BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
ADJUDICATION ORDER No. Order/MS/SM/2026-27/32860-32862

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

In respect of:

Noticee No.	Noticee Name	PAN
Noticee 1	Lloyds Enterprises Limited	AAACB2975J
Noticee 2	Mr. Rajesh Rajnarayan Gupta	AKKPG7456N
Noticee 3	Mr. Viresh Shankar Sohoni	AMSPS0276L

In the matter of Lloyds Enterprises Limited

A. BACKGROUND

1. Securities and Exchange Board of India (hereinafter also referred to as 'SEBI') conducted detailed investigation in respect of Lloyds Enterprises Limited to ascertain whether there was any misrepresentation/ misstatement in the financial statements and the same were in violation of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets), Regulations, 2003 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to Investigation, SEBI initiated Adjudication Proceedings under Section 15-I of the Securities and Exchange Board of India Act, 1992 ('SEBI Act, 1992') in respect of Lloyds Enterprises Limited ('Noticee 1'/ 'LEL' / 'company'), Mr. Rajesh Rajnarayan Gupta, Promoter, Managing Director ('Noticee 2') and Mr. Viresh Shankar Sohoni, Chief Financial Officer ('Noticee 3'), for the alleged violations of the following provisions:

   a. Noticee 1: Regulations 4(1), 4(2)(e), 33(1)(a), 33(1)(c), 34(3) and 48 of (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations, 2015']; Regulations 4(1), 4(2)(f), 4(2)(k), 4(2)(r) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices

relating to Securities Market) Regulations, 2003 ['SEBI (PFUTP) Regulations, 2003'].

b. Noticee 2: Regulations 4(1), 4(2)(f), 4(2)(k), 4(2)(r) of SEBI (PFUTP) Regulations, 2003 and Regulations 4(1) (a), (b), (c), (d), (e), (g), (h), (i) and (j), 4(2)(e), 33(1)(a), 33(1)(c), 34(3) and 48 of SEBI (LODR) Regulations, 2015 read with Section 27 of SEBI Act, 1992; Regulation 4(2)(f)(i)(2), 4(2)(f)(ii)(1), 4(2)(f)(ii)(2), 4(2)(f)(ii)(6), 4(2)(f)(ii)(7), 4(2)(f)(ii)(8), 4(2)(f)(iii)(1), 4(2)(f)(iii)(3), 4(2)(f)(iii)(6), 4(2)(f)(iii)(7), 4(2)(f)(iii)(12) and 4(2)(f)(iii)(13) of SEBI (LODR) Regulations, 2015; Regulation 17(8) read with Part-B of Schedule II of SEBI (LODR) Regulations, 2015.

c. Noticee 3: Regulations 4(1), 4(2)(f), 4(2)(k), 4(2)(r) of SEBI (PFUTP) Regulations, 2003 and Regulations 4(1) (a), (b), (c), (d), (e), (g), (h), (i) and (j), 4(2)(e), 33(1)(a),33(1)(c), 34(3) and 48 of SEBI (LODR) Regulations, 2015 read with Section 27 of SEBI Act, 1992; Regulation 17(8) read with Part-B of Schedule II of SEBI (LODR) Regulations, 2015.

(*Hereinafter, Noticee 1 to Noticee 3 are collectively also referred as 'Noticees'/ 'You'/ 'Your', unless the context provides otherwise.)*

B. APPOINTMENT OF ADJUDICATING OFFICER

2. In view of the above, SEBI under Section 19 of the SEBI Act, 1992, read with sub-section (1) of Section 15-I of the SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, had appointed erstwhile AO as Adjudicating Officer vide communique dated May 05, 2025 to inquire into and adjudicate upon the aforesaid alleged violations by the Noticees. Pursuant to transfer of erstwhile AO, the instant matter was transferred to AO2 vide communique dated September 12, 2025. Pursuant to transfer of AO2, the instant matter was transferred to this Office vide Communique dated May 26, 2026.

C. SHOW CAUSE NOTICE, REPLY AND HEARING

3. A Show Cause Notice No. SEBI/HO/EAD/EAD-3/P/OW/2025/18133/1-3 dated July 09, 2025 (hereinafter referred to as "SCN**")** was issued by erstwhile AO to the Noticees in terms of Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 to show cause as to why an inquiry should not be held and why penalty be not imposed under Section 15HA and 15HB SEBI Act, 1992 against the Noticees for the alleged violations as stated.

4. Brief facts of the case are as follows:

a) Pursuant to receipt of an alert report on November 21, 2023 from BSE Limited, inter alia, mentioning irregularities pertaining to the advances reported by Noticee 1, SEBI conducted an investigation into the matter.

b) The investigation revealed that during the period from FY 2016-17 to FY 2020-21, Noticee 1 did not recognise the expected credit losses on the advances of Rs. 144.82 crore outstanding from Cheerful Trade & Realty Developers Pvt. Ltd. (hereinafter referred to as "CTRDPL") and Triumph Trade & Properties Developers Pvt. Ltd. (hereinafter referred to as "TTPDPL"), in terms of IND-AS 109. Noticee 1 thereby overstated the advances in its financial statements.

c) Noticee 1 deployed a scheme wherein the funds of the listed company amounting to Rs. 144.82 crore were transferred to CTRDPL and TTPDPL in FY 2006-07 for the benefit of the promoters/their related entities by lending the said funds at NIL rate of interest and without any agreement, which caused loss to the listed company. The funds of Noticee 1 were thus misutilised for the period from FY 2006-07 to FY 2022-23.

d) Though CTRDPL and TTPDPL are related parties of Noticee 1, as defined under the LODR Regulations, Noticee 1 failed to disclose them as related parties in its annual reports for the period from FY 2016-17 to FY 2022-23.

e) Mr. Rajesh Rajnarayan Gupta (Noticee 2) was the Managing Director and Mr. Viresh Shankar Sohoni (Noticee 3) was the Chief Financial Officer of

Noticee 1 during the relevant period. The aforesaid acts and omissions constituted the violations as mentioned at paragraph 1 above.

f) It was further observed that in lieu of the advances of Rs. 144.82 crores given to CTRDPL and TTPDPL in FY 2006-07, Noticee 1 received a 7% partnership interest in Lloyds Metals & Minerals Trading LLP in FY 2023-24, whose total net worth was Rs. 5,852.64 crores in FY 2023-24.

5. The SCN was delivered by SPAD to Noticees on July 14, 2025.

6. In this regard, it is noted that in the instant matter, a settlement order with reference no. SO/KM/PSD/2026-27/8552 has already been passed on September 29, 2026 with respect to 3 Noticees.

D. ORDER

7. In view of the foregoing, I am of the view that the instant adjudication proceedings against the Noticees abates without going into the merits of the case qua them and the SCN having reference no. SEBI/HO/EAD/EAD-3/P/OW/2025/18133/1-3 dated July 09, 2025 issued against them, accordingly, is disposed of.

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

Medha Jeevan Sonparote

Digitally signed by Medha Jeevan Sonparote
Date: 2026.11.25 15:59:10 +05'30'

DATE: November 25, 2026
PLACE: MUMBAI

MEDHA SONPAROTE
ADJUDICATING OFFICER