

Department: Investigation	Segment: All
Circular No: MSE/ID/13557/2023	Date : June 01, 2023

Subject: SEBI Order in the matter of Raghukul Shares India Private Limited (RSIPL)

To All Members,

This is with reference to Exchange circular no. MSE/ID/7849/2019 dated July 01, 2019 regarding SEBI Order no. WTM/ AB / SEBI / MIRSD/ WRO / 12 / 2019 – 20 dated June 28, 2019, Exchange circular no. MSE/ID/8582/2020 dated January 27, 2020 regarding SEBI Order no. WTM/AB/MIRSD/DoS-1/6521/2019-20 dated January 24, 2020, and Exchange circular no. MSE/ID/8583/2020 dated January 27, 2020 regarding SEBI Order no. WTM/AB/MIRSD/DoS-1/6520/2019-20 dated January 24, 2020 in the matter of Raghukul Shares India Private Limited.

SEBI now vide order no. WTM / SM / MIRSD / MIRSD-SEC-4 / 26976 / 2023-24 dated May 31, 2023 has issued the following directions in the matter of Raghukul Shares India Private Limited.

Noticee No.	Noticee Name	PAN
1.	Raghukul Shares India Private Limited	AAECR3716R
2.	Gangaram Khandelwal	ADRPK5114D
3.	Amit Sharma	AFGPS8573K
4.	Sandesh Khandelwal	ANGPK7447L
5.	Dhruvesh Patel	APMPP2298E

- a) The Noticees, as listed in the table below, are hereby restrained from accessing the securities market, and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, and associating with the securities market in any manner:

Noticee No.	Noticee Name	PAN	Period of Debarment
1.	Raghukul Shares India Private Limited	AAECR3716R	7 years
2.	Gangaram Khandelwal	ADRPK5114D	7 years
3.	Amit Sharma	AFGPS8573K	7 years
4.	Sandesh Khandelwal	ANGPK7447L	5 years

- b) It is clarified that while calculating the period of debarment as directed above, the period already undergone by the respective Noticees, in pursuance of the Interim Order / Confirmatory Order 2 shall be taken into consideration and the same shall be set-off to give effect to the directions of restraint and prohibition, as directed above.

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- c) It is further clarified that during the period of restraint the existing holding of securities of the Noticees, including the units of mutual funds, shall remain under freeze.
- d) Noticee no. 5 (Dhruvesh Patel) has already undergone restraint and debarment from securities market for more than 3 years. Hence, in the given facts and circumstances peculiar to his matter as discussed in the Order the same is considered to be appropriate and no further directions needs to be passed against him. Therefore, the directions issued under paragraph 21 of the 2nd Confirmatory Order of SEBI Order so far as it relates to Noticee no. 5, shall stand vacated. Further, Noticee no. 5 is cautioned and directed to be careful before associating himself as a Director in any intermediary of the securities market.
- e) Further, Noticee no. 2 and 3 shall also be restrained from holding any position of Director or Key Managerial Personnel in any listed company or any intermediary registered with SEBI, or associating themselves with any listed public company or a public company which intends to raise money from the public or any intermediary registered with SEBI for the respective periods as provided in the table no. 17 above.
- f) Noticees No. 1 and 3 shall, jointly and severally, be liable to repay / refund the investors / clients' money with an interest of 15 % per annum from the date when the repayment became due, till the date of actual repayment, under the supervision of NSE.
- g) Noticees No. 1 and 3 shall, jointly and severally, be liable to return the securities due to the clients / investors of RSIPL or their monetary value as on the date of actual payment of money in lieu of shares, under the supervision of NSE.
- h) Noticees No. 1 and 3 shall not dispose of or alienate any of their assets, whether movable or immovable (including funds in their bank accounts), or create any interest or charge in any such assets, till such time the refunds/ repayments as directed at sub-paragraph (f) and (g) above are completed.
- i) The Banks are directed to ensure that no debits are made in the bank accounts held jointly or severally by Noticees No. 1 and 3, except for the purpose of payment of money to the clients/investors under the written confirmation of the concerned stock exchange(s).
- j) Since RSIPL was active on NSE, NSE Defaulters Committee shall, as expeditiously as possible, open and operate a dedicated demat account where all the securities lying in the demat accounts of RSIPL shall be transferred.
- k) The NSE Defaulters Committee shall open and operate a dedicated interest bearing bank account with a Nationalized Bank where all the funds lying in various bank accounts held in the name of RSIPL (Noticee no. 1) and Mr. Amit Sharma (Notice no. 3) shall be transferred.
- l) The modalities of selling the assets, depositing the proceeds there of in the Escrow Account(s) opened in accordance with the directions contained in sub-paragraph (j) and (k) above and disbursing the amounts to the clients /investors after verifying the claims shall be worked out by NSE. NSE shall have a lien on the remaining amount, if any, lying in the Escrow Account(s), after satisfying the claims of the investors/clients. The lien shall be up to the extent of total money disbursed by the Exchanges out of their IPF accounts to the clients/investors of RSIPL.
- m) NSE shall deal with the claims of its clients / investors in accordance with their respective bye-laws and procedures, after adjusting the disbursements made through the Defaulters' Committee mechanism.

- n) NSE for Noticees No. 1 and 3 shall proceed with the recovery of funds and securities from the assets of respective Noticees to cover any shortfall in funds and securities in the Escrow Accounts(s) and Demat Account, opened pursuant to the directions above

This Order comes into force with immediate effect.

Members of the Exchange are advised to take note of the full text of the order available on SEBI's website [www.sebi.gov.in] and ensure compliance.

For and on behalf of
Metropolitan Stock Exchange of India Limited

Vipul Vaishnav
Assistant Vice President