



भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange
Board of India

By Speed Post A.D and Digitally Signed E-Mail

ADJUDICATING OFFICER

SEBI/HO/RRD/RD-II/SA/AS/ 30073 /2021
October 27, 2021

NISHAA ANAND [PAN: AJWPA4527H]

Address: APARTMENTS 1003,
TOWER -2 THE PALMS SOUTH-I GURGAON,
GURGAON, HARYANA- 122001

Email address: nishaa.anaand@gmail.com
Contact number: 9810327722

Subject: Adjudication Proceedings in respect of NISHAA ANAND (PAN: AJWPA4527H) in the matter of dealings in Illiquid Stock Options at BSE: Show Cause Notice under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") has initiated adjudication proceedings in respect of **NISHAA ANAND** (hereinafter referred to as "Noticee"), bearing PAN – AJWPA4527H, for allegedly violating the provisions of Regulations 3(a),(b),(c),(d), 4(1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trading Practices related to Securities Markets) Regulations, 2003 (hereinafter, referred to as "PFUTP Regulations, 2003") in the matter of trading in illiquid stock options on the Bombay Stock Exchange Ltd. ("BSE").
2. The undersigned was appointed as Adjudicating Officer vide order dated July 6, 2021 to enquire into and adjudge under Section 15HA of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the "SEBI Act") the alleged violations by the Noticee. A copy of the communiqué dated July 6, 2021 appointing the undersigned as Adjudicating Officer is placed at **Annexure A**.
3. As part of ongoing surveillance, SEBI came across large scale reversal of trades in Stock Options Segment of the BSE. Subsequently, SEBI conducted an investigation into the trading activity in illiquid stock options at BSE (hereinafter



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सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बान्द्रा-कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर.एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in

SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051.
Tel.: 2644 9950 / 4045 9950 (IVRS), 2644 9000 / 4045 9000 Fax : 2644 9019 to 2644 9022 Web : www.sebi.gov.in



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referred to as "investigation") for the period between April 1, 2014 to September 30, 2015 (hereinafter referred to as "investigation period").

4. Pursuant to investigation, it was observed that during the investigation period, a total of 2,91,744 trades comprising 81.41% of all the trades executed in BSE Stock Options Segment were trades which involved reversal of buy and sell positions by the clients and counterparties in a contract. The reversal trades involved squaring off transactions, but with significant difference in the sell value and buy value of the transactions. The aforesaid reversal trades allegedly resulted into generation of artificial volumes.
5. The Noticee was one of the entities which indulged in reversal trades which allegedly created false and misleading appearance of trading, generating artificial volumes in the Stock Options Segment of BSE during the investigation period. The Noticee is alleged to have engaged in reversal trades through 2 trades in 1 unique contract, which led to generation of alleged artificial volume of 44,000 units. These trades of the Noticee involved reversal with the same counterparty on the same day, but at different prices. Details of all trades of Noticee in Stock Option Segment of BSE during the investigation period are given in **Annexure B**. Details of all the reversal trades of the Noticee in Stock Option Segment of BSE during the investigation period are given in **Annexure C**.
6. The trades entered by the Noticee were reversed on the same day with the same counterparty at a substantial price difference without any basis for significant change in the contract price which indicates that these trades are artificial and are non-genuine in nature.
7. A summary of dealings of the Noticee in Stock Options contract "TDVR15MAR290.00CE" in which the said Noticee allegedly executed reversal trades during the investigation period is as follows (detailed summary given in **Annexure D**):





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Summary of dealings of the Noticee in 1 Stock Options contract in which Noticee allegedly executed reversal trades during the investigation period

Sr. No.	Contract Name	Avg. Buy Rate (Rs.)	Total Buy Volume (no. of units)	Avg. Sell Rate (Rs.)	Total Sell Volume (no. of units)	% of Noticee's Non-Genuine Trades in the Contract to Noticee's Total Trades in the Contract	% of Noticee's Non-Genuine trades in the Contract to Total Trades in the Contract	% of Artificial Volume generated by Noticee in the Contract to Noticee's Total Volume in the Contract	% of Artificial Volume generated by Noticee in the Contract to Total Volume in the Contract
1	TDVR15MAR290.00CE	14.6	22,000	25.30	22,000	100	2.7	100	1.57

Note: "Unit" refers to lot size in contract multiplied by number of contracts traded.

8. The abovementioned reversal trades and volumes are illustrated through the dealings of the Noticee in Stock Options contract "TDVR15MAR290.00CE" during the investigation period, as follows:
 - (a) During the investigation period, 2 trades for 44,000 units were executed by the Noticee in the said contract on March 25, 2015.
 - (b) While dealing in the said contract on March 25, 2015, at 14:00:33.235444 hours the Noticee entered into a buy trade with counterparty, PRIYASHA MEVEN FINANCE LTD. for 22,000 units at Rs.14.60 per unit. At 14:05:52.607992 hours, the Noticee entered into sell trade with the same counterparty for 22,000 units at Rs.25.30 per unit.
 - (c) The Noticee's 2 trades while dealing in the abovementioned contract during the investigation period allegedly generated artificial volume of 44,000 units, which made up 1.57% of total market volume in the said contract during this period.
9. In view of the foregoing, it is alleged that the Noticee, by indulging in execution of non-genuine reversal of trades in stock options with same entity on the same day, created false and misleading appearance of trading in stock options and therefore allegedly violated the provisions of Regulation 3(a),(b),(c),(d), 4(1) and 4(2)(a) of the PFUTP Regulations, 2003.
10. The aforesaid alleged violations, if established, make the Noticee liable for monetary penalty under section 15HA of the SEBI Act.





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11. You are therefore called upon to show cause as to why an inquiry should not be held against you in terms of Rule 4 of the SEBI (Procedure for holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as **"SEBI Rules, 1995"**) read with section 15I of the SEBI Act, and why penalty should not be imposed section 15HA of the SEBI Act.
12. Your reply, if any, should reach the undersigned by post or through email at srishti@sebi.gov.in and akhileshs@sebi.gov.in within 14 days from the date of receipt of this Notice, failing which it shall be presumed that you have no reply to submit and the matter would be further proceeded with on the basis of the evidence available on record in terms of sub-rule (7) of Rule (4) of the SEBI Rules, 1995. You may also indicate whether you desire a personal hearing in the matter.
13. Further, you are required to keep the undersigned informed about the change in your correspondence address, if any, till the conclusion of the proceedings. You are also required to submit a photocopy of your PAN card and contact details, namely, telephone numbers, fax numbers, e-mail IDs and details of contact persons for records.
14. You may also note that a settlement mechanism is provided under the SEBI (Settlement Proceedings) Regulations, 2018. If you wish to opt for the settlement process, you may apply for the same in the manner given in the aforesaid regulations under intimation to the undersigned. Further, you may note that filing of settlement application does not confer any right to seek the settlement of the proceedings. You may also note that filing of settlement application shall not affect the continuance of proceedings save that the passing of the final order shall be kept in abeyance till the application is disposed of.


SRISHTI AMBOKAR
ADJUDICATING OFFICER





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Enclosures: Documents relied upon are as follows:

Annexure	Copy of relevant documents enclosed with this SCN	No. of pages
A	Communiqué dated July 6, 2021 appointing the Adjudicating Officer	3
B	Integrated trade log of all trades of the Noticee in Stock Option Segment of BSE during the investigation period, i.e., April 1, 2014 to September 30, 2015	1
C	Integrated trade log of all reversal trades of the Noticee in Stock Option Segment of BSE during the investigation period	1
D	Summary of dealings of the Noticee in 1 Stock Options contract in which Noticee allegedly executed reversal trades during the investigation period	1



ANNEXURE - A

SECURITIES AND EXCHANGE BOARD OF INDIA

Order communicating appointment of Adjudicating Officer

1. Whereas, Securities and Exchange Board of India (SEBI) has conducted examination trading in option on individual stocks listed on Bombay Stock Exchange for possible violation of the provisions of the securities and Exchange Board of India Act, 1992 (hereinafter referred to as the 'SEBI Act') and various Rules and Regulations made there under.
2. Whereas, the Competent Authority is *prima facie* of the view that there are grounds to adjudicate upon the alleged violations of provisions of Regulations 3(a), (b), (c), (d) and Regulations 4(1), 4(2)(a) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 2003 by certain entities.
3. The Competent Authority has, therefore, in exercise of the powers conferred upon her under Section 19 of the SEBI Act read with Section 15 I(1) of the SEBI Act and Rule 3 of securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 ("hereinafter referred to as the 'SEBI Rules') read with section 19 of the SEBI Act appointed certain Division Chiefs as Adjudicating Officers vide Order dated July 02, 2021 to enquire into and adjudge under Sections 15HA SEBI Act the alleged violations by the entities.
4. The list of the entities against whom adjudication is approved and the names of the respective Adjudicating Officers who are appointed to adjudicate against these entities is enclosed as Annexure.
5. The said proceedings of appointment are hereby being communicated to the Adjudicating Officers who shall conduct the Adjudication Proceedings in the manner specified under Rule 4 of the of the SEBI Rules read with sub-section (1) and (2) of Section 15 I of SEBI Act. The Adjudicating Officers shall enquire



into and adjudicate upon the alleged violation as stated above and if the Adjudicating Officers are satisfied that the entities have become liable to penalty, may impose penalty, as they think fit, in terms of Rule 5 of the SEBI Rules and provisions of Sections 15 HA of the SEBI Act.

Dated at Mumbai, this 6th day of July 2021.

Bhavana R.K.
BHAVANA RAVIKUMAR
GENERAL MANAGER
SECURITIES AND EXCHANGE BOARD OF INDIA



S. No.	Case ID	Case Name	PAN Number	Entity Name	AO Name
1261	210016589	ISO at BSE-NISHAA ANAND	AJWPA4527H	NISHAA ANAND	Srishti Sushant Ambokar

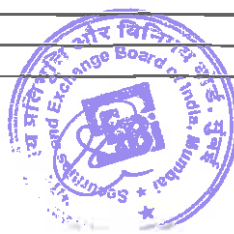


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ANNEXURE B

Details of all trades of Noticee - NISHAA ANAND (PAN: AJWPA4527H) in Stock Option Segment of BSE during the investigation period

TRADE_DATE	25/03/2015	25/03/2015
SCRIPCODE	836135	836135
PANNO	AJWPA4527H	AADCP2042F
CLIENTNAME	NISHAA ANAND	PRIYASHA MEVEN FINANCE LTD.
CP_PANNO	AADCP2042F	AJWPA4527H
CP_CLIENTNAME	PRIYASHA MEVEN FINANCE LTD.	NISHAA ANAND
ORDER_NO	1427270822254000045	1427270822254000061
CP_ORDER_NO	1427270822254000051	1427270822254000060
TRADEID	1058	2139
ORDER_TIME	14:00:32.823435	14:05:52.541299
CP_ORDER_TIME	14:00:33.235444	14:05:51.753253
TRADE_TIME	14:00:33.235444	14:05:52.607992
ORDER_LMTIME	14:00:32.823435	14:05:52.607992
CP_ORDER_LMTIME	14:00:33.235444	14:05:51.808018
TRADE_RATE	14.6	25.3
LTP_RATE	-15.4	6.65
LTP_PERCENT	-51.33	35.66
TRADE_VALUE	6701200	6936600
ORDER_RATE	14.6	25.3
CP_ORDER_RATE	14.6	25.3
ORDER_LMRATE	14.6	25.3
CP_ORDER_LMRATE	14.6	25.3
ORDER_LTP	25.4	21.1
CP_ORDER_LTP	14.8	21.1
TRADED_QTY	22000	22000
ORDER_QTY	22000	22000
CP_ORDER_QTY	337000	22000
ORDER_AVLQTY	22000	22000
CP_ORDER_AVLQTY	337000	22000
ORDER_LMQTY	22000	22000
CP_ORDER_LMQTY	337000	22000
MEMBER_NO	4029	361
MEMBER_NAME	ODYSSEY SECURITIES PVT. LTD	KAMAL KUMAR JALAN SECURITIES PVT.LTD.
MODIFIED_CLIENT	BS01050	2011
CP_MEMBER_NO	361	4029
CP_MEMBER_NAME	KAMAL KUMAR JALAN SECURITIES PVT.LTD.	ODYSSEY SECURITIES PVT. LTD
CP_MODIFIED_CLIENT	2011	BS01050
TERMINALID	902	902
USER_NAME	SANJAY BANSAL	NIKHIL KAMAL JALAN
LOCATION_ADDRESS	16, INDIA EXCHANGE PLACE KOLKATA 700001 KOLKATA WEST BENGAL 700001	52, JALAN HOUSE, 5TH FLOOR WALKESHWAR RD MUMBAI MAHARASHTRA 400006
CP_TERMINALID	902	902
CP_USER_NAME	NIKHIL KAMAL JALAN	SANJAY BANSAL
CP_LOCATION_ADDRESS	52, JALAN HOUSE, 5TH FLOOR WALKESHWAR RD MUMBAI MAHARASHTRA 400006	16, INDIA EXCHANGE PLACE KOLKATA 700001 KOLKATA WEST BENGAL 700001
ORDER_AUD	A	A
CP_ORDER_AUD	A	A
ORDER_TYPE	L	L
CP_ORDER_TYPE	L	L
LOCATIONID	7000010001001012	4000060003003012
CP_LOCATIONID	4000060003003012	7000010001001012
SCRIPNAME	TDVR15MAR290.00CE	TDVR15MAR290.00CE
EXPIRY DATE	2015-03-26	2015-03-26
STRIKEPRICE	29000	29000
SERIES	EQD	EQD
MKT_TYPE	N	N



ANNEXURE C

Details of all reversal trades of Noticee - NISHAA ANAND (PAN: AJWPA4527H) in Stock Option Segment of BSE during the investigation period

TRADE_DATE	25/03/2015	25/03/2015
SCRIPCODE	836135	836135
clnt_pan	AJWPA4527H	AADCP2042F
clnt_name	NISHAA ANAND	PRIYASHA MEVEN FINANCE LTD.
cp_pan	AADCP2042F	AJWPA4527H
cp_name	PRIYASHA MEVEN FINANCE LTD.	NISHAA ANAND
ORDER_NO	1427270822254000045	1427270822254000061
CP_ORDER_NO	1427270822254000051	1427270822254000060
TRADEID	1058	2139
ORDER_TIME	14:00:32.823435	14:05:52.541299
CP_ORDER_TIME	14:00:33.235444	14:05:51.753253
TRADE_TIME	14:00:33.235444	14:05:52.607992
ORDER_LMTIME	14:00:32.823435	14:05:52.607992
CP_ORDER_LMTIME	14:00:33.235444	14:05:51.808018
TRADE_RATE	14.6	25.3
LTP_RATE	-15.4	6.65
LTP_PERCENT	-51.33	35.66
TRADE_VALUE	6701200.0	6936600.0
ORDER_RATE	14.6	25.3
CP_ORDER_RATE	14.6	25.3
ORDER_LMRATE	14.6	25.3
CP_ORDER_LMRATE	14.6	25.3
ORDER_LTP	25.4	21.1
CP_ORDER_LTP	14.8	21.1
TRADED_QTY	22000	22000
ORDER_QTY	22000	22000
CP_ORDER_QTY	337000	22000
ORDER_AVLQTY	22000	22000
CP_ORDER_AVLQTY	337000	22000
ORDER_LMQTY	22000	22000
CP_ORDER_LMQTY	337000	22000
MEMBER_NO	4029	361
MEMBER_NAME	ODYSSEY SECURITIES PVT. LTD	KAMAL KUMAR JALAN SECURITIES PVT.LTD.
MODIFIED_CLIENT	BS01050	2011
CP_MEMBER_NO	361	4029
CP_MEMBER_NAME	KAMAL KUMAR JALAN SECURITIES PVT.LTD.	ODYSSEY SECURITIES PVT. LTD
CP_MODIFIED_CLIENT	2011	BS01050
TERMINALID	902	902
USER_NAME	SANJAY BANSAL	NIKHIL KAMAL JALAN
LOCATION_ADDRESS	16, INDIA EXCHANGE PLACE KOLKATA 700001 KOLKATA WEST BENGAL 700001	52, JALAN HOUSE, 5TH FLOOR WALKESHWAR RD MUMBAI MAHARASHTRA 400006
CP_TERMINALID	902	902
CP_USER_NAME	NIKHIL KAMAL JALAN	SANJAY BANSAL
CP_LOCATION_ADDRESS	52, JALAN HOUSE, 5TH FLOOR WALKESHWAR RD MUMBAI MAHARASHTRA 400006	16, INDIA EXCHANGE PLACE KOLKATA 700001 KOLKATA WEST BENGAL 700001
ORDER_AUD	A	A
CP_ORDER_AUD	A	A
ORDER_TYPE	L	L
CP_ORDER_TYPE	L	L
LOCATIONID	7000010001001012	4000060003003012
CP_LOCATIONID	4000060003003012	7000010001001012
SCRIPNAME	TDVR15MAR290.00CE	TDVR15MAR290.00CE
EXPIRY	2015-03-26	2015-03-26
STRIKEPRICE	29000.0	29000.0
SERIES	EQD	EQD
MKT_TYPE	N	N



ANNEXURE D

Summary of Dealings of the Noticee - NISHAA ANAND (PAN: AJWPA4527H) in 1 Stock Options contract in which Noticee allegedly executed reversal trades during the investigation period

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
PAN	SCRIPNAME	Buy Quantity	Buy Value	Average Buy rate (D/C)	Sell Quantity	Sell Value	Average Sell rate (G/F)	No. of Entity's Non-Genuine Trades in the Contract	Total No. of Entity's Trades in the Contract	Total No. of Trades executed in the Contract	Artificial volume generated by Entity in the Contract	Total volume generated by Entity in the Contract	Total volume in the Contract	% of Entity's Non-Genuine Trades in the Contract	% of Entity's Non-Genuine trades in the Contract (UK)	% of Artificial Volume generated by Entity in the Contract (L/M)	% of Artificial Volume generated by Entity in the Contract (L/N)
AJWPA4527H	TDVR15MAR280.00CE	22,000	3,21,200	14.6	22,000	5,56,800	25.3	2	2	74	44,000	44,000	27,96,000	100	2.7	100	1.57

