 |               |       | Quarter ended 31-Mar-2010 |               |       |
|                      | No. of shareholders       | No. of shares | %     | No. of shareholders       | No. of shares | %     | No. of shareholders       | No. of shares | %     |
| Promoter Holding     | 1                         | 12500000      | 17.82 | 1                         | 12500000      | 17.82 | 1                         | 12500000      | 17.82 |
| Non Promoter Holding | 184                       | 57646000      | 82.18 | 232                       | 57646000      | 82.18 | 344                       | 57646000      | 82.18 |
| Total share capital  | 185                       | 70146000      | 100   | 233                       | 70146000      | 100   | 345                       | 70146000      | 100   |
| Particulars          | Quarter ended 30-Jun-2010 |               |       | Quarter ended 30-Sep-2010 |               |       | Quarter ended 31-Dec-2010 |               |       |
|                      | No. of shareholders       | No. of shares | %     | No. of shareholders       | No. of shares | %     | No. of shareholders       | No. of shares | %     |
| Promoter Holding     | 1                         | 12500000      | 17.82 | 1                         | 12500000      | 17.82 | 1                         | 12500000      | 17.82 |
| Non Promoter Holding | 439                       | 57646000      | 82.18 | 649                       | 57646000      | 82.18 | 1619                      | 57646000      | 82.18 |
| Total share capital  | 440                       | 70146000      | 100   | 650                       | 70146000      | 100   | 1620                      | 70146000      | 100   |
| Particular           | Quarter ended 31-Mar-2011 |               |       |                           |               |       |                           |               |       |
|                      | No. of shareholders       | No. of shares | %     |                           |               |       |                           |               |       |
| Promoter Holding     | 9                         | 14500000      | 20.1  |                           |               |       |                           |               |       |
| Non Promoter Holding | 1953                      | 57646000      | 79.9  |                           |               |       |                           |               |       |
| Total share capital  | 1962                      | 72146000      | 100   |                           |               |       |                           |               |       |



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

5. It is observed that the share capital of the company underwent changes during the investigation period due to the following corporate actions:

(a) Preferential allotment of shares

The company made two preferential allotments during IP as given under:

| Date of allotment | No. of shares allotted | Price per share in ₹ | Amount received in ₹ | No. of entities           |
|-------------------|------------------------|----------------------|----------------------|---------------------------|
| February 26, 2009 | 50,00,000              | 17/-                 | 8.50 crores          | 45 non-promoter entities  |
| January 11, 2011  | 20,00,000              | 95/-                 | 19 crores            | 8 promoter group entities |

(b) Split of shares

There was a sub-division of existing equity shares of the Company of ₹10/- each into shares of ₹1/- each w.e.f. July 03, 2009.

6. It is observed from the shareholding pattern as mentioned in Para 4 above, the number of shareholders in the promoter category underwent change during the IP due to preferential allotment of shares. Following were the promoters of JMD, holding shares under promoter category during the IP.

(Source: BSE website)

| Sl. No. | Name of the Promoter                       | PAN        | Details of Shares held from 01.01.2009-02.07.2009 |                               | Details of Shares held from 03.07.2009-31.12.2010 |                               | Details of Shares held as on 31.03.2011 |                               |
|---------|--------------------------------------------|------------|---------------------------------------------------|-------------------------------|---------------------------------------------------|-------------------------------|-----------------------------------------|-------------------------------|
|         |                                            |            | No. of Shares held                                | As a % of total no. of shares | No. of Shares held                                | As a % of total no. of shares | No. of Shares held                      | As a % of total no. of shares |
| 1       | Kailash Purohit                            | AFQPP2675H | 12,50,000                                         | 17.82                         | 1,25,00,000                                       | 17.82                         | 1,25,00,000                             | 17.33                         |
| 2       | Renuka Trust                               | AABTR0465M | 0                                                 | 0                             | 0                                                 | 0                             | 75,000                                  | 0.10                          |
| 3       | Saurabh Family Trust                       | ABFFS3296Q | 0                                                 | 0                             | 0                                                 | 0                             | 1,25,000                                | 0.17                          |
| 4       | Adarsh Trust                               | AABTA7344L | 0                                                 | 0                             | 0                                                 | 0                             | 1,00,000                                | 0.14                          |
| 5       | Madhav Vinyas                              | AABTM6777D | 0                                                 | 0                             | 0                                                 | 0                             | 50,000                                  | 0.07                          |
| 6       | Priyanka Trust                             | AABTP1441R | 0                                                 | 0                             | 0                                                 | 0                             | 75,000                                  | 0.10                          |
| 7       | Madhav Trust                               | AABTM6615Q | 0                                                 | 0                             | 0                                                 | 0                             | 75,000                                  | 0.10                          |
| 8       | Unisys SOFTWARES & Holding Industries Ltd. | AABCC1191Q | 0                                                 | 0                             | 0                                                 | 0                             | 12,00,000                               | 1.66                          |
| 9       | JMD Sounds Ltd.                            | AABCJ1907H | 0                                                 | 0                             | 0                                                 | 0                             | 3,00,000                                | 0.42                          |
|         | <b>Total</b>                               |            | <b>12,50,000</b>                                  | <b>17.82</b>                  | <b>1,25,00,000</b>                                | <b>17.82</b>                  | <b>1,45,00,000</b>                      | <b>20.1</b>                   |



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

7. It was observed that due to preferential allotment of shares to 45 non-promoter entities on February 26, 2009, the total share capital of JMD Telefilms Industries Ltd., increased from 20,14,600 to 70,14,600 shares. Consequently, the promoter holding decreased from 62.05% (as on 31.12.2008) to 17.82% (as on 31.03.2009) of total share capital of the company i.e. by 44.23%. Pursuant to preferential allotment of shares to 8 promoter group entities (i.e., Noticees 5 to 11 and Noticee 22) on January 11, 2011 and stock split on July 3, 2009, it has resulted in changes in the promoter group and the shareholding of the promoters. The total shareholding of the promoter category of JMD increased from 17.82% as at the quarter ended December 31, 2010 to 20.1% (i.e. by 2.28%) as at the quarter ended March 31, 2011. Further, it was observed that each promoter group entity (i.e. 8 new promoters – Noticees 5 to 11 and Noticee 22) individually acquired shares of JMD Telefilms Industries Ltd., ranging from 0.10-1.66% of the company's total share capital. However, these 8 promoters (i.e., Noticees 5 to 11 and Noticee 22) as persons acting in concert had collectively acquired shares aggregating to 2.76% of the total share capital. As a result, the overall shareholding of the promoter category increased from 17.82% to 20.1% i.e. by 2.28%, during the investigation period.
8. Pursuant to acquisition of shares aggregating to 2.76% of the share capital of the company by the 8 promoters (Noticees 5 to 11 and Noticee 22) as persons acting in concert, triggered disclosure requirement under Regulation 7(2) of SEBI (SAST) Regulations, 1997. However, it is observed that the Noticees 5 to 11 and Noticee 22 had failed to make any disclosure under the provisions of Regulation 7 (2) of SEBI (SAST) Regulations, 1997. BSE vide e-mail dated January 8, 2019 stated that no such disclosures under SEBI (SAST) Regulations or SEBI (PIT) Regulations were made by the company in respect of change in shareholding of promoter category as a result of preferential allotment on January 11, 2011. Vide letter dated January 17, 2019, the company submitted that no disclosures were made under SEBI (SAST) Regulations and/or SEBI (PIT) Regulations, as shares were allotted to promoter category through preferential allotment. Vide e-mail dated December 25, 2019, the RTA (Purva Share Registry (India) Pvt., Ltd.,) submitted that the change in promoters (i.e. addition of 8 new promoters) was due to preferential allotment of shares made to them by the company on January 11, 2011 and that no disclosures have been made under SEBI (SAST) & (PIT) Regulations.
9. In view of the above, it is alleged that the 8 Promoters of the Company viz., Renuka Trust (Noticee 5), Saurabh Family Trust (Noticee 6), Priyanka Trust (Noticee 7), Madhav Trust (Noticee 8), Adarsh Trust (Noticee 9), Unisys Softwares & Holding Industries Ltd., (Noticee 10), JMD Sounds Ltd., (Noticee 11) and Madhav Vinyas (Noticee 22) who were acting in concert failed to make the requisite disclosure under Regulation 7(2) of SEBI (SAST) Regulations, 1997 pursuant to change in shareholding aggregating to 2.76% of the share capital of the company.



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

Accordingly, it is alleged that the Noticees 5 to 11 and Noticee 22 had violated the provisions of Regulation 7(2) of SEBI (SAST) Regulations, 1997.

10. JMD Telefilms Industries Ltd., had allotted 20,00,000 equity shares on preferential basis on January 11, 2011 to 8 promoter group entities, aggregating to ₹19 crores. The Bank statements of all the 8 preferential allottees were examined regarding fund flow. The findings in respect of each allottee have been summarized in the table below:

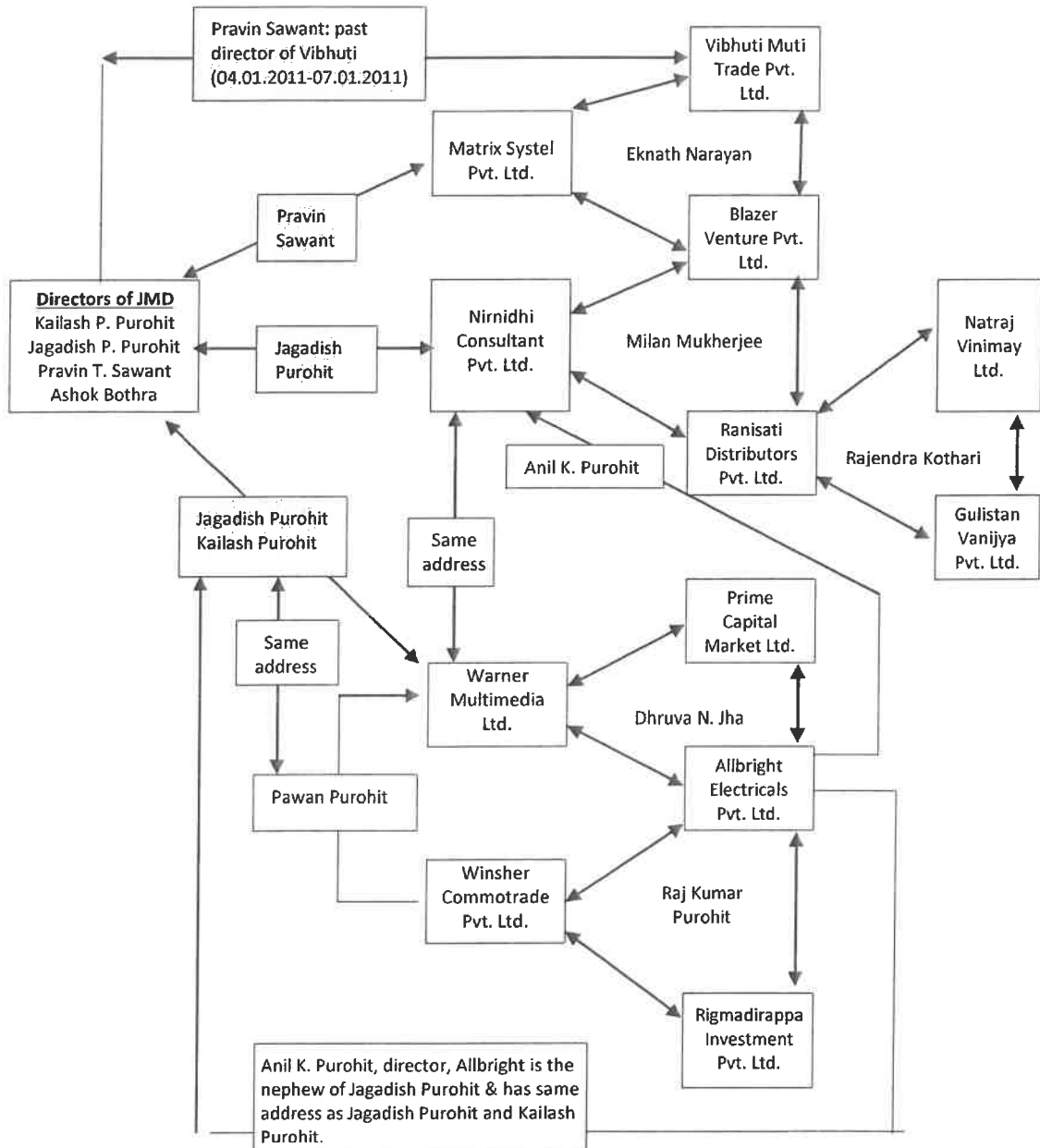
| Sl. No. | Name of the allottee                       | PAN        | Funds received from the company/ its related entities for preferential allotment (in ₹) |
|---------|--------------------------------------------|------------|-----------------------------------------------------------------------------------------|
| 1       | Renuka Trust                               | AABTR0465M | 0.71 crores                                                                             |
| 2       | Saurabh Family Trust                       | ABFFS3296Q | 1.18 crores                                                                             |
| 3       | Priyanka Trust                             | AABTP1441R | 0.71 crores                                                                             |
| 4       | Madhav Trust                               | AABTM6615Q | 0.70 crores                                                                             |
| 5       | Adarsh Trust                               | AABTA7344L | 0.50 crores                                                                             |
| 6       | Madhav Vinyas                              | AABTM6777D | No adverse inference                                                                    |
| 7       | Unisys SOFTWARES & Holding Industries Ltd. | AABCC1191Q | 11.40 crores                                                                            |
| 8       | JMD Sounds Ltd.                            | AABCJ1907H | 2.84 crores                                                                             |

11. The Directors of JMD Telefilms Industries Ltd., during the investigation period were: (i) Kailash Prasad Purohit (Chairman, Managing Director & Promoter) – Noticee2, (ii) Jagadish Prasad Purohit (Whole Time Director) – Noticee3, (iii) Pravin Tukaram Sawant (Independent Director) – Noticee 4, and (iv) Ashok Bothra (Independent Director). It was observed that out of those Directors, 3 (three) Directors i.e. Kailash Prasad Purohit, Jagadish Prasad Purohit and Pravin Tukaram Sawant were connected to the entities from whom the preferential allottees had received funds. Diagrammatic representation of the manner in which JMD and its Directors were connected/ known to the entities, is given below:



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India



12. Connection between JMD (Noticee 1) and Matrix Systel Pvt. Ltd., (Noticee 12): From MCA website, it was observed that one of the Directors of JMD namely, Pravin Tukaram Sawant (Noticee 4) was a Director of Matrix Systel Pvt. Ltd., during the time of preferential allotment of shares (i.e. January 4, 2011 to March 14, 2013).

13. Connection between JMD and Nirnidhi Consultant Pvt., Ltd., (Noticee 14): From MCA website, it was observed that one of the Directors of JMD namely, Jagadish Prasad Purohit was a Director of Nirnidhi Consultant Pvt., Ltd., during the time of preferential allotment of shares (i.e. March 6, 2007 to April 25, 2017). Further, Jagadish Prasad Purohit (Noticee 3) was also one of the authorised persons to operate the bank accounts of both JMD (Kotak Mahindra Bank A/c



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

no.03232180000282) and Nirnidhi Consultant Pvt., Ltd., (Kotak Mahindra Bank A/c no. 03232000019972) during the time of preferential allotment i.e. January 2011. In addition, Anil Kumar Purohit, one of the Directors of Nirnidhi Consultant Pvt., Ltd., is the nephew of Jagadish Prasad Purohit and has the same address as the Directors of JMD namely, Jagadish Prasad Purohit and Kailash Prasad Purohit – Noticee 2 (i.e. 6/1, Bijoy Mukherjee Lane, Bhawanipur, Kolkata-700025). Anil Kumar Purohit is also the trustee of the preferential allottees namely, Renuka Trust (Noticee 5) and Madhav Trust (Noticee 8). Further, JMD Telefilms Industries Ltd., and Kailash Prasad Purohit (past Director of JMD) in their letters dated February 25, 2020 and February 11, 2020 respectively, have also stated that Nirnidhi Consultant Pvt., Ltd., is connected to JMD, through common Directorship

14. Connection between JMD and Warner Multimedia Ltd., (Noticee 16): From MCA website, it was observed that two Directors of JMD namely, Kailash Prasad Purohit and Jagadish Prasad Purohit were Directors of Warner Multimedia Ltd. during the time of preferential allotment of shares. Kailash Prasad Purohit was a Director of Warner Multimedia Ltd., from October 16, 2005 to April 8, 2019 as well as one of the authorised persons to operate its bank account during the time of preferential allotment i.e. January 2011 (Kotak Mahindra Bank A/c no. 03232000017590), while Jagadish Prasad Purohit is a Director from May 23, 1983 till date. Further, from BSE website, it was observed that both of them were also promoters of Warner Multimedia Ltd., during the time of preferential allotment. Two other promoters of Warner Multimedia Ltd., namely, Sushil Kumar Purohit and Pawan Kumar Purohit have the same address as the Directors of JMD namely, Jagadish Prasad Purohit and Kailash Prasad Purohit (i.e. 6/1, Bijoy Mukherjee Lane, Bhawanipur, Kolkata-700025). Also, JMD Telefilms Industries Ltd. and Kailash Prasad Purohit (past Director of JMD) in their letters dated February 25, 2020 and February 11, 2020 respectively, have stated that Warner Multimedia Ltd., is a group company of JMD Telefilms Industries Ltd.,

15. Connection between JMD and Vibhuti Muti Trade Pvt. Ltd., (Noticee 21): From MCA website, it was observed that one of the Directors of JMD namely, Pravin Tukaram Sawant was a past Director of Vibhuti Muti Trade Pvt. Ltd. (i.e. January 4, 2011 to January 7, 2011). It was also observed that he had resigned from the company just before the preferential allotment by JMD on January 11, 2011. Further, the Directors of Vibhuti Muti Trade Pvt., Ltd., namely, Eknath Narayan Mandavkar and Ramavatar Prajapati were also the Directors of Matrix Systel Pvt., Ltd., which in turn was connected to JMD by way of common Director i.e. Pravin Tukaram Sawant.

16. Connection between JMD and Allbright Electricals Pvt. Ltd., (Noticee 15): JMD Telefilms Industries Ltd., and Kailash Prasad Purohit (past Director of JMD) in their



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

letters dated February 25, 2020 and February 11, 2020 respectively, have stated that Allbright Electricals Pvt., Ltd., is "relative of Director". Further, Anil Kumar Purohit, one of the Directors of Allbright Electricals Pvt., Ltd., is the nephew of Jagadish Prasad Purohit and has the same address as the Directors of JMD namely, Jagadish Prasad Purohit and Kailash Prasad Purohit (i.e. 6/1, Bijoy Mukherjee Lane, Bhawanipur, Kolkata-700025).

17. Connection between JMD and other entities: From MCA website, it was observed that during preferential allotment of shares on January 11, 2011, several entities namely, Blazer Venture Pvt., Ltd., (Noticee 17), Ranisati Distributors Pvt., Ltd., (Noticee 19) Natraj Vinimay Ltd., (Noticee 18) Gulistan Vanijya Pvt., Ltd., Prime Capital Market Ltd., (Noticee 20) Winsher Commotrade Pvt., Ltd., and Rigmadirappa Investment Pvt., Ltd., (Noticee 13) were indirectly connected to or known to JMD Telefilms Industries Ltd. through common Directors/ promoters, as explained below:

- (i) Eknath Narayan Mandavkar was the Director of Matrix Systel Pvt., Ltd., Blazer Venture Pvt. Ltd. and Vibhuti Muti Trade Pvt., Ltd., (Noticee 21). Further, Matrix Systel Pvt., Ltd., was connected to JMD by way of common Director i.e. Pravin Tukaram Sawant.
- (ii) Milan Mukherjee was the Director of Nirnidhi Consultant Pvt., Ltd., Blazer Venture Pvt. Ltd., and Ranisati Distributors Pvt., Ltd., Further, Nirnidhi Consultant Pvt., Ltd., was connected to JMD by way of common Director i.e. Jagadish Prasad Purohit.
- (iii) Rajendra Kothari was the Director of Ranisati Distributors Pvt., Ltd., Natraj Vinimay Ltd., and Gulistan Vanijya Pvt., Ltd., Further, Ranisati Distributors Pvt., Ltd., was connected to Nirnidhi Consultant Pvt., Ltd., through Milan Mukherjee, which in turn was connected to JMD by way of common Director i.e. Jagadish Prasad Purohit.
- (iv) Dhruva Narayan Jha was the Director of Warner Multimedia Ltd., Allbright Electricals Pvt., Ltd., and Prime Capital Market Ltd., Further, Vimal Joshi was the common promoter of both Warner Multimedia Ltd., and Prime Capital Market Ltd., Warner Multimedia Ltd., was connected to JMD by way of common Directors i.e. Kailash Prasad Purohit and Jagadish Prasad Purohit and also, by way of common promoter i.e. Kailash Prasad Purohit.
- (v) Raj Kumar Purohit was the Director of Allbright Electricals Pvt., Ltd., Winsher Commotrade Pvt., Ltd., and Rigmadirappa Investment Pvt., Ltd., Pawan Kumar Purohit, Director of Winsher Commotrade Pvt., Ltd., was a promoter of Warner Multimedia Ltd., which in turn was connected to JMD by way of



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

common Directors i.e. Kailash Prasad Purohit and Jagadish Prasad Purohit and also, by way of common promoter i.e. Kailash Prasad Purohit.

(vi) JMD Telefilms Industries Ltd., and Kailash Prasad Purohit (past Director of JMD) in their letters dated February 25, 2020 and February 11, 2020 respectively, have stated that Prime Capital Market Ltd., is "relative of Director".

(vii) Warner Multimedia Ltd. and Nirnidhi Consultant Pvt., Ltd., have the same address i.e. P-27, Princep Street, 3<sup>rd</sup> Floor, Kolkata, West Bengal- 700072 and also, common Director namely, Jagadish Prasad Purohit.

(viii) Anil Kumar Purohit, Director of Nirnidhi Consultant Pvt., Ltd., & Allbright Electricals Pvt., Ltd., (Noticee 15) and Pawan Kumar Purohit, Director of Winsher Commotrade Pvt., Ltd., have the same address as the Directors of JMD namely, Jagadish Prasad Purohit and Kailash Prasad Purohit (i.e. 6/1, Bijoy Mukherjee Lane, Bhawanipur, Kolkata-700025).

(ix) Matrix Systel Pvt., Ltd., Natraj Vinimay Ltd., and Gulistan Vanijya Pvt., Ltd., have common e-mail address i.e. [rocwork2016@gmail.com](mailto:rocwork2016@gmail.com)

18. In view of the above, it was observed that JMD Telefilms Industries Ltd., is directly or indirectly connected to the entities from whom the allottees had received funds, prior to and/or after making payment to JMD towards allotment of preference shares on January 11, 2011. The entities who facilitated such routing of funds by JMD to the preferential allottees were: Matrix Systel Pvt., Ltd., (Noticee 12), Nirnidhi Consultant Pvt., Ltd., (Noticee 14), Rigmadirappa Investment Pvt., Ltd., (Noticee 13), Allbright Electricals Pvt., Ltd., (Noticee 15), Warner Multimedia Ltd., (Noticee 16), Blazer Venture Pvt., Ltd., (Noticee 17), Natraj Vinimay Ltd., (Noticee 18), Ranisati Distributors Pvt., Ltd., (Noticee 19), Vibhuti Muti Trade Pvt., Ltd., (Noticee 21) and Prime Capital Market Ltd., (Noticee 20).

19. Financial transactions among the company, its related entities & preferential allottees is explained in the following diagram:

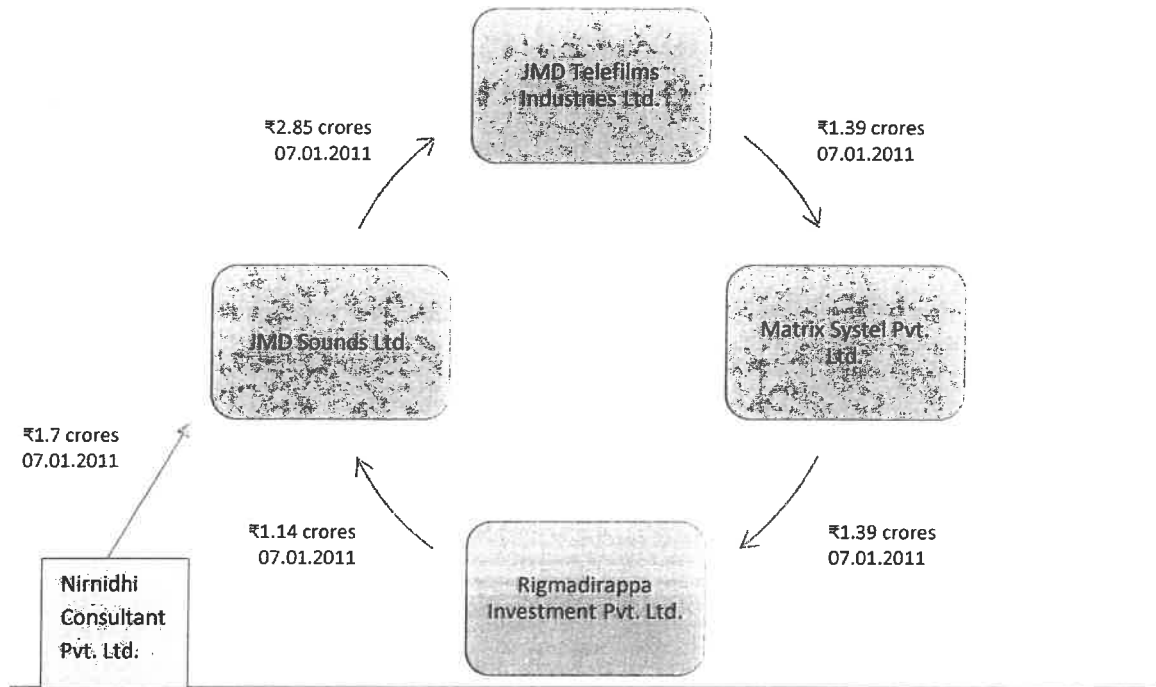
***Movement of funds to the preferential allottee – JMD Sounds Ltd.,***

Diagram illustrating the movement of funds to the preferential allottee – JMD Sounds Ltd.,



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India



20. From the above, it is observed that JMD Telefilms Industries Ltd., transferred ₹1.39 crores to Matrix Systel Pvt., Ltd., on January 7, 2011 and the same amount was transferred by Matrix Systel Pvt., Ltd., to Rigmadirappa Investment Pvt., Ltd., on the same day, which in turn, transferred ₹1.14 crores to the preferential allottee named JMD Sounds Ltd., on the same day i.e. January 7, 2011. The aforesaid fund of ₹1.14 crores was then utilized by the allottee for payment towards preferential shares of JMD Telefilms Industries Ltd., The remaining amount of ₹1.7 crores was provided to the allottee by Nirnidhi Consultant Pvt., Ltd., which was connected to JMD Telefilms Industries Ltd., by way of common director i.e. Jagadish Prasad Purohit. Thus, it was observed that the allottee, JMD Sounds Ltd., made payment of ₹2.85 crores for preferential shares on January 7, 2011, pursuant to receipt of funds from Rigmadirappa Investment Pvt., Ltd., (₹1.14 crores) and Nirnidhi Consultant Pvt., Ltd., (₹1.7 crores) on the same day. It was also observed that JMD Sounds Ltd., did not have substantial funds in its bank account prior to the receipt of funds from Rigmadirappa Investment Pvt., Ltd., and Nirnidhi Consultant Pvt., Ltd.,

21. Considering the fact that funds were transferred by JMD Telefilms Industries Ltd. to Matrix Systel Pvt., Ltd., (wherein one of the directors of JMD Telefilms Industries Ltd., i.e. Pravin Tukaram Sawant was also a director), then to Rigmadirappa Investment Pvt., Ltd., and ultimately to the preferential allottee i.e. JMD Sounds Ltd., on the same day, just before the preferential allotment of shares, it is concluded that Matrix Systel Pvt., Ltd., and Rigmadirappa Investment Pvt., Ltd.,

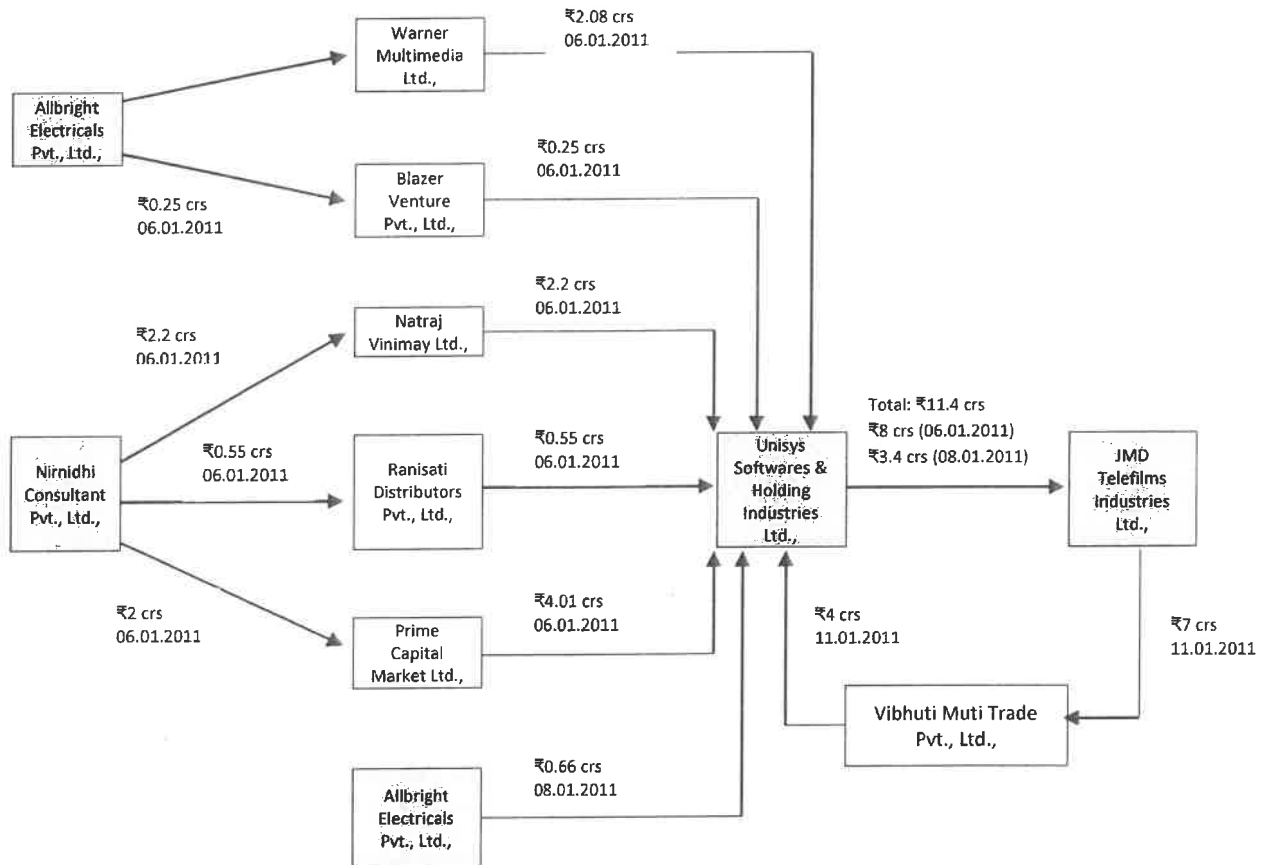


अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

were used as intermediaries to transfer funds from JMD Telefilms Industries Ltd., to the preferential allottee i.e. JMD Sounds Ltd., In addition to the aforesaid intermediaries, another entity i.e. Nirnidhi Consultant Pvt., Ltd., (wherein one of the directors of JMD Telefilms Industries Ltd., i.e. Jagadish Prasad Purohit was also a director), was used as an intermediary to transfer the remaining balance funds (i.e. ₹1.7 crores) to the allottee. Hence, out of total consideration amount of ₹2.85 crores paid by JMD Sounds Ltd., to JMD Telefilms Industries Ltd., ₹2.84 crores was either funded by JMD Telefilms Industries Ltd., itself or its connected entity i.e. Nirnidhi Consultant Pvt., Ltd.,

***Movement of funds to the preferential allottee—Unisys Softwares & Holding Industries Ltd***



22. It is observed from the above that prior to payment of consideration of ₹11.40 crores to JMD towards allotment of preference shares, Unisys Softwares & Holding Industries Ltd., (Noticee 10) had received total amount of ₹2.91 crores from Allbright Electricals Pvt., Ltd., on 06.01.2011, out of which ₹0.66 crores was received directly from the account of Allbright Electricals Pvt., Ltd., while the



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

remaining amount of Rs.2.25 crores was received through the accounts of Warner Multimedia Ltd., and Blazer Venture Pvt., Ltd., The allottee also received total amount of ₹4.75 crores from Nirnidhi Consultant Pvt., Ltd., on January 6, 2011 through the accounts of Natraj Vinimay Ltd., Ranisati Distributors Pvt., Ltd., and Prime Capital Market Ltd., Hence, total amount of ₹7.66 crores was received by the allottee from the entities connected to JMD i.e. Allbright Electricals Pvt., Ltd., and Nirnidhi Consultant Pvt., Ltd.,

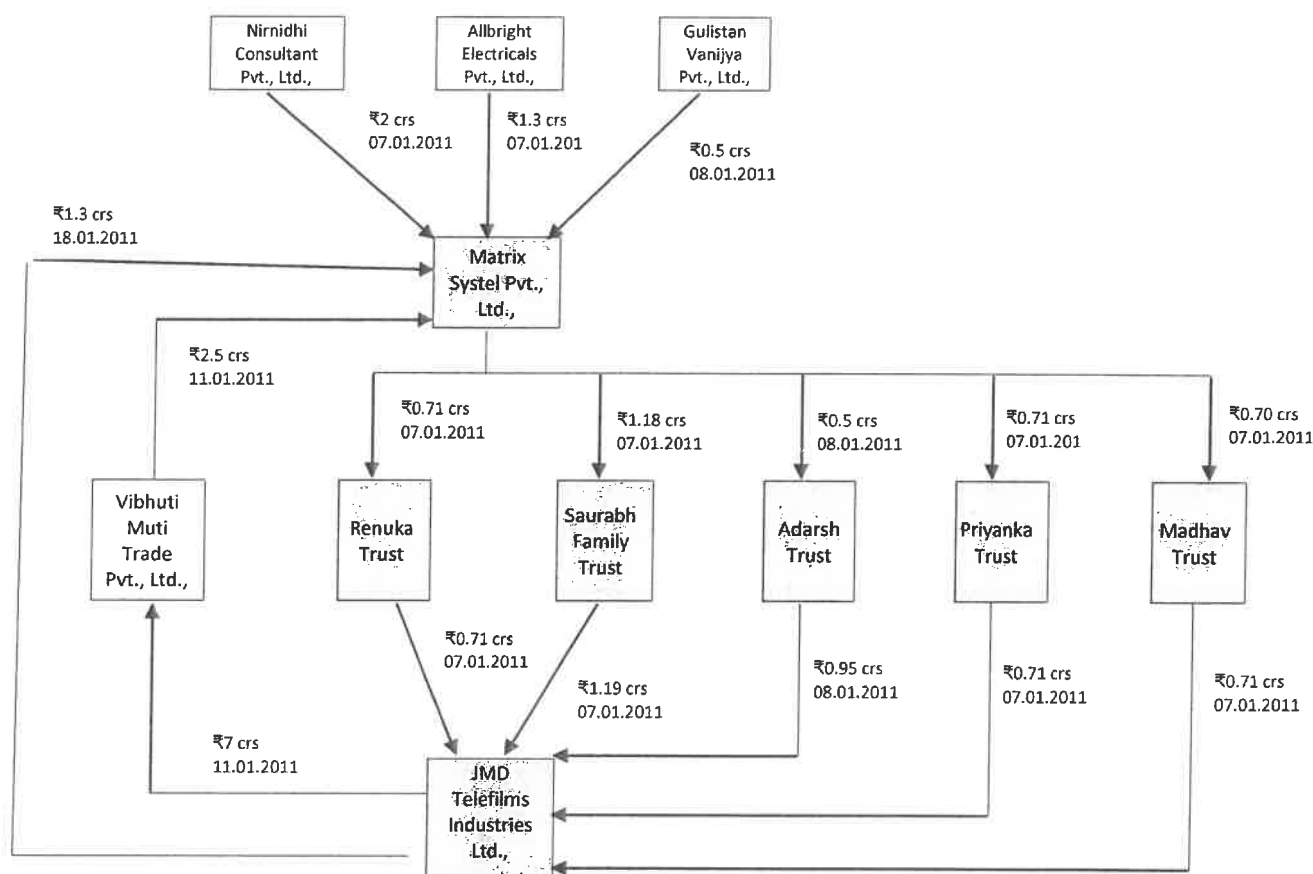
23. Pursuant to allotment of preference shares to 8 promoter group entities (including Unisys Softwares & Holding Industries Ltd.,) on January 11, 2011, part of the allotment money (i.e. ₹7 crores) was transferred by JMD to Vibhuti Muti Trade Pvt., Ltd., on the same day. Vibhuti Muti Trade Pvt., Ltd., was connected to JMD by way of common director i.e. Pravin Tukaram Sawant, who resigned from Vibhuti on January 7, 2011, i.e. few days before the preferential allotment on January 11, 2011. Out of ₹7 crores, Vibhuti Muti Trade Pvt., Ltd., transferred ₹4 crores to Unisys SOFTWARES & Holding Industries Ltd., on the same day.
24. In view of the above, it is alleged that JMD had partially funded Unisys SOFTWARES & Holding Industries Ltd., to the extent of ₹4 crores and the entities connected to JMD i.e. Allbright Electricals Pvt., Ltd., and Nirnidhi Consultant Pvt., Ltd., had funded Unisys SOFTWARES & Holding Industries Ltd., to the extent of ₹7.40 crores. Hence, the entire consideration amount of ₹11.40 crores paid by Unisys Softwares & Holding Industries Ltd., to JMD was either funded by JMD itself or its connected entities i.e. Allbright Electricals Pvt., Ltd., and Nirnidhi Consultant Pvt., Ltd., The entities viz. Warner Multimedia Ltd., Blazer Venture Pvt., Ltd., Natraj Vinimay Ltd., Ranisati Distributors Pvt., Ltd., Prime Capital Market Ltd., and Vibhuti Muti Trade Pvt., Ltd., facilitated the funding of preferential allottees by allowing their bank accounts to be used for routing of funds by JMD and its connected entities i.e. Allbright Electricals Pvt., Ltd., and Nirnidhi Consultant Pvt., Ltd.,

***Movement of funds to the preferential allottees – Renuka Trust, Saurabh Family Trust, Adarsh Trust, Priyanka Trust, Madhav Trust***



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India



26. It is observed from the above flow chart at Page 12 above that Matrix Systel Pvt., Ltd., had received total amount of ₹3.8 crores from 3 entities viz., ₹2 crores from Nirnidhi Consultant Pvt., Ltd., ₹1.3 crores from Allbright Electricals Pvt., Ltd., on January 7, 2011 and ₹0.50 crores from Gulistan Vanijya Pvt., Ltd., on January 8, 2011. Out of this, Matrix Systel Pvt., Ltd., transferred ₹0.71 crores to Renuka Trust, ₹1.18 crores to Saurabh Family Trust, ₹0.71 crores to Priyanka Trust & ₹0.70 crores to Madhav Trust on January 7, 2011 and ₹0.50 crores to Adarsh Trust on January 8, 2011, which were utilized by the allottees for payment of consideration to JMD towards allotment of preference shares.

27. Pursuant to allotment of preference shares to the allottees on January 11, 2011, part of the allotment money (i.e. ₹7 crores) was transferred by JMD to Vibhuti Muti Trade Pvt., Ltd., on the same day i.e. January 11, 2011. Vibhuti Muti Trade Pvt., Ltd., was connected to JMD by way of common director i.e. Pravin Tukaram Sawant, who had resigned from Vibhuti on January 7, 2011, i.e. few days before the preferential allotment on January 11, 2011. Out of ₹7 crores, Vibhuti Muti Trade Pvt., Ltd., transferred ₹2.5 crores to Matrix Systel Pvt., Ltd., on the same day. In addition, JMD also transferred ₹1.3 crores directly into the account of Matrix Systel



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
**Securities and Exchange  
Board of India**

Pvt., Ltd., on January 18, 2011 i.e. few days after the preferential allotment on January 11, 2011. Thus, total amount of ₹3.8 crores was transferred by JMD to Matrix Systel Pvt., Ltd., in two tranches after the preferential allotment on January 11, 2011, which corresponds to the exact amount transferred by Matrix Systel Pvt., Ltd., to the 5 preferential allottees before the preferential allotment (i.e. ₹3.8 crs).

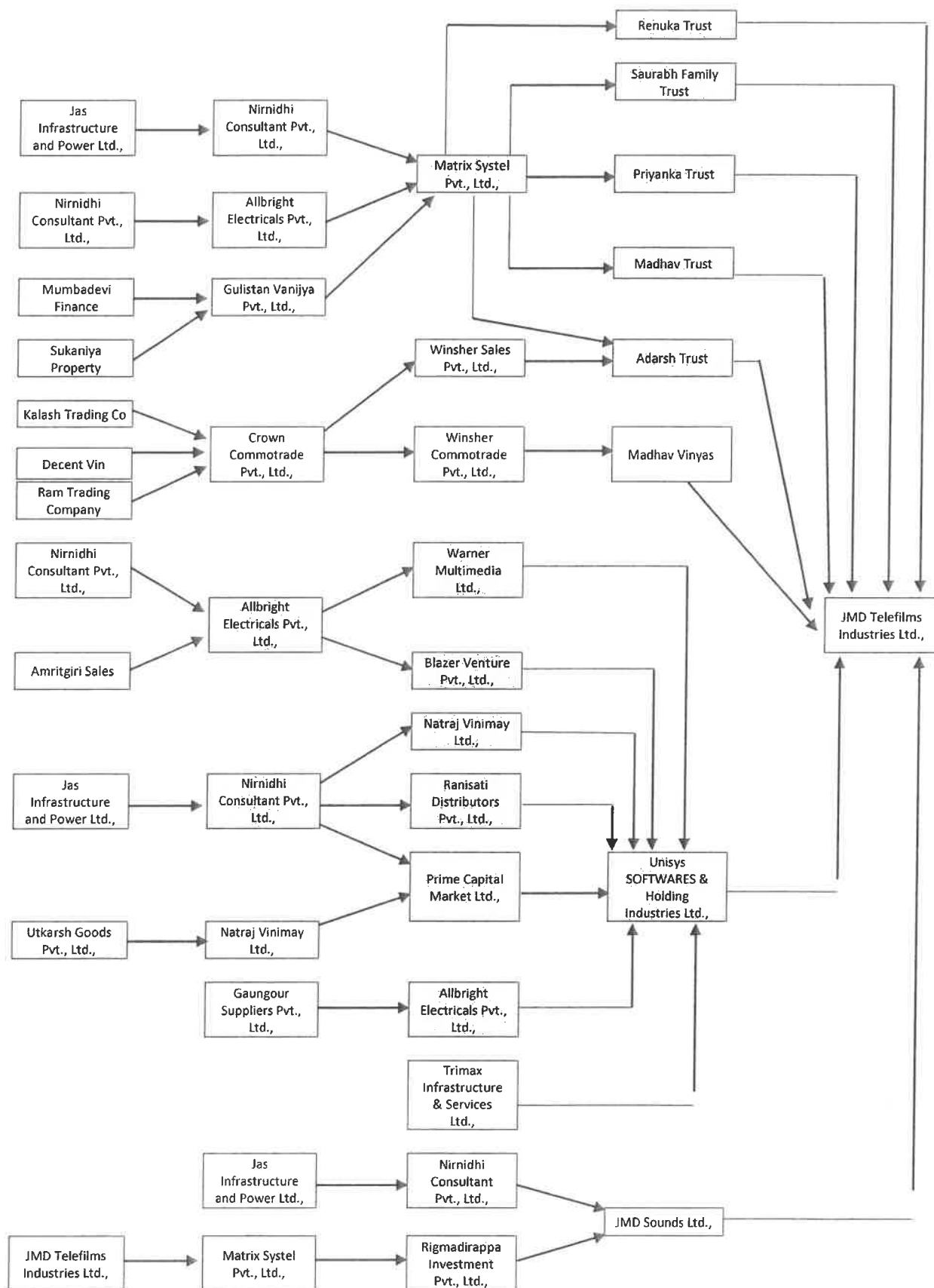
28. In view of the above, it is alleged that JMD had indirectly funded the 5 (five) preferential allottees i.e. (i) Renuka Trust, (ii) Saurabh Family Trust, (iii) Priyanka Trust, (iv) Madhav Trust and (v) Adarsh Trust to the extent of ₹3.8 crores, through its connected entity "Matrix Systel Pvt., Ltd.". The entity viz. Matrix Systel Pvt., Ltd., facilitated the funding of preferential allottees by transferring funds to the aforesaid 5 preferential allottees before the preferential allotment on January 11, 2011 to enable them to pay the allotment money to JMD. The exact amount (i.e. ₹3.8 crores) was subsequently returned by JMD to Matrix Systel Pvt., Ltd., in two tranches on January 11, 2011 and January 18, 2011.

29. The entity viz. Vibhuti Muti Trade Pvt., Ltd., (Noticee 21) acted as a conduit by allowing its bank account to be used by JMD for routing of funds to Matrix Systel Pvt., Ltd., on January 11, 2011.

***Pre-allotment – movement of funds to the preferential allottees:***



**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**





अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
**Securities and Exchange  
Board of India**

30. The detailed fund flow analysis in respect of all the 8 allottees is as under:

- (i) **RENUKA TRUST (AABTR0465M)** was allotted 75,000 shares in the preferential allotment for which it transferred ₹71,25,000/- from its A/c no. 03230120005685 (Kotak Mahindra Bank) on January 7, 2011. On analysis of its bank statement, it was observed that it had received ₹71,00,000/- from Matrix Systel Pvt., Ltd., on January 7, 2011. Further, on analysing the bank statement of Matrix Systel Pvt., Ltd., it was observed that it had received ₹2,00,00,000/- from Nirnidhi Consultant Pvt., Ltd., and ₹1,30,00,000/- from Allbright Electricals Pvt., Ltd., on January 7, 2011, which in turn had received ₹5,00,00,000/- from Jas Infrastructure and Power Ltd., and ₹1,30,00,000/- Nirnidhi Consultant Pvt., Ltd., respectively. It was observed that Pravin Tukaram Sawant, one of the directors of JMD was a director of Matrix Systel Pvt., Ltd., during the time of preferential allotment of shares. It was also observed that after receiving allotment money from all the 8 preferential allottees, JMD had transferred ₹2.5 crores to Matrix Systel Pvt., Ltd., through the account of Vibhuti Muti Trade Pvt., Ltd., on January 11, 2011 and ₹1.3 crores directly into the account of Matrix Systel Pvt., Ltd., on January 18, 2011. Hence, Matrix Systel Pvt., Ltd., had funded the allottee.
- (ii) **SAURABH FAMILY TRUST (ABFFS3296Q)** was allotted 1,25,000 shares in the preferential allotment for which it transferred ₹1,18,75,000/- from its A/c no. 03230120005904 (Kotak Mahindra Bank) on January 7, 2011. On analysis of its bank statement, it was observed that it had received ₹1,18,00,000/- from Matrix Systel Pvt., Ltd., on January 7, 2011. Further, on analysing the bank statement of Matrix Systel Pvt., Ltd., it was observed that it had received ₹2,00,00,000/- from Nirnidhi Consultant Pvt., Ltd., and ₹1,30,00,000/- from Allbright Electricals Pvt., Ltd., on January 7, 2011, which in turn had received ₹5,00,00,000/- from Jas Infrastructure and Power Ltd., and ₹1,30,00,000/- Nirnidhi Consultant Pvt., Ltd., respectively. It was observed that Pravin Tukaram Sawant, one of the directors of JMD was a director of Matrix Systel Pvt., Ltd., during the time of preferential allotment of shares. It was also observed that after receiving allotment money from all the 8 preferential allottees, JMD had transferred ₹2.5 crores to Matrix Systel Pvt., Ltd., through the account of Vibhuti Muti Trade Pvt., Ltd., on January 11, 2011 and ₹1.3 crores directly into the account of Matrix Systel Pvt., Ltd., on January 18, 2011. Hence, Matrix Systel Pvt., Ltd., had funded the allottee.
- (iii) **PRIYANKA TRUST (AABTP1441R)** was allotted 75,000 shares in the preferential allotment for which it transferred ₹71,25,000/- from its A/c no. 03230120005702



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
**Securities and Exchange  
Board of India**

(Kotak Mahindra Bank) on January 7, 2011. On analysis of its bank statement, it was observed that it had received ₹71,00,000/- from Matrix Systel Pvt., Ltd., on January 7, 2011. Further, on analysing the bank statement of Matrix Systel Pvt., Ltd., it was observed that it had received ₹2,00,00,000/- from Nirnidhi Consultant Pvt., Ltd., and ₹1,30,00,000/- from Allbright Electricals Pvt., Ltd., on January 7, 2011, which in turn had received ₹5,00,00,000/- from Jas Infrastructure and Power Ltd., and ₹1,30,00,000/- Nirnidhi Consultant Pvt., Ltd., respectively. It was observed that Pravin Tukaram Sawant, one of the directors of JMD was a director of Matrix Systel Pvt., Ltd., during the time of preferential allotment of shares. It was also observed that after receiving allotment money from all the 8 preferential allottees, JMD had transferred ₹2.5 crores to Matrix Systel Pvt., Ltd., through the account of Vibhuti Muti Trade Pvt., Ltd., on January 11, 2011 and ₹1.3 crores directly into the account of Matrix Systel Pvt., Ltd., on January 18, 2011. Hence, Matrix Systel Pvt., Ltd., had funded the allottee.

(iv) **MADHAV TRUST (AABTM6615Q)** was allotted 75,000 shares in the preferential allotment for which it transferred ₹71,25,000/- from its A/c no. 03230120005698 (Kotak Mahindra Bank) on January 7, 2011. On analysis of its bank statement, it was observed that it had received ₹70,00,000/- from Matrix Systel Pvt., Ltd., on January 7, 2011. Further, on analysing the bank statement of Matrix Systel Pvt., Ltd., it was observed that it had received ₹2,00,00,000/- from Nirnidhi Consultant Pvt., Ltd., and ₹1,30,00,000/- from Allbright Electricals Pvt., Ltd., on January 7, 2011, which in turn had received ₹5,00,00,000/- from Jas Infrastructure and Power Ltd., and ₹1,30,00,000/- Nirnidhi Consultant Pvt., Ltd., respectively. It was observed that Pravin Tukaram Sawant, one of the directors of JMD was a director of Matrix Systel Pvt., Ltd., during the time of preferential allotment of shares. It was also observed that after receiving allotment money from all the 8 preferential allottees, JMD had transferred ₹2.5 crores to Matrix Systel Pvt., Ltd., through the account of Vibhuti Muti Trade Pvt., Ltd., on January 11, 2011 and ₹1.3 crores directly into the account of Matrix Systel Pvt., Ltd., on January 18, 2011. Hence, Matrix Systel Pvt., Ltd., had funded the allottee.

(v) **ADARSH TRUST (AABTA7344L)** was allotted 1,00,000 shares in the preferential allotment for which it transferred ₹95,00,000/- from its A/c no. 03230120005648 (Kotak Mahindra Bank) on 08.01.2011. On analysis of its bank statement, it was observed that it had received ₹45,00,000/- from Winsher Sales Pvt., Ltd., on January 7, 2011 and ₹50,00,000/- from Matrix Systel Pvt., Ltd., on 08.01.2011. On analysing the bank statement of Winsher Sales Pvt., Ltd., it was observed that it had received ₹44,95,000/- from Crown Commotrade Pvt., Ltd., on January 7, 2011, which in turn had received ₹69,00,000/- from Kalash Trading Company on the



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

same day. On analysing the bank statement of Matrix Systel Pvt., Ltd., it was observed that it had received ₹50,00,000/- from Gulistan Vanijya Pvt., Ltd., on 08.01.2011, which in turn had received ₹50,00,000/- each from Mumbadevi Finance and Sukaniya Property on the same day. It was observed that Pravin Tukaram Sawant, one of the directors of JMD was a director of Matrix Systel Pvt., Ltd., during the time of preferential allotment of shares. It was also observed that after receiving allotment money from all the 8 preferential allottees, JMD had transferred ₹2.5 crores to Matrix Systel Pvt., Ltd., through the account of Vibhuti Muti Trade Pvt., Ltd., on January 11, 2011 and ₹1.3 crores directly into the account of Matrix Systel Pvt., Ltd., on January 18, 2011. Hence, Matrix Systel Pvt., Ltd., had funded the allottee.

- (vi) **UNISYS SOFTWARES & HOLDING INDUSTRIES LTD., (AABCC1191Q)** was allotted 12,00,000 shares in the preferential allotment for which it transferred total amount of ₹11,40,00,000/- (i.e. ₹8,00,00,000/- on 06.01.2011 and ₹3,40,00,000/- on 08.01.2011) from its A/c no. 03232000019805 (Kotak Mahindra Bank). On analysis of its bank statement, it was observed that it had received money from 7 (seven) entities, the details of which are as under:

| Date       | Account number (Bank)                              | Name of Counterparty                | Amount (₹)  |
|------------|----------------------------------------------------|-------------------------------------|-------------|
| 06.01.2011 | 03232000017590 (Kotak Mahindra Bank)               | Warner Multimedia Ltd.,             | 2,08,00,000 |
| 06.01.2011 | 03232000018765 (Kotak Mahindra Bank)               | Natraj Vinimay Ltd.,                | 2,20,00,000 |
| 06.01.2011 | 03232180000896 (Kotak Mahindra Bank)               | Ranisati Distributors Pvt., Ltd.,   | 55,00,000   |
| 06.01.2011 | 09612000003699 (Kotak Mahindra Bank)               | Blazer Venture Pvt., Ltd.,          | 25,00,000   |
| 06.01.2011 | 03232000017915 (Kotak Mahindra Bank)               | Prime Capital Market Ltd.,          | 1,75,00,000 |
| 06.01.2011 | 03232000017915 (Kotak Mahindra Bank)               | Prime Capital Market Ltd.,          | 2,26,49,025 |
| 08.01.2011 | N.A. (Bank of India could not provide the details) | Trimex IT Infrastructure & Services | 3,19,84,607 |
| 08.01.2011 | 03232000022644 (Kotak Mahindra Bank)               | Allbright Electricals Pvt., Ltd.,   | 66,00,000   |

On analysis of the above-mentioned bank statements, it was observed that:

- Warner Multimedia Ltd., – Allbright Electricals Pvt., Ltd., had deposited ₹2,00,00,000/- in the account on 06.01.2011, which in turn had received ₹2,00,00,000/- from Amritgiri Sales.
- Natraj Vinimay Ltd., – Nirnidhi Consultant Pvt., Ltd., had deposited ₹2,20,00,000/- in the account on 06.01.2011, which in turn had received ₹5,00,00,000/- from Jas Infrastructure and Power Ltd.,
- Ranisati Distributors Pvt., Ltd., – Nirnidhi Consultant Pvt., Ltd., had deposited ₹55,00,000/- in the account on 06.01.2011, which in turn had received ₹5,00,00,000/- from Jas Infrastructure and Power Ltd.,



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

- Blazer Venture Pvt., Ltd., – Allbright Electricals Pvt., Ltd., had deposited ₹25,00,000/- in the account on 06.01.2011, which in turn had received ₹25,00,000/- from Nirnidhi Consultant Pvt., Ltd.,
- Prime Capital Market Ltd., – Nirnidhi Consultant Pvt., Ltd., had deposited ₹2,00,00,000/- and Natraj Vinimay Ltd., had deposited ₹2,00,00,000/- & ₹2,00,000/- in the account on 06.01.2011. Nirnidhi Consultant Pvt., Ltd., had received ₹5,00,00,000/- from Jas Infrastructure and Power Ltd., and Natraj Vinimay Ltd., had received ₹2,00,000/- from Utkarsh Goods Pvt., Ltd.,
- Allbright Electricals Pvt., Ltd., – Gaungour Suppliers Pvt., Ltd., had deposited ₹60,00,000/- in the account on 08.01.2011. On analysing the bank statement of Gaungour Suppliers Pvt., Ltd., it was observed that it had received money from various entities.

It was observed that Jagadish Prasad Purohit, one of the directors of JMD was a director of Nirnidhi Consultant Pvt., Ltd., and also, one of the authorised persons to operate its bank account (Kotak Mahindra Bank A/c no. 03232000019972) during the time of preferential allotment. Further, JMD in its letter has stated that Allbright Electricals Pvt., Ltd., is "relative of director". It was also observed that Anil Kumar Purohit, director of Allbright Electricals Pvt., Ltd., is the nephew of Jagadish Prasad Purohit and has the same address as the directors of JMD namely, Jagadish Prasad Purohit and Kailash Prasad Purohit (i.e. 6/1, Bijoy Mukherjee Lane, Bhawanipur, Kolkata-700025). Hence, Nirnidhi Consultant Pvt., Ltd., and Allbright Electricals Pvt., Ltd., had funded the preferential allottee.

(vii) **JMD SOUNDS LTD., (AABCJ1907H)** was allotted 3,00,000 shares in the preferential allotment for which it transferred ₹2,85,00,000/- from its A/c no. 03232000021126 (Kotak Mahindra Bank) on January 7, 2011. On analysis of its bank statement, it was observed that it had received ₹1,70,00,000/- from Nirnidhi Consultant Pvt., Ltd., and ₹1,14,00,000/- from Rigmadirappa Investment Pvt., Ltd., on January 7, 2011. Further, on analysing their bank statements, it was observed that:

- Nirnidhi Consultant Pvt., Ltd., – Jas Infrastructure and Power Ltd., had deposited ₹5,00,00,000/- in the account on January 7, 2011. On analysing the bank statement of Jas Infrastructure and Power Ltd., it was observed that it had sufficient balance in its account prior to January 7, 2011 and had received ₹24.82 crores from Abhijeet Projects Ltd., on 31.12.2010.

It was observed that Jagadish Prasad Purohit, one of the directors of JMD was a director of Nirnidhi Consultant Pvt., Ltd., during the time of preferential allotment and also, one of the authorised persons to operate the bank account



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

of Nirnidhi Consultant Pvt., Ltd., Hence, Nirnidhi Consultant Pvt., Ltd., had partially funded the preferential allottee to the extent of ₹1,70,00,000/-.

- Rigmadirappa Investment Pvt., Ltd., – Matrix Systel Pvt., Ltd., had deposited ₹1,39,00,000/- in the account on January 7, 2011, which in turn had received the same amount from JMD Telefilms Industries Ltd., on the same day. Hence, JMD Telefilms Industries Ltd., had partially funded the preferential allottee to the extent of ₹1,14,00,000/-, by routing funds through Rigmadirappa Investment Pvt., Ltd., and Matrix Systel Pvt., Ltd.,

In view of the above, it is concluded that out of total consideration amount of ₹2.85 crores paid by JMD Sounds Ltd., to JMD Telefilms Industries Ltd., ₹2.84 crores was either funded by JMD Telefilms Industries Ltd., itself or its connected entity i.e. Nirnidhi Consultant Pvt., Ltd.,

***Post-allotment movement of funds received by JMD in respect of preferential issue dated January 11, 2011:***

31. JMD (Kotak Mahindra Bank A/c no. 03232180000282) had received ₹19 crores during January 6 to 8, 2011, for the preferential allotment dated January 11, 2011. To check whether any funds had, in turn, been transferred by the company to preferential allottees, the entities to whom the funds were transferred by the company were examined. It was observed that out of the issue proceeds of ₹19 crores, ₹5 crores was transferred to Kotak Mahindra Bank's internal account (A/c no. 03230910000026) while, the remaining amount of ₹14 crores was transferred by JMD to the following 4 (four) entities.

***Details of funds/ allotment money transferred by JMD to various entities***

| Sl. No. | Entity Name                             | Bank Account No.<br>(Bank Name)               | Amount<br>(₹ in crores) |
|---------|-----------------------------------------|-----------------------------------------------|-------------------------|
| 1       | Sree Metaliks Ltd.,                     | 11574010000120<br>(Oriental Bank of Commerce) | 2.00                    |
| 2       | Vibhuti Muti Trade Pvt., Ltd.,          | 09612000007328<br>(Kotak Mahindra Bank)       | 7.00                    |
| 3       | Microchip Infotel Pvt., Ltd.,           | 09572000006861<br>(Kotak Mahindra Bank)       | 4.50                    |
| 4       | Avani Projects and Infrastructure Ltd., | 000003226900019<br>(Kotak Mahindra Bank)      | 0.50                    |
|         | <b>Total</b>                            |                                               | <b>14.00</b>            |

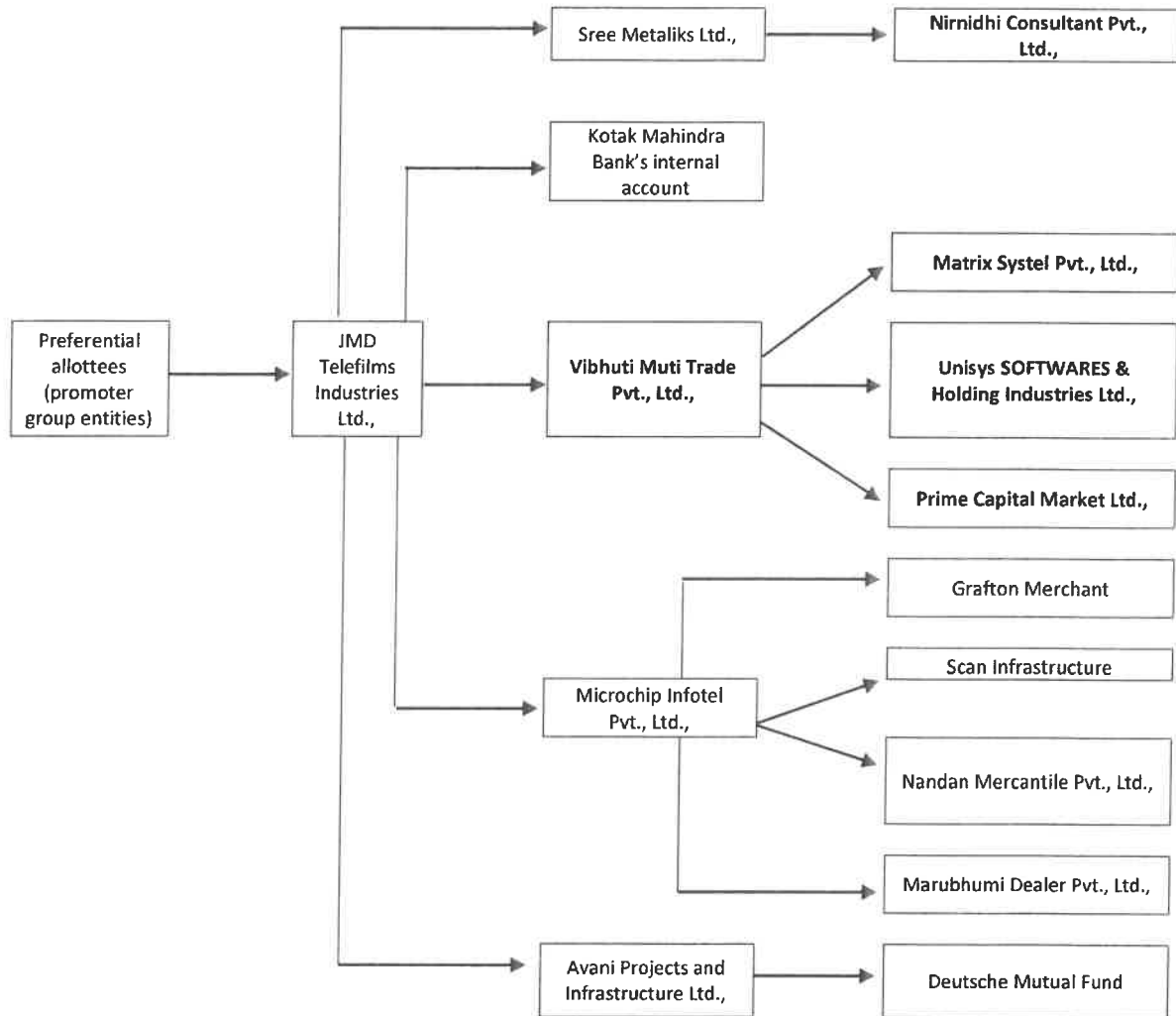
32. Bank statements of the 4 (four) entities mentioned at Table 7 were examined. Diagrammatic representation of the fund trail from JMD to various entities, out of the preferential issue proceeds, is given as under:



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

**Post allotment – movement of funds from the company**



33. It is observed from the above flow chart that, Vibhuti Muti Trade Pvt., Ltd., pursuant to receipt of funds (i.e. ₹7 crores) from JMD on January 11, 2011, had transferred ₹4 crores to one of the preferential allottees namely, Unisys Softwares & Holding Industries Ltd., and the remaining amount of ₹3 crores to two entities from whom some allottees had received funds namely, Matrix Systel Pvt., Ltd., (₹2.5 crores) and Prime Capital Market Ltd., (₹0.50 crores) on the same day. Thus, the bank account of Vibhuti Muti Trade Pvt., Ltd., which had received funds from JMD out of proceeds of preferential allotment dated January 11, 2011, indicates partial funding



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

by JMD to the preferential allottee i.e. Unisys Softwares & Holding Industries Ltd., to the extent of ₹4 crores, for subscription to its preferential allotment of shares.

34. Further, in case of Sree Metaliks Ltd., it was observed that pursuant to receipt of funds (i.e. ₹2 crores) from JMD on January 10, 2011, it had transferred ₹2.25 crores to Nirnidhi Consultant Pvt., Ltd., (one of the entities from whom some allottees had received funds) on January 12, 2011.

35. It was observed that during the time of preferential allotment, the directors of JMD Telefilms Industries Ltd., viz. Kailash Prasad Purohit (Chairman and Managing Director), Jagadish Prasad Purohit (Whole Time Director) and Pravin Tukaram Sawant (Independent Director) were connected with the companies which had funded the preferential allottees as well as with the companies whose accounts were used for routing of funds to the allottees. Kailash Prasad Purohit, Jagadish Prasad Purohit and Pravin Tukaram Sawant were also the authorised persons to operate the designated bank account of JMD Telefilms Industries Ltd., (Kotak Mahindra Bank A/c no. 03232180000282) during January 2011. In another bank account of the company (Axis Bank A/c no. 415010200001304), Pravin Tukaram Sawant, Independent Director was the sole authorised person to operate the account during January 2011.

36. It was also observed that Kailash Prasad Purohit and Jagadish Prasad Purohit were the directors as well as promoters of Warner Multimedia Ltd., during the time of preferential allotment of shares. Kailash Prasad Purohit was also one of the authorised persons to operate its bank account (Kotak Mahindra Bank A/c no. 03232000017590). Pravin Tukaram Sawant was a director of Matrix Systel Pvt., Ltd., during the time of preferential allotment of shares (i.e. January 4, 2011 to March 14, 2013) and past director of Vibhuti Muti Trade Pvt., Ltd., for few days before the preferential allotment on January 11, 2011 (i.e. January 4, 2011 to January 7, 2011). Jagadish Prasad Purohit was a director of Nirnidhi Consultant Pvt., Ltd., during the time of preferential allotment of shares (i.e. March 6, 2007 to April 25, 2017) and also, one of the authorised persons to operate the bank account of Nirnidhi Consultant Pvt., Ltd., (Kotak Mahindra Bank A/c no. 03232000019972).

37. JMD Telefilms Industries Ltd., and Kailash Prasad Purohit (past director of JMD) in their letters dated February 25, 2020 and February 11, 2020 respectively, have stated that Allbright Electricals Pvt., Ltd., is "relative of director". It was also observed that Anil Kumar Purohit, Director of Allbright Electricals Pvt., Ltd., is the nephew of Jagadish Prasad Purohit and has the same address as the directors of JMD namely, Jagadish Prasad Purohit and Kailash Prasad Purohit (i.e. 6/1, Bijoy Mukherjee Lane, Bhawanipur, Kolkata-700025). Further, Anil Kumar Purohit was



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

also one of the authorised persons to operate the account of Allbright Electricals Pvt., Ltd., during January 2011.

38. Further, from the Annual Report of JMD for FY 2010-11, it was observed that Kailash Prasad Purohit, Chairman & Managing Director and Jagadish Prasad Purohit, Director were the signatories in the balance sheet and also, they were mentioned as "key management personnel" of the company and as such, they were responsible for the day-to-day management of the company. Although Pravin Tukaram Sawant was an Independent Director, he was the sole authorised person to operate one of the bank accounts of JMD maintained with Axis Bank. Ashok Bothra was an Independent Non-Executive Director of the company during the investigation period. No evidence is available on record indicating his involvement in the funding of preferential allottees by the company.

39. In view of the above, it is alleged that three directors of JMD i.e. Kailash Prasad Purohit (Noticee 2), Jagadish Prasad Purohit (Noticee 3) and Pravin Tukaram Sawant (Noticee 4), were involved in the funding of preferential allottees belonging to promoter group during preferential allotment dated January 11, 2011. Further, based on the connections observed with various entities, it is concluded that Kailash Prasad Purohit and Jagadish Prasad Purohit had arranged for funding of the preferential allottees by Allbright Electricals Pvt., Ltd., Jagadish Prasad Purohit had arranged for funding of the preferential allottees by Nirnidhi Consultant Pvt., Ltd., while Pravin Tukaram Sawant had arranged for funding of the preferential allottees by Matrix Systel Pvt., Ltd.,

40. When a company raises capital through preferential allotment, it is considered as a capital infusion and ordinary investors may perceive such capital infusion to be essential for strengthening the company's financial fundamentals. However, in the present instance, the company's own funds were used by one of the allottees (i.e. JMD Sounds Ltd.) to buy those shares issued by the company, thereby limiting genuine capital infusion to that extent. Further, in case of some allottees, the company's directors i.e. Kailash Prasad Purohit, Jagadish Prasad Purohit and Pravin Tukaram Sawant, had facilitated funding of preferential allottees through the accounts of its related entities, thereby limiting genuine capital infusion to that extent. Thus, the Company (Noticee 1) along with its directors i.e. Kailash Prasad Purohit (Noticee 2), Jagadish Prasad Purohit (Noticee 3) and Pravin Tukaram Sawant (Noticee 4); the seven (7) preferential allottees i.e. Renuka Trust (Noticee 5), Saurabh Family Trust (Noticee 6), Priyanka Trust (Noticee 7), Madhav Trust (Noticee 8), Adarsh Trust (Noticee 9), Unisys Softwares & Holding Industries Ltd., (Noticee 10) and JMD Sounds Ltd., (Noticee 11), along with the conduits i.e. Matrix



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

Systel Pvt., Ltd., (Noticee 12) Rigmadirappa Investment Pvt., Ltd., (Noticee 13) Nirnidhi Consultant Pvt., Ltd., (Noticee 14) Allbright Electricals Pvt., Ltd., (Noticee 15) Warner Multimedia Ltd., (Noticee 16), Blazer Venture Pvt., Ltd., (Noticee 17), Natraj Vinimay Ltd., (Noticee 18), Ranisati Distributors Pvt., Ltd., (Noticee 19), Prime Capital Market Ltd., (Noticee 20) and Vibhuti Muti Trade Pvt., Ltd., (Noticee 21) who allowed their bank accounts to be used for routing of funds to the allottees, are involved in this fraud. Therefore, it is alleged that the Noticees 1 to 21 have violated the provisions of Section 12A (a), (b), (c) of the SEBI Act, 1992 r/w Regulations 3 (b), (c), (d) & 4(1) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the securities market) Regulations, 2003.

41. As regards the preferential allotment process, w.r.t. funding by the company to preferential allottees in respect of the preferential allotment dated January 11, 2011, summons were sent to one of the preferential allottees viz., Madhav Vinays (Noticee 22) on January 23, 2020 to furnish the following information.

- (a) Please provide the details of trustee and members of Madhv Vinyas such as full name, PAN, address etc.,
- (b) With regard to the acquisition of 50,000 shares of JMD, please state whether you have submitted any disclosures to the company under the provisions of SEBI (SAST) Regulations, 1997 and/or SEBI (PIT) Regulations, 1992. If yes, please provide a copy of the disclosures made to the Company.
- (c) Please specify the source of funds (i.e., ₹47,50,000) for purchase of preferential shares (i.e., own funds / loan from financial institution etc.,) along with documentary evidence. In case you had taken loan from any financial institution / company, please provide copy of loan agreement. Further, in case you have already repaid the loan amount, please provide the loan repayment details together with bank statement duly highlighting the same.
- (d) On perusal of your bank statement, it was observed that you had received ₹47,50,000 from Winsher Commotrade Pvt., Ltd., on January 6, 2011. Please explain the purpose for which the aforesaid amount was received from Winsher Commotrade Pvt., Ltd., and also how the said amount was utilized by you, along with documentary evidence.
- (e) Please state whether you are/were in any way, directly or indirectly, associated / related connected to Winsher Commotrade Pvt., Ltd., / its promoters / directors / key managerial personnel (KMPs). If yes, then please explain how and also,



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

*provide relevant details including full name, PAN, address, nature of relationship / association / connection, since when the relation / association / connection began etc.,*

*(f) Please explain how you are related / connected to JMD / its promoters / directors / KMPs and also, provide relevant details including full name, PAN, address, nature of relationship / connection etc.,*

42. It is observed that the Noticee 22 despite receipt of the summons did not furnish the information as sought for. Further, two reminder summons dated February 4, 2020 and February 17, 2020 were served on the Noticee to furnish the information as sought for in the original summons dated January 23, 2020. The Noticee was informed in all the summons that he fails to provide the documents as sought therein, SEBI may initiate Adjudication proceedings against him under Section 15 of the SEBI Act and criminal prosecution may also be launched against him under Section 11 (C) (6) of SEBI Act. It is observed that despite receipt of all the aforesaid Summons, Noticee 22 to respond. Therefore, it is alleged that the Noticees Noticee 22 had violated the provisions of Section 11C(3) read with 11C(2) of the SEBI Act, 1992.

43. From the above, it is alleged that the Noticees have violated the provisions of SEBI Act, 1992, SEBI (PFUTP) Regulations, 2003 and SEBI (SAST) Regulations, 1997 (as applicable). The summary of findings in brief observed in respect of the Noticees and the corresponding violation of respective Regulations are furnished hereunder:



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

| Sl. No | Name of the Noticee                                                 | Nature of findings in brief                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Violations observed                                                                                                     |
|--------|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| 1.     | JMD Telefilms Industries Ltd.,<br>(now known as JMD Ventures Ltd.,) | Provided funds in connection with the subscription made by the allottees w.r.t. preferential allotment dated January 11, 2011.                                                                                                                                                                                                                                                                                                                                                                          | Section 12 A(a), (b) & (c) of SEBI Act read with Regulations 3(b), (c), (d) and 4(1) of SEBI (PFUTP) Regulations, 2003. |
| 2.     | Kailash Prasad Purohit                                              | Being the director & promoter of entity at Sl. No. 1 and thereby, responsible for the act of the company of providing funds to the preferential allottees.<br><br>Being one of the key persons behind funding of preferential allottees.<br><br>Being the director, promoter and one of the Authorized Persons to operate the bank account of entity at Sl. No. 16 and thereby, responsible for the act of the company of allowing its bank account for routing of funds to the preferential allottees. |                                                                                                                         |
| 3.     | Jagdish Prasad Purohit                                              | Being the director of entity at Sl. No. 1 and thereby, responsible for the act of the company of providing funds to the preferential allottees.<br><br>Being one of the key persons behind funding of preferential allottees.<br><br>Being the director & promoter of entity at Sl. No. 16 and thereby, responsible for the act of the company of allowing its bank account for routing of funds to the preferential allottees.                                                                         |                                                                                                                         |
| 4.     | Pravin Tukaram Sawant                                               | Being the director of entity at Sl. No. 1 and thereby, responsible for the act of the company of providing funds to the preferential allottees.<br>Being one of the key persons behind funding of preferential allottees.<br><br>Being the director of entity at Sl. No. 12 and thereby, responsible for the act of the company of allowing its bank account for routing of funds to the preferential allottees.                                                                                        |                                                                                                                         |
| 5.     | Renuka Trust                                                        | These preferential allottees had received funds from Matrix Systel Pvt., Ltd., (entity at Sl. No. 12) and used the same for the purpose of purchase of shares allotted to them on a preferential basis by JMD on January 11, 2011. After                                                                                                                                                                                                                                                                | Section 12 A(a), (b) & (c) of SEBI Act read with Regulations 3(b), (c), (d) and 4(1) of SEBI (PFUTP) Regulations, 2003. |
| 6.     | Saurabh Family Trust                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                         |
| 7.     | Priyanka Trust                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                         |
| 8.     | Madhav Trust                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                         |
| 9.     | Adarsh Trust                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                         |



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|     |                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
|-----|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
|     |                                             | <p>the preferential allotment, the exact amount of funding of preferential allottees was returned by JMD to Matrix Systel Pvt., Ltd.,</p> <p>These promoters who were acting in concert with other promoters of JMD Telefilms Industries Ltd., failed to make disclosure under Regulation 7(2) of SEBI (SAST) Regulations, 1997.</p>                                                                                                                                                                                                                                                                                                                                    | Regulation 7(2) of the SEBI (SAST) Regulations, 1997                                                                     |
| 10. | Unisys Softwares & Holding Industries Ltd., | <p>The preferential allottee had received ₹7.40 crores from Nirnidhi Consultant Pvt., Ltd., (entity at Sl. No. 14) and Albright Electricals Pvt., Ltd., (entity at Sl. No. 15) before the preferential allotment and used the same for the purpose of purchase of shares allotted to them on a preferential basis by JMD on January 11, 2011. After payment of allotment money of ₹11.40 crores to JMD, the allottee had received ₹4 crores from JMD (entity at Sl. No. 1).</p> <p>This promoter who was acting in concert with other promoters of JMD Telefilms Industries Ltd., failed to make disclosure under Regulation 7(2) of SEBI (SAST) Regulations, 1997.</p> |                                                                                                                          |
| 11. | JMD Sounds Ltd.,                            | <p>The preferential allottee had received ₹1.14 crores from JMD (entity at Sl. No. 1) and ₹1.7 crores from Nirnidhi Consultant Pvt., Ltd., (entity at S. No. 14) and used the same for the purpose of purchase of shares allotted to them on a preferential basis by JMD on January 11, 2011.</p> <p>This promoter who was acting in concert with other promoters of JMD Telefilms Industries Ltd., failed to make disclosure under Regulation 7(2) of SEBI (SAST) Regulations, 1997.</p>                                                                                                                                                                               |                                                                                                                          |
| 12. | Matris Systel Pvt., Ltd.,                   | <p>Facilitating the company i.e. JMD Telefilms Industries Ltd., Kailash Prasad Purohit, Jagadish Prasad Purohit and Pravin Tukaram Sawant in funding the preferential allottees at Sl. Nos. 5 to 11, by transferring the funds to the allottees and/or allowing their bank accounts for routing of funds to the allottees.</p>                                                                                                                                                                                                                                                                                                                                          | Section 12A (a), (b), (c) of the SEBI Act, 1992 r/w Regulations 3 (b), (c), (d) & 4(1) of SEBI (PFUTP) Regulations, 2003 |
| 13. | Rigmadirappa Investment Pvt., Ltd.,         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
| 14. | Nirnidhi Consultant Pvt., Ltd.,             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
| 15. | Albright Electricals Pvt., Ltd.,            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
| 16. | Warner Multimedia Ltd.,                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
| 17. | Blazer Venture Pvt., Ltd.,                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
| 18. | Natraj Vinimay Ltd.,                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
| 19. | Ranisati Distributors Pvt., Ltd.,           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
| 20. | Prime Capital Market Ltd.,                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |
| 21. | Vibhuti Multi Trade Pvt., Ltd.,             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                          |



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|     |               |                                                                                                                                                                                                                                                                                                                                                |                                                                                                                |
|-----|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| 22. | Madhav Vinyas | The preferential allottee failed to furnish the documents/information as required under section 11C(3) read with 11C(2) of the SEBI Act, 1992.<br>Further, as promoter of JMD while acting in concert with other promoters of JMD Telefilms Industries Ltd., failed to make disclosure under Regulation 7(2) of SEBI (SAST) Regulations, 1997. | Section 11C(3) read with 11C(2) of the SEBI Act, 1992.<br><br>Regulation 7(2) of SEBI (SAST) Regulations, 1997 |
|-----|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|

44. The alleged violation of the provisions of SEBI Act, SEBI (PFUTP) Regulations, 2003 and SEBI (SAST) Regulations, 1997 are furnished hereunder:

**Section 12 A(a) of SEBI Act**

*No person shall directly or indirectly 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*

**Section 12 A(b) of SEBI Act**

*No person shall directly or indirectly 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 recognised stock exchange*

**Section 12 A(c) of SEBI Act**

*No person shall directly or indirectly 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 recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder*

**Regulations 3 (b), (c), (d) & 4(1) of SEBI (PFUTP) Regulations, 2003**

3. No person shall directly or indirectly—

- (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 thereunder;
- (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 thereunder.



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

4(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practice in securities.

**Regulation 7(2) of SEBI (SAST) Regulations, 1997**

The disclosures mentioned in sub-regulations (1) and (1A) shall be made within two days of,— (a) the receipt of intimation of allotment of shares; or (b) the acquisition of shares or voting rights, as the case may be

**Section 11C(2) of the SEBI Act, 1992**

Without prejudice to the provisions of sections 235 to 241 of the Companies Act, 1956 (1 of 1956), it shall be the duty of every manager, managing director, officer and other employee of the company and every intermediary referred to in section 12 or every person associated with the securities market to preserve and to produce to the Investigating Authority or any person authorised by it in this behalf, all the books, registers, other documents and record of, or relating to, the company or, as the case may be, of or relating to, the intermediary or such person, which are in their custody or power.

**Section 11C(3) of the SEBI Act, 1992**

The Investigating Authority may require any intermediary or any person associated with securities market in any manner to furnish such information to, or produce such books, or registers, or other documents, or record before him or any person authorised by it in this behalf as it may consider necessary if the furnishing of such information or the production of such books, or registers, or other documents, or record is relevant or necessary for the purposes of its investigation.

45. The aforesaid alleged violations, if established, makes the Noticees 1 to 4 & 12 to 21 liable for monetary penalty under Section 15HA of SEBI Act, Noticees 5 to 11 under Section 15HA and 15 A(b) of SEBI Act and Noticee 22 under Section 15 A(a) and 15A(b) of SEBI Act, the provisions of which are reproduced hereunder:

**Section 15HA of SEBI Act**

If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty 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

**Section 15A(a) of SEBI Act**

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

- (a) to furnish any document, return or report to the Board, fails to furnish the same or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents, he shall be liable to a penalty 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.



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

**Section 15A(b) of SEBI Act**

*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 or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents, he shall be liable to a penalty 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*

46. You are therefore, called upon to show cause as to why an inquiry be not held against you in terms of Rule 4 of the SEBI Adjudication Rules read with section 15 I of the SEBI Act and penalty be not imposed under Sections 15HA, 15A(a) and 15A(b) of the SEBI Act (as applicable) for the alleged violations.
47. Your reply along with supporting enclosures and documents should reach the undersigned, at the address given below as well as through email (MS word) to [prasantam@sebi.gov.in](mailto:prasantam@sebi.gov.in) and [rajunjm@sebi.gov.in](mailto:rajunjm@sebi.gov.in) within 14 (Fourteen) days from the date of the 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 the evidence available on record in terms of Rule 4(7) of SEBI Adjudication Rules.

**Securities and Exchange Board of India  
SEBI Bhavan, Plot No. C4-A, 'G' Block,  
Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.**

48. You may also indicate whether you desire a personal hearing in the matter.
49. You are advised to provide copies of your PAN, Phone Number and Email ID(s) and also to keep the undersigned informed about the change in the correspondence address, if any, till the proceedings are complete.

**PRASANTA MAHAPATRA  
ADJUDICATING OFFICER**

Enclosures:

1. Copy of Order communicating appointment of Adjudicating Officer dated September 22, 2020;
2. Letter of JMD Telefilms Industries Ltd., dated June 26, 2018;



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

3. *Bank statements of Noticees at Sl. No. 5 to 21;*
4. *Replies received from the Noticees at Sl. Nos. 1, 2, 5-11, 13, 14, 16 & 20;*
5. *Replies received from BSE, JMD Telefilms Industries Ltd., Purva Shareregistry (India) Pvt., Ltd.,*
6. *Copies of summons issued to the Noticee 22 along with proof of delivery;*

f