



**Notice of Attachment**

**Central Depository Services (I) Ltd.**  
P J Towers, 17th floor, Dalal Street  
Fort, Mumbai - 400001

**State Bank of India,**  
State Bank Bhavan, Madame Cama  
Road, Nariman Point, Mumbai - 400021

**The Principal Officer /Chairman &  
Managing Director / CEO,**

**Sub: Notice of Attachment under Recovery Certificate(s) No. 440/ 2014 and 568/2015.**

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI"), vide order no. KBL/KSPL/AO/DRK/AS/EAD-3/177/09-80/2010 dated 22.07.2010 and order dated 16.05.2006 passed against Kolar Sharex Private Limited (hereinafter referred to as "Defaulter"), imposed penalties of Rs. 30,00,000/- and Rs. 5,00,000/-, respectively for the violation of SEBI Act, 1992 and rules and regulations made thereunder.
2. Since the defaulter failed to pay the penalties, as imposed, Recovery Proceedings were initiated against the defaulter under Recovery Certificate Number(s) 440 of 2014 and 568 of 2015 as per Section 28A of SEBI Act, 1992 read with Section 222 of the Income Tax Act, 1961. Pursuant to issuance of Notice of Demand(s) to the defaulter, the Bank Accounts, Demat Accounts and Mutual Fund folios of defaulter were attached vide Notice(s) of Attachment issued to you as per the provisions of SEBI Act, 1992.
3. It is pertinent to note that the defaulter, being a member of BSE Ltd was eligible for allotment of 10,000 fully paid-up equity shares of face value of Re. 1/- (Rupee One only) consequent to BSE (Corporatization and Demutualization) Scheme, 2005 (hereinafter referred to as **Scheme**), approved by SEBI vide order dated 20.05.2005. However, the said allotment to the defaulter was kept in abeyance due to the suspension of the defaulter as per Clause 5.3 of the Scheme. The relevant text of the Scheme is reproduced below for ready reference.  
*"Clause 5.3 – Bombay Stock Exchange Limited shall allot the equity shares to the entitled Members or their nominees, as the case may be, by the Due Date.  
Provided that the allotment to a Member suspended by BSE shall be held in abeyance till the suspension continues."* (emphasis supplied).
4. The shares of BSE Ltd., that were to be allotted to the defaulter, could not be transferred because of suspension and subsequent expulsion on 31.07.2014 as per the bye-laws of the exchange. Thereafter, vide notice dated 14.12.2018, the defaulter stood struck-off from the registrar of companies. At the time of expulsion and strike-off of the defaulter, Mr. Rajkumar Basantani and Mr. Vinod Hingorani, were respectively holding 90 per cent and 10 per cent shares of the defaulter.

**Contd. ...2...**



5. During the course of recovery proceedings, it has come to the notice of SEBI vide BSE letter dated 20.06.2025, that an application dated 20.12.2024 was filed by Mr. Rajkumar Basantani before the Ld. City Civil and Session Court, Mumbai (hereinafter referred to as "MPID Court") in MPID SPL Case no. 12 of 2005, filed by Economic Offences Wing against Vinod Hingorani and others. In the said application, Mr. Rajkumar Basantani claimed rights over the assets of the defaulter (shares of BSE Ltd.) by virtue of being a shareholder of the defaulter.
6. Since Mr. Rajkumar Basantani has been debarred from accessing the securities market by SEBI, he was unable to open a trading or demat account and therefore, he sought permission to allow his wife, Mrs. Seema Basantani, to open a bank, demat and trading account for the purpose of transferring and selling shares of the BSE Ltd. in the possession of BSE Ltd. (that were to be allotted to the defaulter) to pay the depositors in the above mentioned MPID Case.
7. The said application was allowed by the MPID Court vide order dated 10.03.2025. Pursuant to the aforesaid order dated 10.03.2025, Mrs. Seema Basantani opened **Demat Account No. 1204720045421529** with SBI CAP Securities Ltd. (hereinafter referred to as the "Demat Account") and **Saving Bank Account No. 43921933168** with SBI, Churchgate, Mumbai (hereinafter referred to as "the Bank Account"). Subsequently, in compliance with the MPID Court order dated 05.05.2025, total of 5,85,000 shares (increased from 10,000 due to corporate actions in the period) of BSE Ltd. were transferred in the aforesaid demat account. Further, vide order dated 26.08.2025, MPID Court has permitted sale of 67,500 shares of BSE Ltd. available in the demat account, to pay the depositors.
8. Based on the above, I note that on the application of Mr. Rajkumar Basantani, who is a shareholder of the defaulter, the shares that were rightfully to be allotted to the defaulter, were transferred to the demat account of Mrs. Seema Basantani by the MPID Court order dated 05.05.2025 and subsequently sold vide MPID Court order dated 26.08.2025.
9. Defaulter being a separate legal entity is the sole owner of its assets and hence assets of defaulters cannot be claimed (or transferred) as assets of shareholders as per provision of Companies Act, 2013 till its dissolution. In the present case, the defaulter has not been dissolved. Therefore, the beneficial ownership of the shares of BSE Ltd (5,85,000), including corporate actions accrued on said shares, currently lying in the demat account in the name of Mrs. Seema Basantani is held by defaulter.

*Contd. ...3...*



10. I also note that while various Recovery Proceedings against the defaulter and Mr. Rajkumar Basantani were pending before SEBI (detailed in **Annexure A**), an application was made by him before the MPID Court falsely claiming to have rights over the assets of the defaulter without intimating the Recovery Officer. In the said application directions were sought by him for transfer of 5,85,000 shares (approximately worth Rs. 140 crores) of defaulter to his wife for the purpose of refunding approximately Rs. 16 crores to the depositors. The pendency of Recovery Proceedings, against him and the defaulter, was not expressly intimated by him to the MPID Court. Thus from the above, it appears that the transfer of shares in the demat account of his wife was sought with *mala fide* intent on the part of Mr. Rajkumar Basantani.
11. Considering the facts and circumstances mentioned above, I conclude that 5,85,000 shares owned by the defaulter have been transferred in the demat account of Mrs. Seema Basantani. Accordingly, in order to avoid any further transfer of the assets of the defaulter, the said demat account and savings bank account is liable to be attached.
12. Therefore, in exercise of powers conferred under sections 28A, 11(2) (ia) of SEBI Act, 1992 read with section 226 and the second schedule to the Income-tax Act, 1961, I hereby, order to attach the **Demat Account No. 1204720045421529** with SBI CAP Securities Limited (which has been opened only for the purpose of transfer of shares of BSE Ltd.) and **Saving Bank Account No. 43921933168** with SBI, Churchgate, Mumbai, (opened only for the purpose of receiving the benefits accrued on the shares of BSE Ltd.) held in the name of Mrs. Seema Basantani, with immediate effect, till further directions in this regard.
13. It is further ordered with immediate effect that **No Debit** shall be made in the said accounts until further orders. However, the credits, if any, into the account may be allowed. Further, you are hereby directed to provide the copies of the Account Statement and confirmation of Attachment of the said accounts, immediately to the undersigned on service of this Notice.

Given under my hand and seal at Mumbai this 30<sup>th</sup> day of September, 2025.

*J. Ashok Kumar*

RECOVERY OFFICER

SEAL



J. ASHOK KUMAR  
जे. अशोक कुमार  
Recovery Officer  
वसुली अधिकारी  
Securities and Exchange Board of India  
भारतीय प्रतिभूति और विनियम बोर्ड  
Mumbai  
मुंबई

**ANNEXURE - A**

Sr. No.	RC	Date of Recovery Certificate (RC)	Defaulter name	Penalty (in Rs.)	Outstanding dues as on date (in Rs.)
1	48	13/01/2014	Rajkumar C Basantani	15,00,00,000.00	45,11,84,380.71
2	204	11/07/2014	Rajkumar C Basantani	1,35,00,000.00	3,84,43,821.92
3	211	11/07/2014	Vinod Hingorani	25,00,000.00	71,20,490.44
4	231	11/07/2014	Vinod Hingorani	55,00,000.00	1,55,86,945.21
5	288	16/07/2014	Vinod Hingorani	30,00,000.00	85,30,858.24
6	567	24/02/2015	Rajkumar C Basantani	5,00,000.00	2,72,866.04
7	4566	23/03/2022	Rajkumar C Basantani	53,00,000.00	1,80,21,000.00