

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/JS/YK/2025-26/31531-31532]**

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

In respect of:

Noticees	PAN
Smart Infraproperties Private Limited	AAQCS6937F
Yuvika Tradewing LLP	AABFY4620R

In the matter of Cressanda Solutions Limited

BACKGROUND

1. Cressanda Railway Solutions Limited (earlier known as Cressanda Solutions Limited) (hereinafter referred to as “**Cressanda/Company**”) is a company listed in BSE Ltd. (hereinafter referred to as “**BSE**”). Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) conducted an examination with the focus to review the compliance of the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as “**SAST Regulations**”) in respect of acquisition and disposal of shares of Cressanda. Based on the examination, it was alleged that:
 - (a) Smart Infraproperties Private Limited (hereinafter referred to as “**Noticee 1**”) the seller of shares of Cressanda had made delayed disclosures in respect of four transactions done by it on November 30, 2021, December 06, 2021, December 20, 2021 and January 05, 2022. Therefore, it was alleged that Noticee 1 had violated the provisions of regulation 29(2) read with regulation 29(3) of SAST Regulations;
 - (b) Yuvika Tradewing LLP (hereinafter referred to as “**Noticee 2**”), the acquirer of shares of Cressanda had made a delayed disclosures of the transaction done by

it on January 05, 2022. Therefore, it was alleged that Noticee 2 had violated the provisions of regulation 29(1) read with regulation 29(3) of SAST Regulations.

APPOINTMENT OF ADJUDICATING OFFICER

2. Pursuant to the superannuation of the earlier Adjudication Officer (hereinafter referred to as “**AO**”) who had been appointed so vide communiqué dated November 26, 2024, the undersigned was appointed as AO in this matter vide communiqué dated April 21, 2025 under section 15-I of the SEBI Act read with rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as “**Rules**”), to inquire into and adjudge under the provisions of section 15A(b) of the SEBI Act for the aforementioned violations alleged to have been committed by Noticees.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. Show Cause Notice Ref. No. SEBI/EAD-2/NH/YK/38434/2024 dated December 12, 2024 (hereinafter referred to as “**SCN**”) was issued to Noticees by erstwhile AO in terms of rule 4 of the Rules read with section 15-I of the SEBI Act to show cause as to why an inquiry should not be held against Noticees and why penalty, if any, should not be imposed on them in terms of the provisions of the section 15A(b) of the SEBI Act for the violations alleged to have been committed by Noticees.
4. The SCN dated December 12, 2024, *inter alia*, alleged the following:
 - a. *It was observed that during the examination, details regarding disclosures made by Noticee 1 (about the disposal of the shares of Cressanda) and Noticee 2 (about the acquisition of the shares of Cressanda) under regulation 29 of the SAST Regulations were sought from BSE. BSE vide e-mail dated April 26, 2023 submitted the details of disclosures made by Noticee 1 and Noticee 2 regarding the disposal/acquisition of the shares of Cressanda. Thereafter, SEBI vide e-mail dated July 13, 2023 sought confirmation from BSE regarding the actual date of disclosure by Noticees. BSE vide e-mail dated July 14, 2023 confirmed that both Noticees had made the disclosure on February 02, 2022.*
 - b. *On perusal of the aforementioned disclosures and confirmation of BSE, it was observed that there were five instances of delay in disclosures made under regulation 29 of SAST Regulations. Noticee 1 who was the seller of shares of Cressanda had made delayed disclosures in respect of four transactions done by*

it on November 30, 2021, December 06, 2021, December 20, 2021, and January 05, 2022. Noticee 2 who was acquirer of shares of Cressanda had made delayed disclosure of the transaction done by it on January 05, 2022. The details of the transactions done by Noticees and delay in disclosures are summarized as under:

Table 1

Sr. No.	Acquirer/Seller	Date of Transaction	Mode of Acquisition / Disposal	Holding before Txn.	Transaction	Holding after Txn.	Due date of Disclosure	Actual Date of Disclosure	Total no. of days of delay in disclosure.
1	Smart Infrapropoerties (Seller)	05/01/2022	Off-Market	8.42%	6.59%	1.84%	07/01/2022	02/02/2022	Delayed compliance by 26 days with Regulation 29(2) read with 29(3) of Takeover Regulations
2	Smart Infrapropoerties (Seller)	20/12/2021	Off-Market	15.01%	6.59%	8.42%	22/12/2021	02/02/2022	Delayed compliance by 42 days with Regulation 29(2) read with 29(3) of Takeover Regulations
3	Smart Infrapropoerties (Seller)	06/12/2021	Off-Market	25.06%	10.05%	15.01%	08/12/2021	02/02/2022	Delayed compliance by 56 days with Regulation 29(2) read with 29(3) of Takeover Regulations
4	Smart Infrapropoerties (Seller)	30/11/2021	Off-Market	30.12%	5.06%	25.06%	02/12/2021	02/02/2022	Delayed compliance by 62 days with Regulation 29(2) read with 29(3) of Takeover Regulations
5	Yuvika Tradewing LLP (Acquirer)	05/01/2022	Off-Market	0.00%	6.59%	6.59%	07/01/2022	02/02/2022	Delayed compliance by 26 days with Regulation 29(1) read with 29(3) of Takeover Regulations

c. *In view of the above, it was alleged against Noticees that:*

- (i) *Noticee 1 had made delayed disclosures on February 02, 2022, in respect of four sale transactions done by it on November 30, 2021, December 06, 2021, December 20, 2021, and January 05, 2022. Therefore, it was alleged that Noticee 1 had violated the provisions of regulation 29(2) read with regulation 29(3) of the SAST Regulations;*
- (ii) *Noticee 2 had made delayed disclosure on February 02, 2022, in respect of the purchase transaction done by it on January 05, 2022. Therefore, it was alleged that Noticee 2 had violated the provisions of regulation 29(1) read with regulation 29(3) of the SAST Regulations.*

5. The SCN, along with the annexures, was issued to the communication addresses and e-mail IDs of Noticees available on record, which include e-mail IDs and communication addresses of Noticees mentioned in the Ministry of Corporate Affairs (MCA) master data, Unique Client Code (UCC) data, information provided by banks in which Noticees maintained their bank accounts and the disclosures made by

Noticees in BSE. The SCN, along with the annexures, was issued in the following manner:

Table 2

Sr. No.	Mode of Delivery	Remarks
1	Through Courier	
	Noticee 1 Address 1: AE-326, Salt Lake City, Sector I, Ground Floor, Kolkata – 700 064 Address 2: L 31, Silver Pointopp, Vidhya Bharti School, Bhatar Road, Surat – 395 001	Shipment delivered as per online tracking from the website of courier agency.
	Noticee 2	
	Address 1: C4/12, Shanti Vihar, C-3/4 CHS Ltd, Shanti vihar, Mira Road East, Thane – 401 107	The SCN returned undelivered with the remark “No such consignee at the given”.
	Address 2: B-204 Chaya Lodha Heven Kalyan Shil, Nilie Dombivali E, Thane – 421 201	The SCN returned undelivered with the remark “Consignee shifted from the given address”.
2	Address 3: 304, Maitri Planet Nx Building, A Wing, Sector 351, Near Ganesh Mandir, Mumbai – 410 210	The SCN returned undelivered with the remark “Consignee shifted from the given address”.
	Through Speed Post with Acknowledgment Due (SPAD)	
	Noticee 1 Address 1: AE-326, Salt Lake City, Sector I, Ground Floor, Kolkata – 700 064 Address 2: L 31, Silver Pointopp, Vidhya Bharti School, Bhatar Road, Surat – 395 001	The SCN returned undelivered with the remark “Addressee left without instructions”.
	Noticee 2	
	Address 1: C4/12, Shanti Vihar, C-3/4 CHS Ltd, Shanti vihar, Mira Road East, Thane – 401 107	The SCN returned undelivered with the remark “Insufficient Address”.
3	Address 2: B-204 Chaya Lodha Heven Kalyan Shil, Nilie Dombivali E, Thane – 421 201	The SCN returned undelivered with the remark “Addressee cannot be located”.
	Address 3: 304, Maitri Planet Nx Building, A Wing, Sector 351, Near Ganesh Mandir, Mumbai – 410 210	The SCN returned undelivered with the remark “Addressee moved”.
	Through E-mail	
	Noticee 1 smartinfraproperties02@gmail.com ; smartinfraprop@gmail.com ; smartinfraproperties@gmail.com ; client21@cpjaria.com	Duly delivered on December 12, 2024.
	Noticee 2 joelinfra@rediffmail.com ; yuvikallp@gmail.com	Duly delivered on December 12, 2024.

6. From the aforesaid table, it is noted that SCN issued to Noticee 1 at the addresses available on record through courier was showing delivered as per online tracking from the website of courier agency, however, the courier acknowledgement card was not available on record. The service of SCN along with annexures were also attempted through Market Infrastructure Institutions (MIs). From the material on record, it is noted that the said SCN could not be delivered to Noticee 1 through MIs. However, SCN was also delivered through e-mail at the e-mail addresses of Noticee 1 available on record. Despite the delivery of the SCN to Noticee 1 through courier as well as email, Noticee 1 has not submitted a reply to the SCN.
7. From the aforesaid table, it is noted that SCN was delivered to Noticee 2 through e-mail. In addition, service of SCN along with annexures to Noticee 2 were also attempted through affixture. Status of affixture as available on record is as under:

Table 3

Last known addresses of Noticee 2	Affixture status
C4/12, Shanti Vihar, C-3/4 CHS Ltd, Shanti vihar, Mira Road East, Thane – 401 107	SCN dated December 12, 2024 duly affixed on January 04, 2025. Affixture report available on record.
B-204 Chaya Lodha Heven Kalyan Shil, Nilie Dombivali E, Thane – 421 201	Building under construction
304, Maitri Planet Nx Building, A Wing, Sector 351, Near Ganesh Mandir, Mumbai – 410 210	No such consignee

8. It is further noted that the said SCN along with annexures were also served on Noticee 2 through MIs at the addresses 226/227, Majestic Shopping Centre, 2nd Floor, JSS Road, Mumbai – 400 004 and C4/12, Shanti Vihar, C-3/4 CHS Ltd, Shanti Vihar, Mira Road East, Thane – 401 107 on January 23, 2025 and January 22, 2025 respectively. Copy of acknowledgements of service of SCN through MIs are available on record.
9. Pursuant to appointment of the undersigned as AO, an opportunity of hearing was provided to Noticees on May 16, 2025 vide hearing notice dated April 30, 2025. Noticees were also advised to submit their reply to the SCN, if any, on or before May

12, 2025. The hearing notice dated April 30, 2025 along with a copy of SCN dated December 12, 2024 was issued in the following manner:

Table 4

Sr. No.	Mode of Delivery	Remarks
1	Through Speed Post with Acknowledgment Due (SPAD)	
	Noticee 1	
	Address 1: AE-326, Salt Lake City, Sector I, Ground Floor, Kolkata – 700 064	The SCN returned undelivered with the remark “Addressee left without instructions”.
	Address 2: L 31, Silver Pointopp, Vidhya Bharti School, Bhatar Road, Surat – 395 001	The SCN returned undelivered with the remark “No such person in the address”.
	Noticee 2	
	Address 1: C4/12, Shanti Vihar, C-3/4 CHS Ltd, Shanti vihar, Mira Road East, Thane – 401 107	The SCN returned undelivered with the remark “Item Returned Addressee moved”.
	Address 2: B-204 Chaya Lodha Heven Kalyan Shil, Nilie Dombivali E, Thane – 421 201	The SCN returned undelivered with the remark “Addressee cannot be located”.
	Address 3: 304, Maitri Planet Nx Building, A Wing, Sector 351, Near Ganesh Mandir, Mumbai – 410 210	The SCN returned undelivered with the remark “Door Locked”.
	Address 4: 226/227, Majestic Shopping Centre, 2nd Floor, JSS Road, Mumbai – 400 004	Delivered as per online tracking from the website of India Post.
2	Through Digitally signed e-mail	
	Noticee 1 smartinfraproperties02@gmail.com ; smartinfraprop@gmail.com ; smartinfraproperties@gmail.com ; client21@cpjaria.com	Duly delivered on April 30, 2024
	Noticee 2 joelinfra@rediffmail.com ; yuvikallp@gmail.com	Duly delivered on April 30, 2024

10. From the aforesaid table, it is noted that the hearing notice along with a copy of SCN were served upon both Noticees through digitally signed e-mail on the e-mail addresses of Noticees available on record. It is further noted that the hearing notice along with a copy of SCN issued to Noticee 2 was delivered to one of the address of Noticee 2 available on record as per online tracking from the website of India Post. However, the SPAD card was not available on record. Despite the service of the notice of hearing, Noticees neither attended the hearing scheduled on May 16, 2025 nor submitted a reply to the SCN.

11. In view thereof and in the interest of natural justice, the service of the SCN dated December 12, 2024, and the hearing notice, were also undertaken through newspaper publication in terms of the provisions of rule 7(3) of the Rules. The notice regarding the issuance of the SCN and hearing notice in the instant matter was published in the following manner:

Table 5

Noticee	Newspaper Editions	English Newspaper	Hindi Newspaper	Newspaper in vernacular language
Noticee 1	Kolkata*	Times of India	Sanmarg	Ek Din (Bengali Newspaper)
	Surat**	Indian Express	Young Leader	Sandesh (Gujarati Newspaper)
Noticee 2	Mumbai**	Times of India	Pratahkal	Prahar (Marathi Newspaper) in Mumbai edition
	Thane**	Times of India	New India Herald	

*Published on May 25, 2025

**Published on May 28, 2025

12. The aforesaid newspaper publications gave notice of issuance of the SCN dated December 12, 2024, and Noticees were advised to download the soft copies of the said SCN from the SEBI website. Noticees were also informed through the publication that, in the interest of natural justice, an opportunity for a personal hearing was granted to them on June 16, 2025, at 03:00 P.M. It was mentioned in the said publication that in case Noticees fail to submit their reply to the aforesaid SCN and/or fail to avail the opportunity of a personal hearing within the given date/time, the AO would proceed further on the basis of material available on record.

13. In this regard, reference is drawn to the following rulings of Hon'ble Securities Appellate Tribunal (SAT):

(a) In the matter of *Viju Babulal Jain v. SEBI* (Appeal No. 828 of 2022 decided on November 14, 2022), Hon'ble SAT, *inter alia*, held as under:

“5. There is no assertion in the memorandum of appeal alleging non-receipt of the show cause notice through email. In view of Rule 7(b) of the Rules, service of the show cause notice was duly served through email. We are consequently

of the opinion that the procedure adopted by the AO for serving the show cause notice was in accordance with the Rule 7(b) of the Rules.” (Emphasis supplied)

- (b) In the matter of *Menika and Ors. v. SEBI* (Appeal No. 468 of 2022 decided on January 05, 2023), Hon'ble SAT, *inter alia*, held as under:

“6. On the issue of service, we find that the show cause notice was sent to Menika vide speed post acknowledgment due on July 16, 2020 on her residential address which is the same as indicated in the memo of appeal. Since the acknowledgement card was returned with a remark “No Status”, the respondent served the show cause notice vide email on the email I.D. “menika124@gmail.com” and also at “deepakkgrade@gmail.com”. The show cause notice was delivered on the aforesaid email address, which, in our opinion, is sufficient service as per the proviso to Rule 7(b) of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as ‘Rules of 1995’). In addition to the aforesaid, the show cause notice was also published on March 2, 2021 in various newspapers, namely, Times of India (Chandigarh and Varanasi edition), The Hindustan Times (Delhi edition), Navbharat Times (Delhi edition), Dainik Jagran (Ghaziabad and Varanasi edition) and Dainik Bhaskar (Chandigarh edition). ...

...

9. The aforesaid facts have not been disputed by the appellants. We are of the opinion, that in view of the glaring evidence that has been filed by the respondent, service of the show cause notice, etc. was properly done by the respondent under the Rules of 1995. We are satisfied that the appellants were duly served with the show cause notice and as well as the notice for hearing. In spite of service, the appellants chose not to appear.” (Emphasis supplied)

14. In view of the aforesaid discussions, it is noted that the SCN, along with the documents relevant to and relied upon in the SCN and the hearing notice, were duly served on Noticees in consonance with the Rules and sufficient opportunities were granted to Noticees to make submissions in reply to the SCN and for a personal hearing. However, it is noted that Noticees had neither submitted any response to the SCN or hearing notice nor attended the hearing.

CONSIDERATION OF ISSUES AND FINDINGS

15. After careful perusal of the material on record, I note that the issues that arise for consideration in the present case are as follows:

- I. Whether Noticee 1 made delayed disclosures in respect of four transactions involving disposal of shares of Cressanda and thereby violated provisions of regulation 29(2) read with regulation 29(3) of the SAST Regulations?
- II. Whether Noticee 2 made delayed disclosure in respect of a transaction involving acquisition of shares of Cressanda and thereby violated provisions of regulation 29(1) read with regulation 29(3) of the SAST Regulations?
- III. Does the violation, if any, on the part of Noticees attract monetary penalty under section 15A(b) of the SEBI Act?
- IV. If so, what would be the quantum of monetary penalty that can be imposed on Noticees after taking into consideration the factors stipulated in section 15J of the SEBI Act?

16. In this regard, it is pertinent to refer the relevant provisions of law, allegedly violated by Noticees, which are as under:

“SAST Regulations

Disclosure of acquisition and disposal.

29. (1) Any acquirer who acquires shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting

in concert with him in such target company, aggregating to five per cent or more of the shares of such target company, shall disclose their aggregate shareholding and voting rights in such target company in such form as may be specified:

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

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

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

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

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

Issues I and II: Whether Noticees made delayed disclosure in respect of five transactions involving acquisition/disposal of shares of Cressanda and thereby violated provisions of regulation 29(1)/29(2) read with regulation 29(3) of the SAST Regulations?

17. Before dealing with the matter on merits, it is pertinent to note that sufficient opportunities were provided to Noticees to represent their case by way of reply to the SCN and also by way of personal hearing. However, it is a matter of record that Noticees had failed to furnish their replies to the SCN and also failed to appear for personal hearing before the undersigned. In this regard, reliance is placed on the following rulings of the Hon'ble SAT:

- (a) In the case of *Sanjay Kumar Tayal & Others v. SEBI* (Appeal No. 68 of 2013 decided on February 11, 2014), Hon'ble SAT, *inter alia*, held as under:

“...appellants have neither filed reply to show cause notices issued to them nor have availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges levelled against them in the show cause notices...”

(b) In the case of *Classic Credit Ltd. v. SEBI* (Appeal No. 68 of 2003 decided on January 08, 2007), Hon'ble SAT, *inter alia*, held as under:

"the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show cause notice were admitted by them."

18. In view of the aforesaid discussions, I am inclined to presume that Noticees had nothing to submit in their defense and accordingly, I proceed with the matter ex-parte as against them.

19. From the material on record, it is noted that Noticees had, *inter alia*, made following transactions in the scrip of Cressanda:

Table 6

Sr. No.	Noticee	Nature of Transaction (Acquisition/ Disposal)	Date of Transaction	No. of Shares transacted (% w.r.t to total outstanding shares of Cressanda)	% holding of Noticee before transaction	% holding of Noticee after transaction
1.	Noticee 1	Disposal	November 30, 2021	1,53,50,000 (5.06%)	30.12%	25.06%
2.	Noticee 1	Disposal	December 06, 2021	3,05,00,000 (10.05%)	25.06%	15.01%
3.	Noticee 1	Disposal	December 20, 2021	2,00,00,000 (6.59%)	15.01%	8.42%
4.	Noticee 1	Disposal	January 05, 2022	2,00,00,000 (6.59%)	8.42%	1.84%
5.	Noticee 2	Acquisition	January 05, 2022	2,00,00,000 (6.59%)	-	6.59%

20. In this regard, I note that regulation 29(2) read with regulation 29(3) of SAST Regulations, *inter alia*, mandate that any person (along with persons acting in concert) holding 5% or more shares or voting rights in a target company, to disclose any change in shareholding or voting rights to the stock exchanges in which target company is listed and to the target company, if the change in shareholding of that person since the last disclosure exceeds 2% of total shareholding or voting rights in the target company, within 2 workings days of the acquisition/disposal of shares/voting rights.
21. As per the filings of Cressanda before BSE, the outstanding stock was 30,35,77,942 shares out of which 9,14,25,000 shares was held by promoter and promoter group and 21,21,52,492 shares was held by public. Noticee 1 (promoter group of Cressanda) was holding entire shares of Cressanda held by promoter and promoter group which was 30.12% of the total outstanding shares of Cressanda at the relevant time.
22. In the present case, it was found that Noticee 1 who was holding more than 5% of the total shares of the Cressanda sold 1,53,50,000 shares, 3,05,00,000 shares, 2,00,00,000 shares and 2,00,00,000 shares on November 30, 2021, December 06, 2021, December 20, 2021 and January 05, 2022 respectively which exceeded 2% of the total shareholdings in the scrip of Cressanda. Hence, Noticee 1 was required to make the necessary disclosures to the Cressanda and to the BSE (Cressanda is listed on BSE), within two working days of the sale of the said shares. However, as per material on record, Noticee 1 made relevant disclosures only on February 02, 2022. Therefore, Noticee 1 had made delayed disclosures of the sale transactions done by it on the said four dates. The details of delay in disclosures made by Noticee 1 are as under:

Table 7

Sr. No.	Date of Transaction	No. of Shares transacted (% w.r.t to total outstanding shares of Cressanda)	% holding of Noticee before transaction	% holding of Noticee after transaction	Due date of Disclosure	Actual date of Disclosure	Delay (No. of Days)
1.	November 30, 2021	1,53,50,000 (5.06%)	30.12%	25.06%	December 02, 2021	February 02, 2022	62
2.	December 06, 2021	3,05,00,000 (10.05%)	25.06%	15.01%	December 08, 2021	February 02, 2022	56
3.	December 20, 2021	2,00,00,000 (6.59%)	15.01%	8.42%	December 22, 2021	February 02, 2022	42
4.	January 05, 2022	2,00,00,000 (6.59%)	8.42%	1.84%	January 07, 2022	February 02, 2022	26

23. In view of the above, it is established that Noticee 1 had violated the provisions of regulation 29(2) read with regulation 29(3) of SAST Regulations.

24. It is further noted that regulation 29(1) read with regulation 29(3) of the SAST Regulations, *inter alia*, mandates that any acquirer along with person acting in concert who acquires shares in a target company which together with the shares already held by him crosses the threshold limit of 5% of the total outstanding shares of the target company to disclose their aggregate shareholdings and voting rights in such company to the stock exchanges in which target company is listed and to the target company within 2 workings days of the acquisition of shares/voting rights.

25. In the present case, from the Table 6, it is noted that Noticee 2 had acquired 2,00,00,000 shares of Cressanda on January 05, 2022 which was more than 5% of the total outstanding shares of the Cressanda. Hence, Noticee 2 was required to make the necessary disclosures to Cressanda and to the BSE (Cressanda is listed on BSE), within two working days of the acquisition of shares, i.e., within January 07, 2022. However, as per material on record, Noticee 2 made relevant disclosure on February 02, 2022. Therefore, there was a delay of 26 days by Noticee 2 in making the relevant

disclosure. Therefore, it is established that Noticee 2 had violated the provisions of regulation 29(1) read with regulation 29(3) of SAST Regulations.

Issue III. Does the violation, if any, on the part of Noticees attract monetary penalty under section 15A(b) of the SEBI Act?

26. As it is established that Noticee 1 violated the provisions of regulation 29(2) read with regulation 29(3) of SAST Regulations and Noticee 2 violated the provisions of regulation 29(1) read with regulation 29(3) of SAST Regulations, Noticees are liable for payment of a monetary penalty in terms of section 15A(b) of the SEBI Act which is reproduced below:

“Penalty for failure to furnish information, return, etc.

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

(b) to file any return or furnish any information, books or other documents within the time specified therefor in the regulations, fails to file return or furnish the same within the time specified therefor in the regulations 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;”

Issue IV. If so, what would be the quantum of monetary penalty that can be imposed on Noticees after taking into consideration the factors mentioned in section 15J of the SEBI Act?

27. While determining the quantum of penalty under section 15A(b), it is important to consider the factors stipulated in section 15J of SEBI Act, which reads as under:

“Factors to be taken into account while adjudging quantum of penalty.

15J. *While adjudging quantum of penalty under 15-I or section 11 or section 11B, the Board or the adjudicating officer shall have due regard to the following factors, namely:*

-
- (a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;*
- (b) the amount of loss caused to an investor or group of investors as a result of the default;*
- (c) the repetitive nature of the default.”*

28. The material available on record has neither quantified the amount of disproportionate gain or unfair advantage, if any, made by Noticees nor the amount of loss, if any, caused to an investor/clients as a result of the default of Noticees.
29. As regards the repetitive nature of default, it is noted that SEBI had previously issued directions in the matter of Cressanda Railway Solutions Limited against Noticee 1 (promoter of Cressanda) for violations of the provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 vide interim order dated October 11, 2024 and confirmatory order dated March 26, 2025. In the said matter, it was, *inter alia*, held that, “*SIPL (Noticee 1 in present case) had transferred shares in off-market transactions to certain entities which subsequently sold the shares in the market and transferred part of the proceeds to SIPL. It appears that SIPL was involved with the Company (Cressanda) in executing the fraudulent scheme devised by the Company (Cressanda).*” In those orders, SEBI prima facie found that the Cressanda and its promoter and promoter group, i.e., Noticee 1, had rigged financial statements of Cressanda to lure investors by creating a false narrative whereby number of public shareholders of the Cressanda increased more than 20 times from 2,700 to 56,556 within a span of three years with a corresponding decrease in the shareholdings of promoter and promoter group from 30.12% to 0.10%. It is noted that the said confirmatory order dated March 26, 2025 has been stayed by Hon'ble SAT vide order dated May 09, 2025 (Appeal No. 241 of 2025).
30. As discussed in the preceding paragraphs, Noticee 1 had delayed the relevant disclosures under the SAST Regulations in four instances, with the delay ranging from 26 to 62 days. Noticee 2 had also made a delayed disclosure by 26 days in one instance. It is pertinent to note that timely disclosures empower investors to make informed investment decisions. Table 7 above, indicates the substantial reduction of the promoter and promoter group's holding in Cressanda from 30.12% to 1.84% in a span of three months. It is relevant to note that as per the filings of Cressanda in BSE,

99.93% of shares of Cressanda is held by public shareholders as on March 2025. The circumstances under which the promoter and promoter's group reduced their holding in Cressanda give enough indications as to the fact that the investors, if they had known at the relevant time that the promoter and promoter group is drastically reducing its holding, may have been cautious while purchasing the shares of Cressanda. It appears that the delay in making the disclosures by Noticee 1 helped it in liquidating its substantial holding by giving it ample time to conceal the fact that the promoter and promoter group was drastically reducing their stake in Cressanda. In the instant matter, as noted above, the public shareholders ended up holding 99.93% shares of Cressanda whereas Noticee 1 holds just 0.07% shares. In this regard, reference is drawn to the Hon'ble SAT's ruling in the matter of *Milan Mahendra Securities Pvt. Ltd. v. SEBI* (Appeal No. 66 of 2003 dated November 15, 2006), wherein Hon'ble SAT, *inter alia*, observed that:

"The Regulations were framed on the basis of the input provided by a committee headed by Justice P.N. Bhagwati which had recommended that substantial acquisition of shares and takeovers should operate principally to ensure fair and equal treatment to all shareholders in relation to substantial acquisition of shares and takeovers. The object of the Regulations is to give equal treatment and opportunity to all shareholders and protect their interests. To translate these principles into reality measures have to be taken by the Board to bring about transparency in the transactions and it is for this purpose that dissemination of full information is required..... the purpose of these disclosures is to bring about transparency in the transactions and assist the Regulator to effectively monitor the transactions in the market."

31. The aforementioned factors have been taken into consideration while adjudging the penalty.

ORDER

32. Having considered all the facts and circumstances of the case, the material available on record, the factors mentioned in preceding paragraphs and in the exercise of powers conferred upon me under section 15-I of the SEBI Act read with rule 5 of the Rules, I hereby impose a monetary penalty on Noticees as given in the table below:

Table 8

Noticee	Penal Provision	Penalty Amount
Noticee 1	Section 15A(b) of SEBI Act	Rs. 10,00,000/- (Rupees Ten Lakh Only)
Noticee 2		Rs. 2,00,000/- (Rupees Two Lakh Only)

33. I am of the view that the said penalty is commensurate with the lapses/omissions on the part of Noticees.

34. Noticees shall remit/pay the said amount of penalty within 45 days of receipt of this order through online payment facility available on the website of SEBI, i.e., www.sebi.gov.in on the following path, by clicking on the payment link: ENFORCEMENT -> Orders -> Orders of AO -> PAY NOW.

35. In terms of the provisions of rule 6 of the Rules, a copy of this order is being sent to Noticees and also to the SEBI.

Date: July 11, 2025

Place: Mumbai

JAI SEBASTIAN

ADJUDICATING OFFICER