BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER No. Order/MC/RM/2022-23/20429-20437]

UNDER SECTION 15-I (2) 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 –

1. **Ms. Anuradha Devi (PAN: AJCPA8040P)** having address at Plot No. 28, Sainik Enclave- 3, Mohan Garden, Uttam Nagar, New Delhi , India -110059
2. **Mr. Karan (PAN: DBTPK6055A)** having addresses at:
   i. A460/6, Krishna Basti, Nabi Karim, Paharganj, Delhi India -110055
   ii. H.No. C-657 D, Harijan Basti, Gharoli Ext., Delhi, India -110096
3. **Kesri Industrial Lab Pvt Ltd (PAN: AAACK8837C)** having addresses at:
   i. 1837/138, Shanti Nagar, Tri Nagar, New Delhi India 110035
   ii. 104 B D Chamber, D B Gupta Road, Karol Bagh, New Delhi-110005
4. **Mr. Pawan Batra (PAN: BSQPB2397J)** having address at H.No-210 Ward No.7,8 Kalanaur, Rohtak, Haryana, India 124113
5. **Mr. Pushp Raj (PAN: AKEPR6030K)** having addresses at:
   i. Plot 28, Sainik Encl 3, Mohan Garden, Uttam Nagar, Near RK Gupta, Delhi, India -110059
   ii. L2, 6A Shastri Nagar, New Delhi, India 110035
6. **Mr. Sachin Kumar (PAN: CXMPK2057E)** having address at 3513/5, Ground Floor, Phatak Habash Khan, Naya Bazar, Delhi, India – 110006
7. **Mr. Sandeep Kumar (PAN: DBZPK9156C)** having addresses at:
   i. H.No.C-657 D, Harijan Basti, Gharoli Ext., Delhi India -110096
   ii. A460/6, Krishna Basti, Nabi Karim, Paharganj, Delhi India 110055
8. **Mr. Shimul Mitra (PAN : AOKPM8742B)** having address at RZD-185A, Raj Nagar Part-2, Palam Colony, New Delhi, India – 110045

9. **Mr. Uma Shankar (PAN: BFKPS1089H)** having addresses at:
    i. Gali-13, Sonia Vihar, Block A, Delhi, India - 110094
    ii. H No 354, Gali No 1, A Block Part 2, Sonia Vihar, Delhi, India - 110094

In the matter of Delta Leasing & Finance Ltd.

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') initiated adjudication proceedings against Ms. Anuradha Devi ("**Noticee 1"),** Mr. Karan **("Noticee 2"),** Kesri Industrial Lab Pvt Ltd **("Noticee 3"),** Mr. Pawan Batra **("Noticee 4"),** Mr. Pushp Raj **("Noticee 5"),** Mr. Sachin Kumar **("Noticee 6")** Mr. Sandeep Kumar ("**Noticee 7"),** Mr. Shimul Mitra **("Noticee 8"),** and Mr. Uma Shankar **("Noticee 9")** for the alleged violations of Section 11C(2) & 11C(3) of SEBI Act, 1992; and Regulation 4(1) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations**").

APPOINTMENT OF ADJUDICATING OFFICER

2. The undersigned was appointed as Adjudicating Officer (hereinafter referred to as '**AO**') *vide* order dated December 21, 2020 to inquire into and adjudge under Section 15A(a) and 15HA of the SEBI Act, the aforesaid alleged violations against the Noticee. The appointment of the AO was communicated *vide* order dated January 13, 2021.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. Show Cause Notice No. EAD5/MC/ST/2021/372381 dated December 14, 2021 (hereinafter referred to as '**SCN**') was issued to the Noticees in terms of Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 ('SEBI Adjudication Rules') to show cause as to why an inquiry should not be held and penalty not be imposed against Noticees in terms of Section 15A(a) & 15HA of the SEBI Act for the aforesaid alleged violations.

4. The allegations levelled against the Noticees in the SCN are summarized as below:

5. Delta Leasing & Finance Ltd. (DLFL) was incorporated in November 1983 and was listed on DSE on June 27, 1984 and at BSE on April 18, 2013. As per the website of DLFL, the company is engaged in investments and providing loan & advances and other related activities. The Noticees engaged in some off-market transactions in the scrip of DLFL during the year 2013 which were required to be settled as spot delivery contract. The off market transactions executed during the investigation period were carried out electronically in dematerialized form by transfer from the account of a Beneficial Owner (Transferor or Source Client) to the account of another beneficial owner (Transferee or the Target Client) through Delivery Instruction Slips (DIS).

6. A "spot delivery contract" is defined in SCRA to mean a contract which provides for actual delivery of securities and the payment of a price therefor either on the same day as the date of the contract or on the next day, the actual period taken for the dispatch of the securities or the remittance of money therefore through the post being excluded from the computation of the period aforesaid if the parties to the contract do not reside in the same town or locality.

7. Summons were issued to the Noticees seeking information on date of receipt / payment of consideration and other documentary evidences etc. for the transactions carried out. Noticees had allegedly failed to respond to summons issued in any manner. Details of non-compliance of summon by Noticees are as under:

Sr no.	**Name of Noticee**	**Status of delivery**	**Date of Delivery**	**Proof of Delivery**	**Particulars of Reminders sent**
1.	Anuradha Devi	Delivered through email to anuradhamcx@yahoo.com & satish@asiabullsonline.com	24.10.2019, 28.02.2020	Email delivery receipt	Reminder mail sent on 11.12.2019 , 02.01.2020 & 28.02.2020
2.	Karan	physical copy delivered on 29.10.2019 & Delivered through email to	29.10.2019	Email delivery receipt &	Reminder mail sent on 11.12.2019 & 02.01.2020

		'available161@gmail.com'on 22.10.2019		acknowledgement	
3.	Kesri Industrial Lab Pvt Ltd	Delivered through email to 'abomcx@yahoo.com'	22.10.2019	Email delivery receipt	Reminder mail sent on 11.12.2019 & 02.01.2020
4.	Pawan Batra	Delivered through email to pawanbatra@gmail.com	15.11.2019	Email delivery receipt	Reminder mail sent on 11.12.2019 & 02.01.2020
5.	Pushp Raj	Delivered through email to satish@asiabullsonline.com	22.10.2019, 28.02.2020	Email delivery receipt	Reminder mail sent on 11.12.2019 , 02.01.2020 & 28.02.2020
6.	Sachin Kumar	Delivered through email to poojashribalaji@gmail.com	22.10.2019	Email delivery receipt	Reminder mail sent on 11.12.2019 & 02.01.2020
7.	Sandeep Kumar	physical copy delivered on 29.10.2019 & Delivered through email to 'sk04081982@gmail.com' on 10.12.2019	29.10.2019	Email delivery receipt & acknowledgement	Reminder mail sent on 11.12.2019 & 02.01.2020
8.	Shimul Mitra	Delivered through email to 'mitrashimul@yahoo.com'; 'singaditiya@gmail.com'	22.10.2019	Email delivery receipt	Reminder mail sent on 11.12.2019 & 02.01.2020
9.	Uma Shankar	Delivered through email to UMA1.SHANKAR@GMAIL.COM	30.10.2019	Email delivery receipt	Reminder mail sent on 11.12.2019 , 02.01.2020 & 03.09.2020

8. The delivery of summons sent to Noticees through email were confirmed through IT Department-SEBI, vide their email dated 18.12.2019. The email summons were in addition to sending of summons by speed post with acknowledgement due. The scanned copy of the summons were also sent to the e-mail ID of the Noticees registered by them with the Depositories through KYC. No reply was received even after issuance of reminders to the summons as stated above. The reply of the Noticees to the summons was necessary to ascertain the date of settlement of transactions which is crucial to determine whether the transactions carried out were as per the time frame stipulated in Section 2(i)(a) of SCRA.

9. In view of the above, Noticees were alleged to have violated Section 11C(2) and 11C(3) of the SEBI Act.

10. The relevant clauses of SC(R)A and SEBI Act are reproduced as under:

<u>*SC(R)A:-*</u>

2 (i) *In this Act, unless the context otherwise requires,— spot delivery contract" means a contract which provides for,-*

(a) *actual delivery of securities and the payment of a price therefor either on the same day as the date of the contract or on the next day, the actual period taken for the despatch of the securities or the remittance of money therefor through the post being excluded from the computation of the period aforesaid if the parties to the contract do not reside in the same town or locality;*

<u>*SEBI Act:-*</u>

Investigation.

11C - *where the Board has reasonable ground to believe that-*

(2) *Without prejudice to the provisions of sections 235 to 241 of the Companies Act, 1956 (1 of 1956), it shall be the duty of every manager, managing director, officer and other employee of the company and every intermediary referred to in section 12 or every person associated with the securities market to preserve and to produce to the Investigating Authority or any person authorized by it in this behalf, all the books, registers, other documents and record of, or relating to, the company or, as the case may be, of or relating to, the intermediary or such person, which are in their custody or power.*

(3) *The Investigating Authority may require any intermediary or any person associated with securities market in any manner to furnish such information to, or produce such books, or registers, or other documents, or record before him or any person authorised by it in this behalf as it may consider necessary if the furnishing of such information or the production of such books, or registers, or other documents, or record is relevant or necessary for the purposes of its investigation.*

Incorrect information in DIS Slips

11. In terms of Section 12 (1) of the Depositories Act, a Beneficial Owner (B.O) may with previous approval of the Depository create a pledge or hypothecation in respect of security owned by him through a depository. Further in terms of sub-sec(2) ibid every beneficial owner shall give such intimation of pledge or hypothecation to the depository and such depository shall thereupon make entries in its records accordingly. Any entry in the records of depository under sub-sec.2 shall be evidence of pledge or hypothecation.

12. Further, Regulation 58 of SEBI (Depositories and participants) Regulations, 1996 prescribes in detail the manner in which a pledge or a hypothecation can be created, revoked or invoked. Sub-section 11 ibid stipulates that no transfer of security in respect of which a notice or entry of pledge or hypothecation is in force shall be effected by a participant without the concurrence of the pledgee or the hypothecatee as the case may be.

13. Further, SEBI Master circular CIR/MRD/DP/13/2013 dated April 15, 2013, stipulates that Section 12 of the Depositories Act and Regulation 58 of SEBI (Depositories and participants) Regulations, 1996 along with the relevant bye-laws of the Depositories enumerate the manner of creating pledge and that any procedure followed other than as specified under the said provisions of law shall not be treated as pledge. The para 4.3 (ii) of the Circular states that the Depositories shall advise the DPs that an off market transfer of shares lead to change in ownership, the same cannot be treated as pledge.

14. On examination of the DIS slips of Noticees (provided as Annexure 3 of the SCN) for the off market transfers, it was observed that almost in all DIS Slips the reason for transfer stated in the DIS Slips was “Loan of Shares or return of loan of shares”. To consider aforesaid transactions as loan transactions, these transactions ought to have been carried out in the manner provided in Section 12 of the Depositories Act and Regulation 58 of SEBI (Depositories and Participants) Regulations 1996.

15. In order to ascertain the same, summons were issued to the Source and Target Clients of the impugned off market transactions, seeking information of, inter alia, documentary evidences for the loan transactions, terms and conditions of loan.

16. Further, during investigation, for verification of the nature of the off market transactions by the Noticees, as to whether these transactions were either in the nature of pledge or revocation or invocation of pledge with the Depositories, confirmation was sought from the Depositories. In response, CDSL vide email dated June 18, 2020 and NSDL vide emails dated June 16, 23 and 24, 2020 (enclosed herewith as Annexure 5) informed that none of the off market transactions entered by the Noticees are in the nature of pledge. Accordingly, the off market transfers involved transfer of ownership on the shares and as such these transactions cannot be considered as Pledge transactions. Therefore, the provisions of Section 2(i)(a) of SCRA, 1956 apply on these transactions.

17. For effecting transfer of shares electronically, it is the Source Clients who issue the DIS duly filled in and signed to the Source DP. Therefore, the Source clients are accountable and responsible for the contents filled in by them in the DIS. When the Source clients state the reasons for transfer in the DIS as Loan Transaction or return of loan transaction, which is not true and when the other records exist contrary to the reasons stated in the DIS by the Source Clients, the act of the Source clients in giving false reason of loan or return of loan for transfer of shares would amount to an act of deceit and undermine the ethical standards and good faith dealings while dealing in securities. In view of the above, it was alleged that such an act has been resorted to by the source clients in order to evade or avoid regulatory compliance on off market transfer of shares as stipulated in Section 2(i)(a) of SCRA, 1956.

18. Noticees by stating their off market transfer of shares as Loan transactions in the DIS when the truth is that none of such transactions were loan transactions, have committed an act of deceit by giving false reason of Loan / return of loan in DIS

Slips for transfer of shares in order to evade or avoid regulatory compliance stipulated in Section 2(i)(a) SCRA, 1956 for off market transfer of shares.

19. For the reasons detailed above, the Noticees were alleged to have violated Reg. 4(1) of SEBI PFUTP Regulations, 2003, which is reproduced as under:

SEBI (PROHIBITION OF FRAUDULENT AND UNFAIR TRADE PRACTICES RELATING TO SECURITIES MARKET) REGULATIONS, 2003

4. Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practice in securities.

20. The aforesaid alleged violations, if established, make the Noticees liable for monetary penalty under Section 15A(a) & 15 HA of the SEBI Act.

21. In response to SCN, Noticees neither filed any reply nor attended personal hearing before undersigned. The details of the delivery of SCN and Hearing Notice (HN) to the Noticees is as follows:

Noticee Name	**SCN/HN delivered by**
Ms. Anuradha Devi	SCN served by SPAD and by email (on email address satish@asiabullsonline.com) on 14.12.2021 and HN on 05.07.2022 respectively
Mr. Karan	SCN served by SPAD and by email (on email address sk04081982@gmail.com, available161@gmail.com) on 14.12.2021 and HN on 05.07.2022 through email
Kesri Industrial Lab Pvt Ltd	SCN served by SPAD and by email (on email address abomcx@yahoo.com) on 14.12.2021 and HN on 05.07.2022 through email
Mr. Pawan Batra	SCN and HN served by email (on email address caashishjain2009@gmail.com; pkpawanbatra@gmail.com) on 02.06.2021 and 05.07.2022 respectively
Mr. Pushp Raj	SCN and HN served by email (on email address satish@asiabullsonline.com, pushpmcx@yahoo.com) on 14.12.2021 and 05.07.2022 respectively
Mr. Sachin Kumar	SCN and HN served by email (on email address poojashribalaji@gmail.com) on 14.12.2021 and 05.07.2022 respectively

Mr. Sandeep Kumar	SCN served by SPAD and by email (on email address available161@gmail.com, sk04081982@gmail.com) on 14.12.2021 and HN on 05.07.2022 through email
Mr. Shimul Mitra	SCN and HN served by email (on email address singaditiya@gmail.com) on 14.12.2021 and 05.07.2022 respectively
Mr. Uma Shankar	SCN served by SPAD and by email (on email address imu10@webmail.sphpl.com, uma1.shankar@gmail.com) on 14.12.2021 and HN on 05.07.2022 through email

22. From the details of delivery of SCN and HN as given in the table above, I note that Noticees did not submit any reply to the SCN, and did not appear for personal hearing, despite being provided with sufficient opportunity for filing the reply to the SCN and to appear for hearing. In these facts and circumstances, with respect to these Noticees, the matter can be proceeded ex-parte on the basis of material available on record in terms of Rule 4(7) of the Adjudication Rules which reads as under: -

"4(7) If any person fails, neglects or refuses to appear as required by sub-rule (3) before the Board or the adjudicating officer, the Board or the adjudicating officer may proceed with the inquiry in the absence of such person after recording the reasons for doing so."

CONSIDERATION OF ISSUES AND FINDINGS

23. The issues that arise for consideration in the instant matter are:

Issue No. I Whether the Noticees violated Section 11C(2) and 11C(3) of SEBI Act; and Reg. 4(1) of SEBI PFUTP Regulations, 2003?

Issue No. II If yes, whether the failure, on the part of the Noticees would attract monetary penalty under Section 15A(a) and 15HA of the SEBI Act?

Issue No. III If yes, what would be the monetary penalty that can be imposed upon the Noticees taking into consideration the factors stipulated in Section 15J of the SEBI Act read with Rule 5(2) of the Adjudication Rules?

Issue No. I Whether the Noticees violated Section 11C(2) and 11C(3) of SEBI Act; and Reg. 4(1) of SEBI PFUTP Regulations, 2003?

24. One of the allegations against the Noticees is that they did not respond to the summons issued and delivered to them as illustrated in the table above. In this regard, I have perused the documents available on record and note that none of the Noticees responded to the summons during investigations. Further, the Noticees have also failed to respond to SCN and HN issued to them during the instant proceedings.

25. I note that in absence of any response from the Noticees, it is presumed that they have admitted the charge of violation of provisions as alleged in the case. In this regard, it is pertinent to note that the Hon'ble SAT in the matter of *Classic Credit Ltd. vs. SEBI (Appeal No. 68 of 2003 decided on December 08, 2006)* has, inter-alia, observed that, "............ *the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show cause notice were admitted by them*". It is also pertinent to note that the Hon'ble SAT in the matter of *Sanjay Kumar Tayal & Others vs. SEBI (Appeal No. 68 of 2013 decided on February 11, 2014)*, has also, inter alia, observed that: "........... *appellants have neither filed reply to show cause notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges leveled against them in the show cause notices...*". Therefore, it can reasonably be presumed that the allegations made against them in regard to their failure of reply to summons have been admitted by the Noticees in this case. The material on record does not indicate anything to ex facie hold otherwise.

26. On the basis of documents available on records, I note that the aforesaid Noticees by not responding to summons failed to furnish bank statements/cash receipt/share bills, and other details in respect of their transactions; which would have provided SEBI, crucial and essential information for ascertaining the

compliance status of the impugned transactions with the time frame for settlement as stipulated in Section 2(i)(a) of SCRA, 1956. Failure on their part to give reply to summons impeded the investigation, as it could not be ascertained as to whether the impugned transactions were carried out in in the manner stipulated in Section 2(i)(a) of SCRA and therefore, not in contravention of the provisions of section 13, section 16 & section 18 of SCRA, 1956 read with SEBI Notification G.S.R 219 (E) dated March 2, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013.

27. In view of the above, I find that **that Noticees failed to provide information to SEBI upon receipt of summons, and thereby violated Section 11C(2) and 11C(3) of SEBI Act.**

28. The other allegation on the Noticees is that they have stated incorrect information in DIS Slips to evade regulatory compliances for transfer of shares and thereby committed an act of deceit, and thereby violated Regulation 4(1) of SEBI PFUTP Regulations. In this regard, I note that the Noticees were Source clients in the impugned transactions, and to facilitate the transfer of shares electronically, Noticees as Source Clients duly filled in and signed the DIS slips and issued to the Source DP. I also note that almost in all DIS Slips issued by the Noticees for the impugned off market transfers, the reason for transfer stated in the DIS Slips was 'Loan' or 'return of loan' or 'Against Loan". SCN states that depositories i.e. CDSL and NSDL vide emails dated June 18, 2020, and June 16, 23 and 24, 2020 respectively informed that none of the off market transactions entered by the Noticees in the scrip of DLFL were in the nature of pledge. Hence, the reason stated by Noticees in the DIS slips for the transfer of the shares was false and incorrect, and hence an act of deceit.

29. Regulation 4(1) of PFUTP Regulations states that "*no person shall indulge in a manipulative, fraudulent or an unfair trade practice in securities markets".* The issue to be examined here is whether an incorrect reason given in the DIS slip by a transferor amounts to manipulative, fraudulent or unfair trade practice.

30. In this regard, I refer judgement of Hon'ble SC in the matter of SEBI vs. Kanaiyalal Patel [CA No. 2595 of 2013] of 20.09.2017 wherein the SC held as follows:

"Market manipulation is normally regarded as an "unwarranted" interference in the operation of ordinary market forces of supply and demand and thus undermines the "integrity" and efficiency of the market."

"Broadly trade practice is unfair if the conduct undermines the ethical standards and good faith dealings between parties engaged in business transactions"

31. Based on the above, incorrect entry in DIS slip does not amount to market manipulation as by itself, it does not affect the market forces of demand and supply. A trade practice would be unfair if it is unfair to the parties involved in the transactions or otherwise affects fairness and integrity in the markets. Wrong entry for reason of sale on a DIS slip, as in this case, has not been shown to have created unfairness for the parties engaged in the transaction. It is also not demonstrated as to whether the fairness or integrity of trading in DLFL is impacted by the wrong entry in DIS slips by the Noticees.

32. As regards fraudulent trade practice, regulation 2(c) of the PFUTP Regulations defines fraud as *"any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss".* In the SC order in SEBI vs. Kanaiyalal Patel(supra), it is held that

"The emphasis in the definition in Regulation 2(c) of the 2003 Regulations is not, therefore, of whether the act, expression, omission or concealment has been committed in a deceitful manner but whether such act, expression, omission or concealment has/had the effect of inducing another person to deal in securities."

33. While the act of giving wrong reason for transfer of shares in a DIS slip may be considered to be deceitful, by itself, it has not been demonstrated as to how this

act could induce another person to deal in securities. There is no inference in the allegation that any person was induced to act in the manner that he did but for the inducement.

34. In view of the above, I find that violation of Regulation 4(1) of SEBI PFUTP Regulations, 2003 against Noticees on account of giving wrong reason for sale in DIS slip is not established.

Issue No. II If yes, whether the failure, on the part of the Noticees would attract monetary penalty under Section 15A(a) and 15HA of the SEBI Act?

Issue No. III If yes, what would be the monetary penalty that can be imposed upon the Noticees taking into consideration the factors stipulated in Section 15J of the SEBI Act read with Rule 5(2) of the Adjudication Rules?

35. As it is established that Noticees failed to provide information to SEBI upon receipt of summons, and thereby violated Section 11C(2) and 11C(3) of SEBI Act, as brought out in the foregoing paragraphs, they are liable for monetary penalty under Section 15A(a) of SEBI act which states as follows:

SEBI Act:

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,—*

(a) *to furnish any document, return or report to the Board, fails to furnish the same 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.*

36. While determining the quantum of penalty under 15A(a) of SEBI Act the following factors stipulated in Section 15J of the SEBI Act have to be given due regard:

SEBI Act

Factors to be taken into account by the adjudicating officer.

15J. *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.

37. I note that the material on record has not brought out any disproportionate gain made by the Noticees or loss caused to investors by the Noticees. I also note that while the summons were issued in 2019-20, the transactions pertain to the period 2013-14. In view of the above, taking into consideration facts and circumstances of the case and mitigating factors, I am of the view that a penalty of Rs.1,00,000/- each on Noticees under Section 15A(a) of SEBI Act will be commensurate with the violations committed by the Noticees.

ORDER

38. After taking into consideration all the facts and circumstances of the case, in exercise of the powers conferred upon me under section 15-I of the SEBI Act read with Rule 5 of the Adjudication Rules, I hereby impose the penalty of Rs.1,00,000/- (Rupees One Lakh only) under Section 15A(a) of SEBI Act for violation of Section 11C(2) and 11C(3) of SEBI Act, on each of the following Noticees - Ms. Anuradha Devi (“**Noticee 1”),** Mr. Karan **("Noticee 2”),** Kesri Industrial Lab Pvt Ltd **(“Noticee 3”),** Mr. Pawan Batra **("Noticee 4”),** Mr. Pushp Raj **(“Noticee 5”),** Mr. Sachin Kumar **(“Noticee 6”)** Mr. Sandeep Kumar (“**Noticee 7”),** Mr. Shimul Mitra **("Noticee 8”),** and Mr. Uma Shankar **(“Noticee 9”).**

39. 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 favour 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

40. The Noticee shall forward said Demand Draft or the details / confirmation of penalty so paid to the Enforcement Department –Division of Regulatory Action – IV of SEBI. The Noticee shall provide the following details while forwarding DD/ payment information:

    a) Name and PAN of the entity (Noticee)
    b) Name of the case / matter
    c) Purpose of Payment –Payment of penalty under AO proceedings
    d) Bank Name and Account Number
    e) Transaction Number

41. Copy of this Adjudication Order is being sent to the Noticee and also to SEBI in terms of Rule 6 of the Adjudication Rules.

DATE: October 18, 2022
PLACE: MUMBAI

MANINDER CHEEMA
ADJUDICATING OFFICER