



**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/SM/BK/2025-26/31966]**

**UNDER SECTION 15-I OF 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:

**Yash Chemex Limited
PAN: AAACYU2734L**

In the matter of Yash Chemex Limited

A. BACKGROUND

1. Securities and Exchange Board of India (hereinafter also referred as 'SEBI') had initiated Adjudication Proceedings under Section 15 I of the SEBI Act, 1992 (hereinafter also referred as 'SEBI Act') in respect of Yash Chemex Limited (hereinafter also referred to as: Noticee / Applicant / Company / Acquirer / You) in the subject matter for the alleged violations of Regulation 30(2) read with Regulation 30 (6) and Clause 1 of Para A of Part A of Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulation, 2015' / 'LODR Regulations' / 'SEBI LODR Regulations').

B. APPOINTMENT OF ADJUDICATING OFFICER

2. Whereas, the Competent Authority was prima facie of the view that there were sufficient grounds to adjudicate upon the alleged violation by the Noticee, as stated above and therefore, in exercise of the powers conferred under Section 15-I of the SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry

and Imposing Penalties) Rules, 1995 read with Section 19 of the SEBI Act, 1992, the Competent Authority appointed Shri Amar Navlani, General Manager, SEBI as the Adjudicating Officer (AO) vide communique dated June 03, 2025 (erstwhile AO) to inquire into and adjudge under Section 15A(b) of the SEBI Act, 1992 for the alleged violation by the Noticee. Subsequent to the transfer of the erstwhile AO, vide communique dated September 19, 2025, the undersigned has been appointed as the Adjudicating Officer.

C. SHOW CAUSE NOTICE, REPLY AND HEARING

3. Show Cause Notice No. SEBI/EAD3/P/OW/2025/18185/1 dated July 08, 2025 (hereinafter referred to as 'SCN'), was served upon the Noticee by the erstwhile AO in terms of 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 against the Noticee in terms of Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 read with Section 15-I of the SEBI Act, 1992 and why penalty be not imposed under Section 15A(b) of SEBI Act, 1992 for the aforesaid alleged violations.
4. The key allegations in respect of the Noticee inter alia brought out in the SCN are as under:

" ...

3. Pursuant to the examination in the matter by SEBI, it was inter alia observed that the company purchased securities of M/s. Yasons Chemex Care Limited ("Unlisted Company/ Unlisted Subsidiary") during October 2017 to December 2022 and had failed to disclose the aforementioned transactions as per Regulation 30(2) read with Para-A of Part-A to Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("LODR Regulations"). Copy of relevant examination report is placed as Annexure 2. The report deals with examination of delayed disclosures made by the company.

In this regard, the following has inter-alia been observed and alleged in respect of the Noticee in the SCN:

Non-disclosure of acquisition of shares of a company and subsequent changes in shareholding percentage above the prescribed limit.

Chronology of events

- 3.1 The company has acquired / sold the shares of Yasons Chemex Care Limited, subsidiary of the company, during the period October 2017 to December 2022 by undertaking the following transactions:

S.No.	Date of Acquisition	No of shares Acquired	Cumulative No of shares	% of total paid up capital of total cumulative shares	% of change in shareholding	Due date of disclosure	Actual date of disclosure
1	17/10/2017	3,25,000	3,25,000	65	65	18/10/2017	28/12/2023
2	18/11/2017	17,84,000	21,09,000	84.36	19.36	19/11/2017	28/12/2023
3	08/12/2017	10,000	21,19,000	50.98	-33.38	09/12/2017	28/12/2023
4	14/05/2018	3,83,000	25,02,000	60.19	9.21	15/05/2018	28/12/2023
5	02/06/2018	5,00,000	30,02,000	50.87	-9.32	03/06/2018	28/12/2023
6	30/09/2021	1,24,000	31,26,000	53.62	2.75	01/10/2021	28/12/2023
7	31/05/2022	1,24,000	32,50,000	55.71	2.09	01/06/2022	28/12/2023
8	08/08/2022	1,17,750	33,67,750	57.71	2	09/08/2022	28/12/2023
9	27/10/2022	1,27,750	34,95,500	59.88	2.17	28/10/2022	28/12/2023
10	01/12/2022	93,000	35,88,500	61.46	1.58	02/12/2022	28/12/2023
11	07/12/2022	2,03,500	37,92,000	64.91	3.45	08/12/2022	28/12/2023
12	09/12/2022	2,86,500	40,78,500	69.76	4.85	10/12/2022	28/12/2023

- 3.2 The company had filed a suo moto settlement application on December 29, 2023 as the company has failed to disclose the aforementioned transactions to the exchanges thereby violating Regulation 30(2) read with Para-A of Part-A to Schedule III of LODR Regulations.
- 3.3 Internal Committee meeting held on March 20, 2024 recommended Rs.14,91,600 as the Indicative Amount in terms of SEBI (Settlement Proceedings) Regulations, 2018.
- 3.4 The applicant vide email dated March 30, 2024 submitted Revised Settlement Terms proposing a settlement of Rs.5,00,000.
- 3.5 Thereafter, the settlement application along with revised settlement terms was placed before 211th meeting of High Powered Advisory Committee (HPAC) held on July 29, 2024 and August 02, 2024. HPAC noted that the amount proposed was not in line with the amount recommended by the Internal committee and therefore, recommended matter for rejection. The recommendation of HPAC was accepted by the panel of Whole Time Members(WTMs). The rejection of the settlement application in this regard was informed to the applicant vide SEBI Letter dated September 23, 2024.

SEBI's Analysis:

- 3.6 From the suo-moto application filed by the company, it was observed that the company has submitted various instances of delayed disclosure in relation to transactions related to acquisition / disposal of shares of Yasons Chemex Care Limited during the period from October 2017 to December 2022.
- 3.7 As per Regulation 30(6) of SEBI LODR Regulations, the company was required to disclose material events to the exchange within 24 hours of occurrence of the events. Further, as per Regulation

30(2) of LODR Regulations, events specified in Para A of Part A of Schedule III of LODR Regulations are deemed to be material events.

- 3.8 As per Clause 1 of Para A of Part A to Schedule III of LODR Regulations, the company was required to disclose acquisition of subsidiary and more than 2% change in shareholding or voting pattern of the subsidiary from the previous disclosure.
- 3.9 In the current instance, it was observed that the company has acquired Yasons Chemex Care Limited on October 17, 2017 and has made several transactions for change in share holding pattern more than the limit as prescribed in the LODR Regulations.
- 3.10 From the details of the transactions made by the company and the date of disclosures as per para 2.1 submitted by the company in the suo-moto application filed by the company, it was observed that the company has not made disclosure in a timely manner as required under LODR Regulations i.e. within 24 hours of occurrence with events.
- 3.11 It may also be noted that the company has agreed to the non-compliances as the suo-moto application was filed by the company.
- 3.12 Therefore, the company has violated Regulation 30 (2) read with 30 (6) and Clause 1 of Para A of Part A to Schedule III of LODR Regulations as the company has not made timely disclosure of the acquisition and subsequent change in shareholding pattern of the company in excess of the prescribed limit as per LODR Regulations.

In view thereof, it is alleged that Noticee has violated Regulation 30(2) read with 30 (6) and Clause 1 of Para A of Part A of Schedule III to SEBI LODR Regulation, 2015.

...”

5. The said SCN was served upon the Noticees via SPAD and through email. The Noticee acknowledged the receipt of the SCN through email dated July 10, 2025.
6. In response to the SCN, Noticee filed reply vide letter dated November 28, 2025. The key submissions made by the Noticee as replies to the SCN are as under:

“ ...

We would like to state that the delays for disclosures under Regulation 30(2) read with 30(6) and Clause 1 of Para A of Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 pertaining to Acquisitions made by the Company in its Unlisted Subsidiary Company during the period from October 2017 to December 2022 were by oversight and inadvertently without any malafide or ill intentions.

During the defaulting period the Company was in lack of Professional Advice and Proper Professional Guidance related to filing of various Disclosures with Stock Exchange under SEBI LODR Regulations 2015 due to which those non-disclosures were made.

We would also like to inform you that except the alleged violations, the Company is regular in compliance with all the Provisions of the Companies Act and SEBI Laws in true spirit. There were not SOP fines imposed by the BSE Limited - Stock Exchange during the last 3-4 years and the Company is regular in all compliances and reporting with Stock Exchange.

We would like to pray to your good office to condone these delays under considering the facts that there were no malafide intentions of any nature nor any kind of undue advantage were taken by the undersigned in connection with the subject matter.

We would like to sincerely request your good office to take on record the facts of the matter along with our representations and prayers. Once again, we would like to request your good office to condone the delays in the disclosures and accordingly oblige me by closing the adjudicating process without any penalties or proceedings on the subject matter.

... ”

7. Opportunity of hearing was provided to the Noticee through video conferencing. Managing Director of the Noticee, Mr. Pritesh Y. Shah attended the hearing on behalf of the Noticee on December 18, 2025 as Authorized Representative (AR) of the Noticee. AR of the Noticee reiterated the submissions made in its reply dated November 28, 2025. Vide reply dated December 23, 2025, Noticee filed its additional submissions as under:

“ ...

- (a) Our Company had acquired Equity Shares of Subsidiary Company - Yasons Chemex Care Limited during the period from October 2017 till December 2022 and the intimation of said acquisitions with BSE Limited under Regulation 30 was made on 28 December 2023.*
- (b) In the light of said delayed submissions, the Company had filed suo moto application with SEBI which was rejected.*
- (c) Further, in the matter of delayed submissions, we represent that the Company had taken the cognizance of such delayed submissions and strengthen the compliance process and vigilance at organization level.*
- (d) Further, we would like to state that the delays for disclosures under Regulation 30(2) read with 30(6) and Clause 1 of Para A of Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 pertaining to Acquisitions made by the Company in its Subsidiary Company during the period from October 2017 to December 2022 were by oversight and inadvertently without any malafide intentions.*
- (e) During the defaulting period the Company was in lack of Professional Advice and Proper Professional Guidance related to filing of various Disclosures with Stock Exchange under SEBI LODR Regulations 2015 due to which those non-disclosures were made.*
- (f) We would also like to inform you that except the alleged violations, the Company is regular in compliance with all the Provisions of the Companies Act and SEBI Laws in true spirit. There were not SOP fines imposed by the BSE Limited - Stock Exchange during the last 3-4 years and the Company is regular in all compliances and reporting with Stock Exchange.*

... ”

D. CONSIDERATION OF ISSUES AND FINDINGS

8. I have carefully perused the allegations levelled against the Noticee in the SCN, their replies and the material / documents available on record. In the instant matter, the following issues arise for consideration and determination:
- I. Whether Noticee has violated Regulation 30(2) read with Regulation 30 (6) and Clause 1 of Para A of Part A of Schedule III to SEBI LODR Regulation, 2015?
 - II. Do the violations, if any, on the part of the Noticee attract monetary penalty under Section 15A(b) of the SEBI Act, 1992?
 - III. If so, what would be the quantum of monetary penalty that can be imposed on the Noticee after taking into consideration the factors mentioned in section 15J of the SEBI Act?
9. Before proceeding with the matter on merits, it would be relevant to state the regulatory provisions alleged to have been violated by the Noticee:

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Disclosure of events or information

“ ...

30.(2) Events specified in Para A of Part A of Schedule III are deemed to be material events and listed entity shall make disclosure of such events.

...”

“ ...

30.(6) The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

...

(iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity.

...”

SCHEDULE III

PART A: DISCLOSURES OF EVENTS OR INFORMATION: SPECIFIED SECURITIES

A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of regulation (30):

“ ...

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in associate company of the listed entity or any other restructuring.

Explanation (1) -For the purpose of this sub-paragraph, the word 'acquisition' shall mean-

- (i) acquiring control, whether directly or indirectly; or
- (ii) acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –
 - a) the listed entity holds shares or voting rights aggregating to [five] per cent or more of the shares or voting rights in the said company; or
 - b) (b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-paragraph and such change exceeds [two] per cent of the total shareholding or voting rights in the said company; or
 - c) (c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation (2) -For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-

- (i) an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the listed entity; or
- (ii) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation (3)-For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013.]

...”

10. Now I proceed to deal with the allegations levelled against the Noticee.

Issue No. 1: Whether Noticee has violated Regulation 30(2) read with Regulation 30 (6) and Clause 1 of Para A of Part A of Schedule III to SEBI LODR Regulation, 2015?

11. It was alleged that the Noticee purchased securities of M/s. Yasons Chemex Care Limited (“Unlisted Company/ Unlisted Subsidiary”) during October 2017 to December 2022 and had failed to disclose the below mentioned transactions as per Regulation 30(2) read with Para-A of Part-A to Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (“LODR Regulations”).

S.No.	Date of Acquisition	No of shares Acquired	% of total paid up capital of total cumulative shares	% of change in shareholding	Due date of disclosure	Actual date of disclosure
1	17/10/2017	3,25,000	65	65	18/10/2017	28/12/2023
2	18/11/2017	17,84,000	84.36	19.36	19/11/2017	28/12/2023
3	08/12/2017	10,000	50.98	-33.38	09/12/2017	28/12/2023
4	14/05/2018	3,83,000	60.19	9.21	15/05/2018	28/12/2023
5	02/06/2018	5,00,000	50.87	-9.32	03/06/2018	28/12/2023
6	30/09/2021	1,24,000	53.62	2.75	01/10/2021	28/12/2023
7	31/05/2022	1,24,000	55.71	2.09	01/06/2022	28/12/2023
8	08/08/2022	1,17,750	57.71	2	09/08/2022	28/12/2023
9	27/10/2022	1,27,750	59.88	2.17	28/10/2022	28/12/2023
10	01/12/2022	93,000	61.46	1.58	02/12/2022	28/12/2023
11	07/12/2022	2,03,500	64.91	3.45	08/12/2022	28/12/2023
12	09/12/2022	2,86,500	69.76	4.85	10/12/2022	28/12/2023

12. I note that the company had filed a suo moto settlement application on December 29, 2023 as the company has failed to disclose the aforementioned transactions to the stock exchanges thereby violating Regulation 30(2) read with Para-A of Part-A to Schedule III of LODR Regulations. I note from the details of the transactions made by the company and the date of disclosures submitted by the company in the suo-moto application filed by the company, that the company has not made disclosure in a timely manner as required under LODR Regulations i.e. within 24 hours of occurrence with events.
13. In this regard, the Noticee in its Reply has not disputed the occurrence of the transactions relating to purchase of securities during the aforesaid period, nor has it disputed the fact that disclosures in respect thereof were made after a delay. The Noticee has submitted that the delays in disclosure occurred due to oversight, lack of professional advice and proper professional guidance with respect to compliance under SEBI LODR Regulations.
14. A perusal of principles governing disclosure under LODR Regulations shows that LODR Regulations envisage adequate and timely information of material events/information pertaining to listed entity to stock exchange and investors in the securities market. In this context, I note that Regulation 30(2) of LODR Regulations mandates every listed entity to make disclosure of events specified in Para A Part A of schedule III that are deemed to be material events. Regulation 30(6) of LODR Regulations lays down the timeline for

making disclosure of material events/information under LODR Regulations . Clause 1 of Para A of Schedule III expressly mandates listed companies to disclose events like acquisition or sale/disposal of a subsidiary if there has been a change of more than 2% in shareholding or voting pattern of the subsidiary from the previous disclosure.

15. I note that the contention of the Noticee that the non-disclosure occurred due to lack of professional advice cannot be accepted, as ignorance of law or internal administrative inadequacies do not absolve a listed entity from compliance with the statutory disclosure requirements. It is the duty of the Company to comply with the SEBI Regulations. In light of the observations noted in the prior paragraphs, it stands established that the Noticee has violated Regulation 30(2) read with Regulation 30 (6) and Clause 1 of Para A of Part A of Schedule III to SEBI LODR Regulation, 2015.

Issue No. II: Do the violations, if any, on the part of the Noticee attract monetary penalty under Section 15A(b) of the SEBI Act, 1992?

16. I note that the disclosures requirements under the LODR Regulations, 2015 serve very important purposes. The stock exchange is informed via disclosures so that the investing public will come to know of the position enabling them to continue with or exit from the company. The fundamental premise of a disclosure is to make available information to shareholders in order to make a well informed decision. The Hon'ble Supreme Court of India in the matter of SEBI v/s Shri Ram Mutual Fund [2006] 68 SCL 216(SC) held that *"In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the Regulations is established....."*
17. Noticee is a listed company, and was primarily responsible for the compliance of LODR Regulations. Therefore, in view of the above judgment and in light of the findings and observations made against the Noticee brought out in the forgoing paragraphs regarding violation of Regulation 30(2) read with Regulation 30(6) of LODR Regulations read with Clause 1 of Para A of Part

A of Schedule III of LODR Regulations, I find that Noticee is liable for monetary penalty under Section 15A(b) of SEBI Act, 1992. The text of Section 15A(b) of SEBI Act, 1992 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 No. III: What should be the quantum of monetary penalty?

18. In the context of disclosure related violations, I observe that Hon'ble SAT has held on several occasions that the obligation to make disclosure within the stipulated time is a mandatory obligation and penalty is imposed for non-compliance of the mandatory obligation.
19. While determining the quantum of penalty under section 15A(b) of SEBI Act, the following factors stipulated in section 15J of the SEBI Act have to be given due regard:-

SEBI Act

“15J. Factors to be taken into account by the adjudicating officer while adjudging quantum of penalty under Section 15-I, 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.

20. In the present matter, I note from the material available on record that no quantifiable figures are available to assess the disproportionate gain or unfair advantage made as a result of such non-compliance by the Noticee. Further, from the material available on record, it is not possible to ascertain the exact monetary loss to the investors on account of non-compliance by the Noticee, nor has it been alleged by SEBI. However, I am of the view that the Noticee being a listed company is expected to carry out its obligations with proper skill, care, diligence and make disclosures on time as per the relevant regulations. Disclosure and transparency are the bed rock of good corporate governance and information made out of disclosures are critical for investment decisions of the investors.
21. The primary objective of LODR Regulations, 2015 is to ensure fair treatment of shareholders by mandating fair, adequate and timely disclosures by listed entities. Such disclosures are fundamental to maintaining the integrity of the securities market and constitute an essential element of sound corporate governance. Any failure to comply with these disclosure requirements undermines investor confidence and impairs the ability of investors to make well-informed decisions.
22. Accordingly, I am of the view that timely and accurate disclosures assume significant importance under the LODR Regulations and non-compliance with such provisions cannot be viewed lightly. At the same time, it is noted that no previous enforcement action has been initiated by SEBI against the Noticee. Further, it is observed that the Noticee, upon identifying the lapse, made the requisite disclosures on a suo motu basis. The aforesaid factors need to be taken into consideration while determining the penalty to be imposed against the Noticee.
23. Thus, I feel it appropriate to levy a penalty which is commensurate with the nature of violation and which acts as a deterrent to the Noticee.

E. ORDER

24. Having considered the facts and circumstances of the case, the material available on record, the factors mentioned in Section 15J of the SEBI Act, I, in exercise of the powers conferred upon me under Section 15-I of the SEBI Act read with Rule 5 of the Adjudication Rules 1995, hereby impose penalty of 2,00,000/- (Rupees Two Lakh Only) under Section 15A(b) of SEBI Act, 1992. I am of the view that the aforesaid penalty is commensurate with the violation committed by the Noticee.
25. The Noticee 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**
26. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, recovery proceedings may be initiated under section 28A of the SEBI Act, 1992 for realization of the said amount of penalty along with interest thereon, inter alia, by attachment and sale of movable and immovable properties.
27. In terms of Rule 6 of the Adjudication Rules, 1995, copy of this order is sent to the Noticee and also to SEBI.

DATE: January 14, 2026
PLACE: MUMBAI

SUDEEP MISHRA
ADJUDICATING OFFICER