

SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER
IN RESPECT OF

Settlement Application No.	Applicant	PAN
8274/2024	Swaraj Green Power and Fuel Limited	AAOCS8733R

IN THE MATTER OF SWARAJ GREEN POWER AND FUEL LIMITED

1. Swaraj Green Power and Fuel Limited (hereinafter referred to as “**Applicant**”) filed a *suo-motu* settlement application in terms of the Securities Exchange Board of India (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”) proposing to settle by neither admitting nor denying the findings of fact and conclusions of law, the enforcement proceedings that may be initiated against it for the non-compliance of Section 42(11) of the Companies Act, 2013 read with Rule 14(2) of the Share Capital & Debentures Companies (Prospectus and Allotment of Securities) Rules, 2014.
2. Brief facts of the case are as follows:
 - 2.1 The applicant during the Financial Year 2014-15 issued 14,102,329 Non-Convertible Redeemable Preference Shares (hereinafter referred to as “**NCRPS**”) through private placement in two Rights Issues. The first Rights Issue, approved in December 2014, resulted in the allotment of 10,014,700 shares on January 3, 2015. The second Rights Issue, approved in February 2015, resulted in the allotment of 4,087,629 shares on March 31, 2015. The entire quantity of 14,102,329 NCRPS has since been redeemed by May 16, 2022, as part of the Board of Directors’ objective to optimize the company’s share capital structure.
 - 2.2 In terms of Section 62(1)(a)(ii) of the Companies Act, 2013 the offer letters stipulated that existing equity shareholders had the right to renounce their

entitlement in full or in part to one or more persons. Due to the renunciation of rights by existing shareholders in favour of third parties, the Applicant allotted shares to a total of 267 persons (221 persons in the first issue and 46 persons in the second issue) during Financial Year 2014-15. On May 16, 2022, the applicant has redeemed the entire 1,41,02,329 NCRPS as part of the Board of Directors' objective to optimize the company's share capital structure and also in accordance with the option availed by the shareholders. This allotment to more than 200 persons triggered Section 42(11) of the Companies Act, 2013, resulting in the issuance of NCRPS to be considered as deemed public issue.

2.3 As a consequence of the deemed public issue classification, the Applicant allegedly violated Section 42(11) of the Companies Act, 2013, read with Rule 14(2) of the Share Capital & Debentures Companies (Prospectus and Allotment of Securities) Rules, 2014, from January 3, 2015, to May 16, 2022.

3. In view of the aforesaid facts, the Applicant filed the present application for the purpose of settling the proceedings that may be initiated against it for the said non-compliance.
4. Pursuant to the receipt of the application, the authorized representatives of the Applicant had a meeting with the Internal Committee of SEBI on June 11, 2025 wherein the details of the case were deliberated along with the terms of settlement. Thereafter, vide email dated June 13, 2025, the Applicant filed its revised settlement terms proposing to pay ₹6,20,000/- (Rupees Six Lakhs Twenty Thousand only) to settle any enforcement proceeding that may be initiated against it for the violations as stated above at paragraph 1.
5. The High Powered Advisory Committee (hereinafter referred to as "**HPAC**") in its meeting held on July 03, 2025 considered the revised settlement terms proposed by the Applicant and recommended the case for settlement upon payment of ₹6,20,000/- (Rupees Six Lakhs Twenty Thousand only). The recommendation of the HPAC was accepted by the Panel of Whole Time

Members of SEBI on September 05, 2025. Subsequently, a Notice of Demand for the said amount was issued to the Applicant on September 11, 2025. The Applicant informed about the remittance of the aforesaid settlement amount on September 18, 2025 and SEBI has confirmed credit of the same.

6. On the basis of the facts stated above, in exercise of the powers conferred under Section 15JB read with Section 19 of the Securities and Exchange Board of India Act, 1992 and in terms of Regulation 23 of the Settlement Regulations, it is hereby ordered that any proceedings that may be initiated for the violations as mentioned at paragraph 1 above, are settled in respect of the Applicant on the following terms:
 - i. SEBI shall not initiate any enforcement action against the Applicant for the said violations, and
 - ii. passing of this Order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations to initiate appropriate action against the Applicant, if SEBI finds that:
 - (a) any representation made by the Applicant in the present settlement proceedings is subsequently found to be untrue;
 - (b) the Applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and
 - (c) there was a discrepancy while arriving at the settlement terms.
7. This Settlement Order is passed on this 6th day of October 2025 and shall come into force with immediate effect.
8. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the Applicant and shall also be published on the website of SEBI.

Sd/-

Ananth Narayan G.
WHOLE TIME MEMBER

Sd/-

KAMLESH C VARSHNEY
WHOLE TIME MEMBER