BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OFINDIA

ADJUDICATION ORDER NO. Order/PM/PA/2022-23/16206-16208

UNDER SECTION15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 1995

In respect of

Sl. No.	Name of the Noticee	PAN
1	MURLIDHAR MOHANLAL	ADNPL9697C
2	GAURAV RANJITSINH CHAVDA	AGZPC7021N
3	MANHARBEN RANJITSINH CHAVDA	ACTPC5016D

In the matter of Amarnath Securities Ltd.,

BACKGROUND

1. Securities and Exchange Board of India (SEBI) carried out an examination in the matter of Amarnath Securities Ltd., *(hereinafter referred to as "ASL" / "Company" / "Target Company")* pursuant to filing of draft letter of offer *(hereinafter referred to as "DLOF")* by Mr. Omkar Pravin Herlekar *(hereinafter referred to as "Acquirer")* with SEBI for making an open offer for acquisition of 26% of shares of the Company. It was observed that a Sale Purchase Agreement (SPA) was executed between the Acquirer and the then Promoters of the Company on May 26, 2016 for acquisition of 10,35,000 shares representing 34.50% of the paid up share capital of the Company (*hereinafter referred to as the "Trigger Event").* Pursuant to the Trigger Event, in terms of the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Acquirer filed a DLOF.

2. Upon examination of DLOF and other documents submitted by the Acquirer, it was observed that, on couple of occasions, there had been change in promoters' composition and their shareholding in the Target Company. It was disclosed in the DLOF that during the financial years 2008-2009 and 2010-2011, the management of the Company was completely changed. From the shareholding pattern of the Company, the following was observed by SEBI regarding the number of promoters and their shareholding in the Company:

For the quarter ended	No of promoters	Shareholding (%)
June 2008	239	57.28
March 2009	23	61.24
September 2010	22	60.24
December 2010	5	55.50

3. From the shareholding pattern as at the quarter ended period December 2010 it was observed that during the period October 10, 2010 to October 15, 2010, a set of 5 new Promoters acquired 55.50% of shareholding in the Company and replaced all the old Promoters who were disclosed in the shareholding pattern as at the quarter ended period September 2010. Further, as per the information furnished by the Company vide its letter dated January 20, 2021 it was observed the following 5 Promoters had acquired 55.50% of shareholding in the Company, as per the details mentioned hereunder:

   a) One promoter, Murlidhar Mohanlal Lakhani (Noticee 1) acquired 6,30,000 shares of the Company, which was equivalent to 21% of total shareholding of the Company.

   b) Two promoters, Gaurav Ranjitsinh Chavda (Noticee 2) and Manharben Ranjitsinh Chavda (Noticee 3), who were close family members as per the information submitted by the Company vide letter dated February 1, 2021 had acquired 4,00,000 (13.33%) shares and 2,30,000 (7.67%) shares of the Company respectively, thereby taking together the combined acquisition to 6,30,000 shares of the Company, which was equivalent to 21% of total shareholding of the Company.

   c) Other two remaining promoters named, Bhavesh Tanna and Laxmikant Kabra acquired 9.00% and 4.50% shares respectively.

4. It is observed from the above acquisitions that pursuant to acquisition of 15% or more shareholding of the Company by the Noticee 1 in individual capacity and the Noticee 2 & 3 as Persons Acting in Concert (PACs), an obligation to make open offer was triggered on October 15, 2010, since the shareholding of the Noticees crossed the threshold limit of 15% of the paid-up capital of the Company as prescribed under the

provisions of Regulation 10 of SEBI (Substantial Acquisition of Shares and Takeovers) 1997 (*hereinafter referred to as "Takeover Regulations, 1997*").

5. Accordingly, in terms of the provision of Regulation 14(1) of the Takeover Regulations,1997 a Public Announcement (PA) for open offer is required to be made by all the Noticees within 4 working days of the acquisition of shares. However, it is observed that public announcement was not made by the Noticees.

6. Therefore, it is alleged that the Noticees by not making the public announcement for making the open offer have violated the provisions of Regulation 14(1) read with Regulation 10 of the Takeover Regulations, 1997.

APPOINTMENT OF ADJUDICATING OFFICER

7. In view of the above, SEBI initiated Adjudication proceedings against the Noticees and appointed the undersigned as Adjudicating Officer vide Order dated June 21, 2021 under Section 19 read with Sub-section (1) of Section 15-I of the SEBI Act, 1992 and Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (*hereinafter referred to as "SEBI Adjudication Rules")* to inquire into and adjudge the alleged violation of the provisions of Regulation 14(1) read with Regulation 10 of the Takeover Regulations 1997, by the Noticees, under Section 15H(ii) of SEBI Act.

SHOW CAUSE NOTICE, REPLY AND HEARING

8. A Show Cause Notice ref. no. SEBI/EAD-8/PM/PA/23036/1/2021 dated September 8, 2021 (*hereinafter referred to as "SCN*") was issued to the Noticees mentioning the aforementioned allegation against them and requiring them to show cause within 21 days of receipt of the SCN, as to why an inquiry should not be held and penalty be not imposed against them under Section 15H(ii) of SEBI Act for the aforesaid alleged violation committed by them. I note that the SCN was duly served on the Noticee by Speed Post, however the Noticees failed to furnish the reply.

9. Thereafter, vide email dated October 1, 2021, the Noticees were given final opportunity to furnish their reply by October 8, 2021, besides providing them with an opportunity of hearing on October 11, 2021 via videoconferencing on Webex

platform, which was sent to the Noticees through digitally signed email in terms of the provisions of Rule 7 (1) (b) of SEBI Adjudication Rules. The Noticees vide email dated October 5, 2021 furnished their common reply.

10. The Noticees appeared through their Authorized Representatives (ARs) via videoconferencing on the scheduled date of hearing i.e., October 11, 2021 and reiterated the submissions made on October 5, 2021. The ARs sought additional time till October 25, 2021 to make further submissions which was acceded to. The Noticees vide email dated October 25, 2021 furnished their additional submissions, which were common.

11. The replies furnished by the Noticees vide email dated October 5, 2021 and October 25, 2021, are summarized hereunder:

    a) *That it is to be noted that no material information in support of the new Promoters Acting together in the year 2008 and 2010 for acquiring the shares of the Company is available with the SEBI.*

    b) *That there were inordinate delays on the part of Adjudicating officer to start the matter and issue a show cause notice, usually this much old documents are not retained in the office of the appellant and it was very difficult to answer the queries of the Adjudicating Officer. In this connection, the Noticees place reliance on the Orders of the Hon'ble Supreme Court in the matter of SEBI Vs Bhavesh Pabari and Hon'ble SAT in the matter of Ashok Shivlal Rupani Vs SEBI.*

    c) *That these bonafide purchases of the shares were made by the Noticees within the promoters group, only, therefore, there was no change due to these shareholding within the promoter's group.*

    d) *That further the charges levelled by the Hon'ble Adjudicating Officer, the Noticees states that shareholding was acquired within the promoters group, therefore plainly reading the Regulation 10. There is no violation, as the shareholding is acquired within the promoter's group and there is no overall change beyond the prescribed percentage is promoter's group during the period covered by the investigation. Promoter group (i.e. the person acting in Conceit) had gross shareholding in excess of 15% both prior to and post period of investigation.*

    e) *Moreover, the stock exchange (Ahmedabad Stock Exchange) where trade took place is also discontinued since many years hence we are unable to get any documents with respect to Ahmedabad Stock Exchange.*

f) There have been two takeovers and change of management happened with due compliance with BSE and NBFC compliance from where the requisite approval has been granted time to time without any problem and in stipulated time.

g) There was no malafied intention of not making the disclosure by the Noticees. The shareholdings have been disclosed to BSE Limited prior to getting equity shares listed there in year 2014. No objections have been made as that purchases of the shares were made by the Noticees so it was within the promoters group only, therefore, there was no change due to these shareholding within the promoter's group's holding.

h) There was no common objective or the intention between Noticees for the purposes of acquiring substantial shares or voting rights of ASL. It is further stated that there was no agreement or understanding to that effect to directly or indirectly co-operate by acquiring or agreeing to acquire shares or voting rights in ASL or control over. They were not 'persons acting in concert' for said acquisition of shares of ASL as both are traders.

i) The shareholding of the promoter and promoter group was in the range of 55% to 60% from year 2008 to 2010 and the same has neither increased nor decreased. Noticees were all part of the promoter group of ASL, said transfer of equity shares during the period of October 10, 2010 to October 15, 2010, a set of 5 new promoters acquired 55.50% shareholding in the Company and replaced all old promoters who were disclosed in the September 2010 SHP where three promoters as alleged had acquired 6,30,000 (21%) shares on October 15, 2010 (triggered date) with no other backup evidence documents apart from SHP available based upon an erroneous appreciation of the facts, law and records. There was no change in the collective holding of the Noticees (i.e. Promoter Group) remained unchanged and constant. For the reasons mentioned hereinabove, there was no change in the collective share holding pattern of the Promoter Group which includes the Noticees, hence not necessitating a public announcement as envisaged under SAST Regulations, hence, imposing penalty under section 15H(ii) of the SEBI Act 1992 does not arise or a lenient view is to be taken.

j) Without prejudice to foregoing submissions, even if it were to be considered that the allegations in the SCN is accepted, the fact remains that the said acquisition was transfer which was inter se between the promoters which is exempt from an obligation to make open offer after complying with certain conditions.

CONSIDERATION OF ISSUES AND FINDINGS

12. It is alleged in the SCN that the Noticees had not made public announcement for making the open offer and thereby violated the provisions of Regulation 14(1) read with Regulation 10 of Takeover Regulations.

13. After perusal of the material available on record, I have the following issues for consideration viz.,

    I. Whether the Noticees have violated the provisions of Regulation 14(1) read with Regulation 10 of Takeover Regulations?

    II. Whether the Noticees are liable for monetary penalty under Section 15H(ii) of SEBI Act?

    III. If so, what quantum of monetary penalty should be imposed on the Noticees?

ISSUE I: Whether the Noticees have violated the provisions of Regulation 14(1) read with Regulation 10 of Takeover Regulations, 1997?

14. Before going into the merits of the case, I would like to deal with the primary contention of the Noticees that there has been extraordinary inordinate delay in the issuance of SCN, which has prejudiced them. In this connection, it is noted that upon examination of DLOF and other documents submitted by the Acquirer in year 2016, it was observed that, on couple of occasions, there had been change in promoters' composition and their shareholding in the Target Company. In respect of the compliance by promoters of Target Company with Takeover Regulations during past 8 years, Manager to Offer, in the DLOF disclosed that during the year 2008 and 2010, there was change in management control of Target Company. In this regard, Quarterly Shareholding Pattern (SHP) for quarter ending June 2008, March 2009, September 2010 and December 2010 were submitted by Manager to Offer. Thereafter, during the examination of open offer in 2016, it was observed that the Offer Price of ongoing open offer was more than offer price calculated from the time of change in management control of Target Company in the year 2008 and 2010. Therefore, the open offer in 2016 was allowed to proceed and it was also proposed that separate proceedings be initiated against erstwhile promoters for not making open offer. Accordingly, the matter was taken up for examination in the year 2020

and thereafter correspondences were exchanged between the Company and SEBI in the months of January and February 2021. Post analysis of the replies furnished by the Company, it was concluded in the examination that the Noticees had failed to make Public Announcement upon crossing 15% threshold limit of shareholding of the Company. Accordingly, SEBI initiated Adjudication proceedings in the month of February 2021 and appointed the undersigned as the Adjudicating Officer vide Order dated June 21, 2021 . The SCN was issued to the Noticees on September 8, 2021. Thus, I see that there is no delay in initiation of the instant proceedings. Therefore, I find no merit in the contentions raised by the Noticee that there is delay in issuing the SCN and find no reason to squash the SCN on this ground.

15. In this context, I find it relevant to refer to the order passed by Hon’ble SAT in the case of Metex Marketing Pvt., Ltd., vs.SEBI (order dated June 4, 2019) wherein Hon’ble SAT held that: “*This Tribunal has consistently held that in the absence of any specific provision in the SEBI Act or in the Takeover Regulations, the fact that there was a delay on the part of SEBI in initiating proceedings for violation of any provision of the Act cannot be a ground to quash the penalty imposed for such violation.”*

16. Further, I deem it appropriate to refer to the observations made by Hon’ble SAT in the matter of Vaman Madhav Apte & Ors. Vs. SEBI vide Order dated March 04, 2016, which reads as follows:

> *“Argument of the appellants that the proceedings initiated against the appellants suffer from gross delay and laches and, therefore, the impugned order is liable to be quashed and set aside is without any merit, because firstly, neither the SEBI Act nor the regulations framed thereunder prescribe any time limit for initiating proceedings against the persons who have violated the securities laws. Secondly, neither the SEBI Act nor the regulations framed thereunder provide that if there is delay in initiating proceedings, no action can be taken against the person who has committed violations of the securities laws.”*

17. It is no doubt true that no period of limitation is prescribed in the Act or the Regulations for issuance of a show cause notice or for completion of the adjudication proceedings. The Hon’ble Supreme Court in Government of India vs, Citedal Fine Pharmaceuticals, Madras and Others, [AIR (1989) SC 1771] held that in the absence of any period of limitation, the authority is required to exercise its powers within a

reasonable period. What would be the reasonable period would depend on the facts of each case and that no hard and fast rule can be laid down in this regard as the determination of this question would depend on the facts of each case. This proposition of law has been consistently reiterated by the Hon'ble Supreme Court in Bhavnagar University v.Palitana Sugar Mill (2004) Vol.12 SCC 670, State of Punjab vs. Bhatinda District Coop. Milk P. Union Ltd., (2007) Vol.11 SCC 363 and Joint Collector Ranga Reddy Dist. & Anr. vs. D. Narsing Rao & Ors. (2015) Vol. 3 SCC 695. The Hon'ble Supreme Court recently in the case of Adjudicating Officer, SEBI vs. Bhavesh Pabari (2019) SCC Online SC 294 held:

> *"There are judgments which hold that when the period of limitation is not prescribed, such power must be exercised within a reasonable time. What would be reasonable time would depend upon the facts and circumstances of the case, nature of the default/statute, prejudice caused, whether the third-party rights had been created etc."*

18. In Ravi Mohan & Ors. v. SEBI and other connected appeals decided on August 27, 2013, the Hon'ble SAT while referring to its own decision in HB Stockholdings Ltd. v. SEBI (Appeal no. 114 of 2012 decided on August 27, 2003) and decision of Hon'ble Supreme Court in Collector of Central Excise, New Delhi v. Bhagsons Paint Industry (India) reported in 2003 (158) ELT 129 (S.C.), held as under:

> *"....Based on decision of this Tribunal in case of HB Stockholdings Ltd. vs. SEBI (Appeal no. 114 of 2012 decided on 27.08.2013) it is contended on behalf of the appellants that in view of the delay of more than 8 years in issuing the show cause notice, the impugned order is liable to be quashed and set aside. There is no merit in this contention, because, this Tribunal while setting aside the decision of SEBI on merits has clearly held in para 20 of the order, that delay itself may not be fatal in each and every case. Moreover, the Apex Court in case of Collector of Central Excise, New Delhi vs. Bhagsons Paint Industry (India) reported in 2003 (158) ELT 129 (S.C) has held that if there no statutory bar for adjudicating the matter beyond a particular date, the Tribunal cannot set aside the adjudication order merely on the ground that the adjudication order is passed after a lapse of several years from the date of issuing notice...."*

19. I note that the Noticees placed reliance on the decisions of the Hon'ble SAT in the cases of *Ashok Shivlal Rupani Vs SEBI,* which is misplaced as the facts in the said case is not comparable. I note that in the case of Ashok Shivlal Rupani, the violation adjudicated therein pertained to failure to file necessary disclosures under Regulation 13(4) and 13(5) of the SEBI (Prohibition of Insider Trading Regulations, 1992 and Regulation 30(4) of SEBI (Listing and Disclosures Requirements) Regulations, 2015 read with Clause 36 of the Listing Agreement. The instant proceedings however, involve adjudication of alleged violations of the SEBI (SAST) Regulations 1997, wherein the Noticee has been show- caused for serious charge of not making public announcement for open offer, from which the Noticees cannot try to wriggle out by citing the said legal position.

20. In the light of the aforesaid observations of the Hon'ble Supreme Court and Hon'ble SAT and from the above facts and circumstances of the case, it cannot be said that there was inordinate and unnecessary delay in the matter as contended by the Noticees. Therefore, in the absence of any prejudice, the proceedings cannot be quashed simply on the ground of delay in launching the same, which is not found in this case.

21. It is pertinent to refer to the provisions of Regulation 10 and Regulation 14(1) of the Takeover Regulations, 1997 which reads as under:

Acquisition of fifteen per cent or more of the shares or voting rights of any company.

10. No acquirer shall acquire shares or voting rights which (taken together with shares or voting rights, if any, held by him or by persons acting in concert with him), entitle such acquirer to exercise fifteen per cent or more of the voting rights in a company, unless such acquirer makes a public announcement to acquire shares of such company in accordance with the regulations.

Timing of the public announcement of offer.

14.(1) The public announcement referred to in regulation 10 or regulation 11 shall be made by the merchant banker not later than four working days of entering into an agreement for acquisition of shares or voting rights or deciding to acquire shares or voting rights exceeding the respective percentage specified therein:

22. I note from the reply submitted by the Company vide Email dated January 20, 2021 that the 3 Noticees (Promoters of the Company) and other 2 Promoters had acquired shares of the Company as per the following details:

Name of the Promoter	PAN	Pre-holding of the Promoter Group (no., of shares)	Date of acquisition of shares	Post-holding of the Promoter Group no., of shares)	%age of shareholding
Murlidhar Mohanlal	ADNPL9697C	0	10.10.2010 to 15.10.2010	6,30,000	21.00%
Gaurav Ranjitsinh Chavda	AGZPC7021N	0	10.10.2010 to 15.10.2010	4,00,000	13.33%
Manharben Ranjitsinh Chavda	ACTPC5016D	0	10.10.2010 to 15.10.2010	2,30,000	7.67%
Bhavesh Tanna	AEQPT8780E	0	10.10.2010 to 15.10.2010	2,70,000	9.00%
Laxmikant R Kabra	ADOPK3248F	0	10.10.2010 to 15.10.2010	1,35,000	4.50%

23. It is noted from the above table that the Noticee 1 in his individual capacity had acquired 6,30,000 shares which was equivalent to 21% of the paid-up capital of the Company. The Noticees 2 and 3 had together acquired 6,30,000 shares which was equivalent to 21% of the paid-up capital of the Company. It is pertinent to note that the Noticees have not refuted the aforementioned acquisition of shares by them in the Company. Therefore, there is no dispute in acquisition of shares by the Noticees in the Company. However, the Noticees have taken a plea that they were not acting as PACs while acquiring the shares in the Company. While I agree with the submissions of the Noticee 1 that he is not a PAC, but I cannot lose sight of the fact that the Noticees 2 and 3 are family members, which can be corroborated from the submissions made by the Company vide Email dated February 1, 2022. Thus, the acquisitions made by the Noticees 2 and 3 are deemed to be acquisition made by them as PAC.

24. Further, I note that post acquisition of shares in the Company by the Noticee 1 in his individual capacity and Noticee 2 & 3 together as PAC, their shareholding in the

Company had crossed 15% of the paid-up capital of the Company, which triggered the requirement to make open offer under Regulation 10 of Takeover Regulations. Accordingly, in terms of the provisions of Regulation 14(1) the Noticees were required to make a Public Announcement for acquisition of shares. However, I note from the records that the Noticees have not made any public offer for acquisition of shares.

25. However, the Noticees in their submissions stated that the said acquisition was transfer which was inter-se between the promoters which is exempt from an obligation to make open offer after complying with certain conditions. I note that since it is an inter-se transfer among promoters, Regulation 3 (1) (e) of SEBI (SAST) Regulations is applicable.

26. It is noted that an exemption for inter-promoter transfer from making public announcement was available under Regulation 3 (1) (e) upon filing of a report as required under Regulation 3 (3) and 3(4) of Takeover Regulations, 1997. I note that the Noticees had admittedly not filed any such reports with the Stock Exchange & SEBI and therefore the question of exemption does not arise. Further, exemption as envisaged in the Regulations are not automatic. I note that it is obligatory on the part of the Noticees to comply with the regulatory provisions and there is no automatic exemption stated in the Regulations. Therefore, I conclude that even though an exemption was available by filing a report for inter-se promoters transfer of shares, from making public announcement, the Noticees failed to comply with the same.

27. I note that the object and purpose of Takeover Regulations, 1997 to provide equality of treatment of all shareholders, to provide an exit opportunity to the shareholders in the case of a substantial acquisition of shares or takeover and to ensure that a person does make a substantial acquisition in or acquire control over the target company in a clandestine manner and to the detriment of other shareholders.

28. I also note that the Hon'ble SAT in the matter of Nirvana Holdings Private Limited v. SEBI (Appeal No. 31/2011 dated September 08, 2011) has observed, *"The primary object of the takeover code is to provide an exit route to the public shareholders when there is substantial acquisition of shares or a takeover. This right to exit is an invaluable right and the shareholders cannot be deprived of this right lightly."*

29. In view of the findings as mentioned above, I conclude that the Noticee by not making public announcement for open offer has violated the provisions of Regulation 14(1) read with Regulation 10 of Takeover Regulations, 1997.

ISSUE II: Whether the Noticees are liable for monetary penalty under Section 15H(ii) of SEBI Act?

30. It is established that the Noticees had made public announcement for open offer, which is violation of the provisions of Regulation 14(1) read with Regulation 10 of Takeover Regulations.

31. In this connection, I would like to drawn attention to the Hon'ble SAT's observation in the matter of Ranjan Varghese Vs., SEBI (Appeal No. 177 of 2009 and Order dated April 8, 2010, which read as: *"once it is established that the mandatory provisions of Takeover code was violated, the penalty must follow".* As the violation against the Noticee-1 is established, he is liable for monetary penalty under Section 15H of SEBI Act.

32. Accordingly, the violation against the Noticees stands established, the Noticees are liable for monetary penalty under Section 15H(ii) of SEBI Act which existed at the time of violation, the provisions of which are reproduced hereunder:

Section 15H(ii) of SEBI Act

If any person, who is required under this Act or any rules or regulations made thereunder, fails to make a public announcement to acquire shares at a minimum price; he shall be liable to a penalty not exceeding twenty-five crore rupees or three times the amount of profits made out of such failure, whichever is higher.

ISSUE III: If so, what quantum of monetary penalty should be imposed on the Noticee?

33. While determining the quantum of monetary penalty under Section 15H(ii) of SEBI Act, I have considered the factors stipulated in Section 15-J of SEBI Act, which reads as under:

Section 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.

34. The material made available on record has not quantified the amount of disproportionate gain or unfair advantage made by the Noticee and the loss suffered by the investors as a result of the Noticee's default. There is also no material made available on record to assess the amount of loss caused to investors or the amount of disproportionate gain or unfair advantage made by the Noticee as a result of default. However, I note that losing an exit opportunity by the shareholders at the right time as a result of the failure on the part of the Noticees to make the public announcement within the stipulated time period prescribed under the Takeover Regulations, is a loss to the investors.

35. I am of the view that by not making the mandatory public announcement within the stipulated time period the Noticee has violated the statutory requirements of law and accordingly the Noticees have to be penalized for the same.

ORDER

36. After taking into consideration the nature and gravity of the violations established in the preceding paragraphs and in exercise of the powers conferred upon me under Section 15-I of the SEBI Act, 1992 read with Rule 5 of the SEBI Adjudication Rules, 1995, I hereby impose a penalty of ₹5,00,000/- (Rupees Five lakhs only) on the Noticee 1 i.e., Murlidhar Mohanlal and ₹5,00,000/- (Rupees Five lakhs only) on the Noticees 2 & 3 i.e., Gaurav Ranjitsinh Chavda and Manharben Ranjitsinh Chavda to be payable jointly & severally, under Section 15H(ii) of SEBI Act,

37. The said penalty imposed on the Noticees, as mentioned above, is commensurate with the violation committed and acts as a deterrent factor for the Noticees and others in protecting the interest of investors.

38. The Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order either by way of Demand Draft in favor of "SEBI - Penalties Remittable to Government of India", payable at Mumbai, OR through online payment facility

available on the SEBI website **www.sebi.gov.in** on the following path by clicking on the payment link.

ENFORCEMENT → Orders → Orders of AO → PAY NOW

39. Noticee shall forward said Demand Draft or the details / confirmation of penalty so paid through e-payment to the Division Chief, Enforcement Department-I, DRA-4, SEBI, in the format as given in table below:

Case Name	
Name of Payee	
Date of payment	
Amount Paid	
Transaction No	
Bank Details in which payment is made	
Payment is made for	Penalty

40. In terms of Rule 6 of the SEBI Adjudication Rules, copies of this order are sent to the Noticees and also to SEBI.

Date: April 27, 2022 **PRASANTA MAHAPATRA**
Place: Mumbai **ADJUDICATING OFFICER**