SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. Order/SP/RK/2022-23/19235-19238]

UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5 OF SECURITIES AND EXCHANGE BOARD OF INDIA (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 1995.

In respect of

Noticee No.	Name of the Noticee
1.	**Unity Commotrade Private Limited (PAN: AABCU1629D)**
2.	**Genuine Tradecom Private Limited (PAN: AADCG4308B)**
3.	**Om Prakash Agarwal (PAN: ACQPA9894A)**
4.	**Sanjay Kumar Agarwal (PAN: ACHPA1285G)**

In the matter of Gokul Solutions Limited

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**'), initiated adjudication proceedings under section 15A(b) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the '**SEBI Act**') against Unity Commotrade Private Limited (hereinafter referred to as '**Noticee No. 1**'), Genuine Tradecom Private

Limited (hereinafter referred to as **'Noticee No. 2'**), Om Prakash Agarwal (hereinafter referred to as **'Noticee No. 3'**) and Sanjay Kumar Agarwal (hereinafter referred to as **'Noticee No. 4'**)*{ the Noticee Nos. 1 to 4 collectively (hereinafter referred to as 'Noticees'}*. for the alleged violations of the relevant provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as **'PIT Regulations, 1992'**) and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as **'SAST Regulations, 2011'**) alleged to have been committed with respect to the shares of Gokul Solutions Limited (hereinafter referred to as **'Gokul/Company'**).

APPOINTMENT OF ADJUDICATING OFFICER

2. The undersigned was appointed as Adjudicating Officer (hereinafter referred to as **'AO'**) *vide* communique dated August 20, 2021 under section 19 of the SEBI Act read with sub-section (1) of section 15-I of the SEBI Act and rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as **'SEBI Penalty Rules'**) to inquire into and adjudge under Section 15A(b) of the SEBI Act, the aforesaid alleged violations against the Noticees.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. A common Show Cause Notice dated October 28, 2021 (hereinafter referred to as **'SCN'**), was served upon the Noticees in terms of rule 4 of the SEBI Penalty Rules to show cause as to why an inquiry should not be held and penalty not be imposed against them in terms of Section 15A(b) of the SEBI Act for the aforesaid alleged violations committed by them.

4. The facts stated and allegations levelled against the Noticees in the SCN are summarized as under:

(i) SEBI carried out an investigation with respect to trading in the scrip of Gokul for the period December 09, 2014 to February 23, 2018 ('**investigation period**' or '**IP**') to ascertain whether any violation of securities laws had taken place during the said period.

(ii) Noticee No. 1 who was a promoter of Gokul transferred 2 lakh shares of Gokul on December 12, 2014. Similarly, Noticee No. 2, another promoter of Gokul, transferred 1,70,000 shares and 1,50,000 shares of Gokul on December 12, 2014 and March 23, 2015, respectively. The said transactions were off-market transactions. Pursuant to the said transactions, Noticee No. 1 was required to file disclosures to the stock exchange and to Gokul under regulation 13(4A) read with regulation 13(5) of PIT Regulations, 1992 on or before December 16, 2014. Likewise, Noticee No. 2 was required to file disclosures to the stock exchange and to Gokul under regulation 13(4A) read with regulation 13(5) of the PIT Regulations, 1992 on or before December 16, 2014 and March 25, 2015, respectively. The said Noticees failed to make the requisite disclosures under PIT Regulations, 1992.

(iii) It was, therefore, alleged that Noticee No. 1 and Noticee No. 2 have violated the provisions of regulation 13(4A) read with regulation 13(5) of the PIT Regulations, 1992.

(iv) Noticee No. 1 and Noticee No. 2 along with two other promoters of Gokul, Noticee No. 3 and Noticee No. 4 were deemed as *'Persons Acting in Concert'* (PAC) in terms of regulation 2(1)(q)(2)(iv) of SAST Regulations, 2011. As per the information memorandum of Gokul, Noticee No. 4 was having control over Noticee No. 1 and Noticee No. 2. These deemed PACs together were holding 33,10,000 shares constituting 31.98% of shares of Gokul as on November 28, 2014. On December 12, 2014, their shareholding decreased to 29,40,000 i.e. 28.40% shares of Gokul, a change of 3.58% in the holdings. As per the provisions of regulation 29(2) read with regulation

29(3) of SAST Regulations, 2011, the Noticees were required to file disclosures with respect to change of more than 2 % in their shareholding. The Noticees failed to make the said requisite disclosures to the stock exchange. Therefore, it was alleged that Noticees have violated provisions of regulations 29 (2) read with 29 (3) of SAST Regulations, 2011.

(v) The alleged violations, if established, make the Noticees liable for monetary penalty under Section 15A (b) of the SEBI Act.

5. In response to the SCN, the Noticee No. 1 and Noticee No. 2 filed their replies vide letters dated April 16, 2022 and Noticee No. 4 filed his reply *vide* letter dated April 18, 2022. Further, Noticee No. 4 vide letter dated February 10, 2022 informed that, Noticee No. 3 has since passed away on December 17, 2020. The contentions/submissions of the Noticees are summarized as under:-

   i. That the alleged trades for which violations of regulations occurred in December 2014 to March 2015 and the SCN was issued in October 2021 i.e. after the period of 7 years from the alleged violation. Therefore, it is difficult to collate all the information pertaining to the alleged transfer of shares for the Noticees, as there is inordinate delay in issuance of SCN.
   ii. That all the documents including the investigation report and all the relevant documents pertaining to the investigation was not provided to the Noticees along with the SCN. Therefore, it is a violation of principles of natural justice qua the Noticees.
   iii. That certain other entities which were part of investigation in the matter of Gokul were issued administrative warning in spite of serious allegations of violations of provisions of SEBI (Prohibition of Unfair Trade Practices) Regulations, 2003 **(PFUTP Regulations, 2003)**. Comparing to them, the allegations of violations of

disclosure related provisions of PIT Regulations, 1992 and SAST Regulations, 2011 are less serious and hence deserves to be dealt leniently and maximum of administrative warning should have been issued against the Noticees as well.

iv. That the transactions for alleged violations took place during December 2014 through March 2015 and the information on holdings of the promotors was available on the website of the stock exchanges and hence was known to investors at large. Hence, the allegation that the information was not known to public at large is not correct.

v. That the alleged violations of disclosure norms did not hamper the interests of public shareholders of Gokul.

vi. That there are no investors' complaints received pertaining to the transactions for which the allegations of violation of PIT Regulations, 1992 and SAST Regulations, 2011 is made.

vii. That there are no other allegations qua the Noticees apart from the alleged disclosure violations in the relevant period.

viii. That Noticee No. 4 had not made any transaction in the scrip of Gokul during the relevant period hence Noticee No. 4 is not liable to make disclosure under the relevant provisions of SAST Regulations, 2011.

6. An opportunity of personal hearing was granted to Noticee Nos. 1 and 2 on April 20, 2022 and to Noticee No. 4 on April 28, 2022. The hearing was scheduled through video conferencing on Cisco WebEx platform. On the scheduled date of the hearing, the Authorized Representative/s (AR) of the Noticees appeared and made submissions. During the course of personal hearing, AR of the Noticee Nos. 1 and 2 requested for additional time to file post hearing submissions and accordingly, time till May 17, 2022 was granted to Noticee Nos. 1 and 2 to make additional submissions, and accordingly the Noticee No. 1 and Noticee No. 2 filed the post-hearing written submissions vide email/letter dated May

16, 2022 wherein the submissions made vide letter dated April 18, 2022 and oral submissions made during personal hearing were reiterated.

CONSIDERATION OF ISSUES AND FINDINGS

7. Taking into consideration the facts and material available on record, I note that the issues that arise for consideration in the instant matter are:

   I. *Whether the Notices have violated the provisions of regulations 13 (4A) read with 13 (5) of PIT Regulations, 1992 and regulation 29 (2) read with 29 (3) of SAST Regulations, 2011?*

   II. *Do the violations, if any, attract monetary penalty under Section 15A(b) of the SEBI Act?*

   III. *If the answer to Issue No. II above is in affirmative, then what should be the quantum of monetary penalty?*

I. Whether the Noticees have violated the provisions of regulations 13 (4A) read with 13 (5) of PIT Regulations, 1992 and regulation 29 (2) read with 29 (3) of SAST Regulations, 2011?

8. Before moving forward, it is pertinent to refer to the relevant provisions of the PIT Regulations, 1992 and the SAST Regulations, 2011 alleged to have been violated by the Noticee. The said provisions are reproduced hereunder:

PIT Regulations, 1992

Reg. 13 (1)………

Continual disclosure.

...

(4A) Any person who is a promoter or part of promoter group of a listed company, shall disclose to the company and the stock exchange where the securities are listed in Form D, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings of such person from the last disclosure made under Listing Agreement or under sub-regulation (2A) or under this sub-regulation, and the change exceeds Rs. 5 lakh in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower.

(5) The disclosure mentioned in sub-regulations (3), (4) and (4A) shall be made within two working days of :

(a) the receipts of intimation of allotment of shares, or

(b) the acquisition or sale of shares or voting rights, as the case may be.

SAST Regulations, 2011

Disclosure of acquisition and disposal.

29.(1) ...

(2) Any person, who together with persons acting in concert with him, holds shares or voting rights entitling them to five per cent or more of the shares or voting rights in a target company, shall disclose the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below five per cent, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds two per cent of total shareholding or voting rights in the target company, in such form as may be specified.

(3) The disclosures required under sub-regulation (1) and sub-regulation (2) shall be made within two working days of the receipt of intimation of allotment of shares, or the acquisition [or the disposal] of shares or voting rights in the target company to,—

(a) every stock exchange where the shares of the target company are listed; and

(b) the target company at its registered office.

9. Before moving forward on to the merits of the case, I would like to deal with the letter dated February 10, 2022 received from Noticee no. 4 (son of the Noticee No. 3) intimating that Noticee No. 3 i.e, Om Prakash Agarwal had passed away on December 17, 2020. Copy of Death Certificate to this effect had been produced along with the said letter. In this regard, I note the Hon'ble Supreme Court in the Order dated July 29, 2015 in the matter of Shabina Abraham & Ors. vs Collector of Central Excise & Customs, held that, in case of personal actions, the right to sue will not survive to or against the representatives of deceased person. In the present case, I note from the copy of the Death Certificate that Noticee No. 3 had passed away on December 17, 2020. Thus, the Noticee No. 3 had passed away even before initiation of the instant adjudication proceedings against him. Therefore, relying on the aforementioned Order of Hon'ble Supreme Court, I am of the view that the adjudication proceedings initiated against Noticee No. 3 will not survive and are liable to be abated without going into the merits of the case. Consequently, the Adjudication Proceedings qua Noticee No. 3. shall stand abated.

10. Now, I shall deal with the preliminary issues raised by the Noticees which are as under:

10.1 The Noticees have contended that the SCN has been issued after a period of 7 years from the date of transactions executed by the Noticees and hence is bad in law. I note that the Noticees have placed reliance on multiple Orders passed by Hon'ble Securities Appellate Tribunal (SAT) and Hon'ble Supreme Court (SC) and have contended that the said appeals were allowed on the ground of inordinate delay and latches. I have considered the said cases cited by Noticees *viz Ashok Shivpal Rupani and others vs SEBI, Rakesh Kathotia and Ors vs SEBI, Governement of India vs Citedal Fine Pharmaceuticals & Ors and Shriram Insight Sharebrokers Limited vs SEBI* etc., and I am of the view that the said cases are factually distinguishable from the facts and circumstances of the instant case. I note that in the instant case the investigation period was a longer one i.e, from December 2014 to February 2018 because of the peculiar facts of the case. The investigation was completed on June 24, 2021. The appointment of AO was communicated vide order dated August 20, 2021 post which the SCN was issued on October 28, 2021.

10.2 I note that, Hon'ble SAT in the past has held that the reasonable period would depend on the facts and circumstances of each case and that no hard and fast rule can be laid down in this regard. In this regard, it is pertinent to refer to the Hon'ble SAT order in the matter of Girraj Kumar Gupta HUF vs. SEBI (Misc. Application No. 516 of 2019 and Appeal No. 424 of 2019 decided on August 11, 2021), wherein the appellants *inter alia* challenged the SEBI order on the ground of inordinate delay in the issuance of the show cause notice. However, Hon'ble SAT, while not accepting the contention of the appellants, held that "*.........the contention of the appellants that there was inordinate delay in the initiation of the proceedings is erroneous. We find that the investigation started in the year 2015 which involved examining several entities in the order logs, trade logs, off market transactions and gathering evidence from the Stock Exchange. The show cause notice was issued in the October, 2017 and accordingly we find that there is no inordinate delay in the initiation of the proceedings. The contention raised is, thus, erroneous and cannot be accepted.*" This observation of Hon'ble SAT is squarely applicable to the instant matter. Because of the peculiar facts involved in the matter, the period for investigation was taken from December 2014 to February, 2018 and the Investigation Authority had to examine several entities, the logs of trades, off-market transactions, bank statements and fund transfers etc., for a longer period. Still, the investigation in the case was concluded in a time bound manner and the competent authority approved the finding of investigations in 2021 wherein *inter alia* proceedings under sections 11(1), 11(4) and 11(B) of the SEBI Act and adjudication proceedings under sections 15A(a), 15HA and 15HB of the SEBI Act and section 23E of the Securities Contract Regulation Act, 1956 against various other entities have also been approved along with the instant proceedings against the Noticees. Therefore, I am not inclined to agree with the contention of the Noticees that there was inordinate delay in issuance of SCN from the date of alleged violations.

10.3 Another preliminary issue raised by the Noticees is that all the documents including the investigation report and all the relevant documents pertaining to the investigation was not provided to the Noticees along with the SCN and therefore, it is a violation of principles of natural justice. In this regard, I note that, all the supporting documents based on which the allegations were made against the Noticees were provided in the SCN itself. In addition, I note that, an opportunity of inspection of documents was provided to Noticee No. 4 on February 21, 2022 and a copy of the investigation report along with the annexures thereof were provided to AR of the Noticee No. 1 and Noticee No. 2 on April 21, 2022 and to Noticee No. 4 on April 12, 2022. Therefore, the contentions of the Noticees that, the principles of natural justice was not followed cannot be agreed to.

10.4 The Noticees have further contended that, certain other entities who were also involved in the instant investigation were issued with administrative warning in spite of serious allegations of violations of provisions of PFUTP Regulations, 2003 and that the allegation of violations of disclosure related provisions of PIT Regulations, 1992 and SAST Regulations, 2011 are less serious in comparison to that of allegations of violations of PFUTP Regulations, 2003 and hence the Noticees be given a lenient treatment and maximum of administrative warning should be issued against the Noticees. In this regard, I note that, the fact that, the investigating authority has taken a lenient view with regard to certain entities in the matter does not by itself mean that, other violations should be accorded similar treatment by the AO. Also, I note that, the allegation of violations on the Noticees and the certain other entities as stated by the Noticees in their reply are not the same, and therefore, are not comparable.

11. Now I deal with the issues on merits.

11.1 From the material available on record, I note that, the Noticee No. 1 had transferred 2 lakh shares of Gokul on December 12, 2014 and Noticee No. 2 transferred 1,70,000 shares and 1,50,000 shares on December 12, 2014 and March 23, 2015 respectively through off-market transfers. Pursuant to the said transactions, Noticee No. 1 was required to file disclosures to the stock exchange and to Gokul on or before December 16, 2014 and Noticee No. 2 was required to file the disclosure to the stock exchange and to Gokul on or before December 16, 2014 and March 25, 2015, respectively under the provisions of regulation 13 (4A) read with regulation 13 (5) of PIT Regulations, 1992. I note that the Noticees have not made the necessary disclosures.

11.2 I also note that, Noticee No. 1 and Noticee No. 2 along with two other promoters of Gokul i.e., Noticee No. 3 and Noticee No. 4 were deemed PACs under regulation 2(1)(q)(2)(iv) of SAST Regulations, 2011. These deemed PACs together were holding 33,10,000 shares constituting 31.98% of shares of Gokul as on November 28, 2014. On December 12, 2014, their shareholding decreased to 29,40,000 i.e. 28.40% shares of Gokul, a change of 3.58% in the holdings. As per the provisions of Regulation 29(2) read with Regulation 29(3) of SAST Regulations, 2011, the Noticees were required to file disclosures with respect to change of more than 2 % in their shareholding. I note that the Noticees have failed to make the aforesaid disclosures to the stock exchange.

11.3 With respect to the allegation of violation of the provisions of Regulations 29 (2) read with (3) of SAST Regulations, I note that Noticee No. 4 has contended that he had not traded in the shares of Gokul during the relevant time, hence, he has not violated the said regulations. In support of his contention, Noticee No. 4 has placed reliance on the order dated January 11, 2012 of Hon'ble SAT in the matter of Indra Gulati v. SEBI and O. P. Gulati v. SEBI.

11.4 In this regard, I note that, in terms of Regulation 2(q)(2)(iv) of SAST Regulations, 2011, a promoter is deemed to be a person acting in concert unless the contrary is proved. The relevant provision of definition of 'persons acting in concert' is as under:

"2(q). Persons acting in concert means,-

> *(1) Persons who, with a common objective or purpose of acquisition of shares or voting rights in, or exercising control over a target company, pursuant to an agreement or understanding, formal or informal, directly or indirectly co-operate for acquisition of shares or voting rights in, or exercise of control over the target the target company.*
>
> *(2) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be persons acting on concert with other persons within the same category, unless the contrary is established, -*
>
> ....
>
> ....
>
> *(iv) promoters and members of the promoter group;*
>
> ....

(s) 'promoter' has the same meaning as in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and includes a member of the promoter group."

11.5 Thus, a reading of the above definition of PAC as contained in SAST, 2011, would show that a promoter would be deemed to be a person acting in concert unless otherwise proved. Accordingly, Noticee Nos. I, 2, 3 and 4, who were promoters of Gokul and were deemed as PACs in terms of the above provision at the relevant point in time. Further, as per the Information Memorandum of Gokul, Noticee. 4 was having control over Noticee Nos. 1 and 2.

11.6 With respect to the cases cited by the Noticees, I note that the said cases were based on the SAST Regulations 1997 wherein the deeming fiction of promoter being acting in concert was not present. In this regard, I would like to place reliance on the Hon'ble SAT order in the matter of Trishla Jain and ors., vs SEBI in Appeal No. 457 of 2020 decided on 18.07.2022 wherein SAT held that "*....13. The case of Daiichi Sankyo Co. Ltd (supra) was based on the SAST Regulations, 1997 wherein the deeming provision of promoter being an acting in concert was not present. The Hon'ble Supreme Court, therefore, held that in each and every case a promoter simpliciter need not be an acquirer and person acting in concert automatically..........The reading of the present definition of the person acting concert in SAST Regulations, 2011 would show that a promoter would be deemed to be a person acting in concert unless otherwise proved. Thus, a presumption would arise against the promoter that he was a person acting in concert when other promoters traded in the shares of the company. On facts, however, the said promoters can successfully show that his objective was not in concert with other promoters...*". In the instant matter, I note that there is nothing on record to show that the Noticees were not promoters. Further, as Noticee No. 4 has not produced any material to rebut the said presumption, the contention of Noticee No. 4 in this regard is not acceptable.

12. Another contention of the Noticees that the information on holdings of the promoters was available on the website of the stock exchanges and hence was known to investors at large. In this regard, I note that, securities market functions on the basis of proactive disclosure regime and therefore, it is extremely important that, the participants in the securities market follow the norms related to timely disclosures as envisaged in relevant provisions of PIT Regulations, 1992 and SAST Regulations, 2011. Further, I note that, the quarterly shareholding pattern filed by the company and the mandated disclosures under PIT Regulations and SAST Regulations have distinct purposes. I note that, time is of essence in cases of disclosure and if the mandated disclosures were not made in stipulated time, it would impact the decision making of the investors. With respect to the importance of disclosures to be made Hon'ble SAT, in the matter of Ankur Chaturvedi vs. SEBI, observed that "*.......as rightly pointed out by the adjudicating officer the entire securities market stands on disclosure based regime and accurate and timely disclosures are fundamental in maintaining the integrity of the securities market. Therefore, omission on the part of the appellant in failing to make disclosures was detrimental to the interest of the investors in the securities market and hence no fault can be found with the decision of SEBI in imposing penalty...*". Therefore, I am not inclined to agree to the contention of the Noticees that, since quarterly shareholding pattern was filed by the company, the Noticees violation may be viewed leniently.

13. In view of the above discussion, I find that the Noticee No. 1 and Noticee No. 2 have violated the provisions of regulation 13(4A) read with regulation 13(5) of PIT Regulations, 1992 and Noticee No. 1, Noticee No. 2 and Noticee No. 4 have violated

the provisions of regulation 29 (2) read with regulation 29 (3) of SAST Regulations, 2011

II. Does the violation, if any, attract monetary penalty under section 15A (b) of the SEBI Act?

14. I note that the SC in the case of The Chairman, SEBI vs. Shriram Mutual Fund and Ors., decided on May 23, 2006, has held that "*In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the Regulations is established.*"

15. In view of the facts and circumstances of the matter as discussed above, I note that the Noticee No. 1 and Noticee No. 2 have violated the provisions of regulations 13 (4A) read with regulation 13 (5) of PIT Regulations, 1992 and Noticee No. 1, Noticee No. 2 and Noticee No. 4 have violated provisions of regulation 29 (2) read with regulation 29 (3) of SAST Regulations, 2011, and hence, I am of the view that a monetary penalty needs to be imposed upon the Noticees under section 15A(b) of the SEBI Act, which reads as under:

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)…….

(b) to file any return or furnish any information, books or other documents within the time specified therefor in the regulations, fails to file return or furnish the same within the time specified therefor in the regulations, 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".

III. If the answer to Issue no. II is in affirmative, then what should be the quantum of monetary penalty?

16. While determining the quantum of monetary penalty under section 15A(b) of the SEBI Act, I have considered the factors stipulated in section 15J of the SEBI Act, which reads as under:

"Factors to be taken into account while adjudging quantum of penalty

While adjudging quantum of penalty under 15-I or section 11 or section 11B, the Board or 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.

Explanation: For the removal of doubts, it is clarified that the power to adjudge the quantum of penalty under sections 15A to 15E, clauses (b) and (c) of section 15F, 15G, 15H and 15HA shall be and shall always be deemed to have been exercised under the provisions of this section".

17. In the instant case, it is not possible from the material on record to quantify the amount of disproportionate gain or unfair advantage resulting from the failure of the Noticees in submitting timely disclosures or the consequent loss caused to investors as a result of

the aforesaid default. It is noted that, Noticee No. 2 has violated the provisions of PIT Regulations, 1992 twice during the investigation period and therefore, default committed by Noticee No. 2 is considered as repetitive in nature.

ORDER

18. After taking into consideration the nature and gravity of the violations established in the preceding paragraphs, in exercise of the powers conferred upon me under section 15-I of the SEBI Act read with rule 5 of the SEBI Penalty Rules, I hereby impose a penalty of Rs 1,00,000/- (Rupees one lakh only) each on the Noticee No. 1, Unity Commotrade Pvt. Ltd. and Noticee No. 2 Genuine Tradecom Pvt Ltd., for violation of regulation 13(4A) read with Regulation 13 (5) of PIT Regulations, 1992 under section 15A(b) of the SEBI Act. I also impose a penalty of Rs. 2,00,000/- (Rupees Two Lakh Only) on Noticee No. 1 Unity Commotrade Pvt Ltd, Noticee No. 2 Genuine Tradecom Pvt. Ltd. and Noticee No. 4 Mr. Sanjay Kumar Agrawal which shall be paid jointly and severally for violation of regulation 29(2) read with regulation 29 (3) of SAST Regulations, 2011 under section 15A(b) of the SEBI Act. I am of the view that the penalty imposed on the Noticees is commensurate with the violation committed by the Noticees. As discussed in Paragraph 9 of this order, the instant Adjudication Proceedings qua Noticee No. 3 shall stand abated.

19. 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.** In case of any difficulties in payment of penalties, Noticee may contact the support at portalhelp@sebi.gov.in.

20. The Noticees shall forward the said demand draft or the details / confirmation of penalty so paid through e-payment, to the Division Chief, Enforcement Department-I, Division of Regulatory Action-4 (EFD-1 – DRA-4) SEBI Bhavan II, Plot No. 7,'G' Block, Bandra Kurla Complex, Mumbai -400051 and also send an email to tad@sebi.gov.in with the following details:

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

21. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, SEBI may initiate consequential actions including but not limited to recovery proceedings under section 28A of the SEBI Act for realization of the said amount of penalty along with interest thereon, inter alia, by attachment and sale of movable and immovable properties of Noticees.

22. In terms of rule 6 of the SEBI Penalty Rules, copies of this order are sent to the Noticees and SEBI.

DATE: September 12, 2022
PLACE: MUMBAI

SAKKEENA PV
ADJUDICATING OFFICER