

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER NOS. SO/MC/VS/2021-22/6362 and
SO/MC/VS/2021-22/6363

On the Application Nos. 6362/2021 and 6363/2021
Submitted by

- 1. Raghav Gupta** (ACFPG1142E) having address at Bunglow No 95 Florida Estate Keshav Nagar Mundhwa, Pune - 411036
- 2. Pooja Raghav Gupta** (AARPR3929E) having address at Bunglow No. 95 Florida Estate Keshav Nagar, Pune-411036

In the matter of Golden Legand Leasing and Finance Ltd.

1. Securities and Exchange Board of India (hereinafter be referred to as, the “**SEBI**”), initiated adjudication proceedings under Section 23H of the Securities Contracts (Regulation) Act, 1956 (“hereinafter referred to as the “**SCRA**”) against Raghav Gupta (hereinafter referred to as '**Noticee 1/ Applicant 1**') and Pooja Raghav Gupta (hereinafter referred to as “**Noticee 2/ Applicant 2**”) in the matter of Golden Legand Leasing and Finance Ltd. (hereinafter referred hereinafter referred to as '**Golden Legand/ Company**'). Adjudication proceedings were initiated against the Noticees for alleged violation of Section 16 of the SCRA read with SEBI Notification S.O. 184 (E) dated March 1, 2000, and Sections 13 and 18 of the SCRA read with Section 2 (i) of the SCRA in the context of off-market dealings in the shares of the Company.

2. The undersigned was appointed as Adjudicating Officer (hereinafter referred to as “**AO**”) vide order dated September 14, 2020 to inquire into and adjudge under Section 23H of the SCRA, the aforesaid alleged violations against the Noticees. The appointment of the AO was communicated vide order dated October 7, 2020.
3. Show Cause Notice No. EAD5/MC/VS/20793/2020 dated December 2, 2020 (hereinafter be referred to as, the “**SCN**”) was served upon the Noticees under Rule 4(1) of the SEBI (Procedure for holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as '**Adjudication Rules**') to show cause as to why an inquiry should not be held and penalty be not imposed against him under Section 23H of the SCRA for the alleged violations of Section 16 of the SCRA read with SEBI Notification S.O. 184 (E) dated March 1, 2000, and Sections 13 and 18 of the SCRA read with Section 2 (i) of the SCRA.
4. SEBI investigated Suspicious Transaction Reports (“**STRs**”) received by SEBI from the Financial Intelligence Unit, India (“FIU”) and filed by Kunvarji Finstock Pvt. Ltd., Stock Broker and Depository Participant, pertaining to off-market transfers by Somar Commodities Private Limited (hereinafter referred to as “**SCPL**”) and Corporate Commodity Brokers Pvt Ltd. (hereinafter referred to as “**CCBPL**”) in the scrip of Golden Legand Leasing & Finance Limited (hereinafter referred to as “**GLLFL**” or “**the company**”) during the period from January 01, 2013 to March 31, 2014 (“**investigation period**” or “**the relevant period**”). All the off-market transactions were executed in the demat accounts of CCBPL and SCPL.
5. As per the details of off-market transactions by SCPL and CCBPL during January 01, 2013 to March 31, 2014 in the scrip of GLLFL obtained from the depositories, the Noticees received shares of GLLFL as follows:-

Sr. No.	Name of transferee	Transferee PAN	Transferred Quantity	Date of Transaction (transfer of shares)	Reason for transfer as mentioned in DIS	Consideration mentioned in DIS (in Rs.)
1	RAGHAV GUPTA	ACFPG1142E	32500	10/04/2013	Against payment Received	325000
			32500	04/05/2013	Against payment Received	325000
2	POOJA RAGHAV GUPTA	AARPR3929E	32500	10/04/2013	Against payment Received	325000
			32500	04/05/2013	Against payment Received	325000

6. The payment details of the off market transactions by the Noticees as are follows:-

Sr. No.	Name of transferee	Transferred Quantity	Date of transfer of shares	Amount as mentioned in DIS (in Rs.)	Consideration received by SCPL (in Rs.)	Date of receipt of Payment by SCPL (as SCPL's/ transferees bank account)
1	RAGHAV GUPTA	32500	10-Apr-13	325000	325000	08-Mar-13
2	POOJA RAGHAV GUPTA	32500	10-Apr-13	325000	325000	11-Mar-13

7. With regard to the below mentioned transactions Noticees 1 and 2 submitted that they had not carried out the said transactions:-

Table						
Sr. No.	Name of transferee	Transferred Quantity	Date of transfer of shares	Amount as mentioned in DIS (in Rs.)	Consideration received by SCPL (in Rs.)	Reason for transaction mentioned in DIS
1.	POOJA RAGHAV GUPTA	32500	04-May-13	325000	NIL	Against payment received
2.	RAGHAV GUPTA	32500	04-May-13	325000	NIL	Against payment received
Total		65000		650000		

8. However, as per the data submitted by the depositories and DIS slips submitted by KFPL, the entities mentioned above received the shares of GLLFL on the dates mentioned thereof. Thus, as verified from the bank account statement of SCPL during the investigation period, it was observed that the entities did not make any payment to SCPL for the above mentioned transactions even though the reason

for transfer of shares has been mentioned as “against payment received” by SCPL in the DIS slips.

9. The off-market dealings of the Noticees were required to conform to the conditions mentioned in Spot Delivery Contract provisions as mentioned at Section 2(i) of SCRA read with Section 16 of SCRA read with SEBI Notification S.O. 184(E) dated March 01, 2000, and Section 13 and Section 18 of SCRA, in order to be valid.
10. As SCPL had not received any consideration for transfer of shares of GLLFL in off-market mode on 04.05.2013 to the Noticees above even though the reason for transfer of shares has been mentioned as “against payment received” by SCPL in the DIS slips, it was alleged that the Noticees violated Section 16 SCRA read with SEBI Notification S.O. 184(E) dated March 01, 2000, Section 13 and Section 18 of SCRA read with Section 2(i) of SCRA.
11. Noticees 1 and 2 filed Settlement Application Nos. 6362/2021 and 6363/2021 respectively dated 25.02.2021 under the SEBI (Settlement Proceedings) Regulations, 2018 (“**Settlement Regulations**”) for settlement of enforcement proceedings initiated against them vide the SCN, and to keep the proceedings in abeyance till disposal of the settlement application.
12. Thereafter, in a meeting of SEBI’s Internal Committee dated 27.04.2021 the Noticees proposed settlement terms as per the Settlement Regulations.
13. The settlement terms as proposed by the Noticees / Applicants were considered by the IC and were placed before High Powered Advisory Committee for Settlement/Compounding (“**HPAC**”) Applications on 28.05.2021 through videoconference. The HPAC considered the facts and circumstances of the case, material brought before it and noted that the Applicants are agreeable to pay the settlement amount calculated as per the Settlement Regulations. Considering the same, the HPAC recommended that the present adjudication proceedings may be

settled on payment of Rs. 3,18,750 each by Noticees 1 and 2 in accordance with the Settlement Regulations.

14. Upon consideration of the recommendations of the HPAC, the panel of Whole-time Members of SEBI on 11.06.2021 accepted the recommendations of the HPAC, and SEBI vide e-mail dated 14.06.2021 communicated the same to the Noticees, advising them to remit the settlement amount not later than 30 working days from the date of receipt of notice of demand, in terms of Regulation 15 of the Settlement Regulations. Thereafter, Applicants 1 and 2 respectively submitted Demand Drafts Nos. 526519 and 841626 dated 15.06.2021 drawn on Axis Bank Ltd. for Rs. 3,18,750 (Rupees Three Lakhs Eighteen Thousand Seven Hundred and Fifty) each, towards settlement of actions in the instant matter.
15. SEBI has confirmed credit of Rs. 3,18,750 each by the Noticees to SEBI's account on 16.06.2021 in terms of the Settlement Regulations.

ORDER

16. Now, in view of the acceptance of the settlement terms as proposed by the Noticees/ Applicants, and upon receipt of the aforesaid Demand Drafts by SEBI, the pending adjudication proceedings initiated against the Noticee under the aforesaid SCN dated December 2, 2020, are hereby disposed of in terms of Regulation 23(1) of the SEBI (Settlement Proceedings) Regulations, 2018.
17. This order is without prejudice to the rights of SEBI to take enforcement actions including restoring or initiating the proceedings in respect to which this settlement order was passed against the Applicants, if :
- i. any representations made by the Applicants in the present settlement proceedings are subsequently found to be untrue; or
 - ii. the Applicants breach any of the clauses / conditions of undertakings / waivers filed during the present settlement proceedings.

18. This settlement order passed on this 30th day of June, 2021 shall come into force with immediate effect.

19. In terms of Regulation 25 of SEBI (Settlement Proceedings) Regulations, 2018, a copy of this order is being sent to the Applicant / Noticee and for publication on the website of SEBI.

Date: JUNE 30, 2021

Place: Mumbai

MANINDER CHEEMA

ADJUDICATING OFFICER