BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. Order/NS/AK/2022-23/15819]

UNDER SECTION 15-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:

Ms. PRANITA KAYAN, [PAN: AULPK6465A] (PRANITA KANORIA)

C/o Ashok Kumar Kayan

3rd Floor, Room No. 319,

1, R.N.Mukherjee Road,

Kolkata-700001

In the matter of dealings in Illiquid Stock Options on BSE

BACKGROUND OF THE CASE

1. The Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") observed large-scale reversal of trades in stock options segment of Bombay Stock Exchange Ltd. (hereinafter referred to as "**BSE**"). SEBI observed that such large-scale reversal of trades in stock options lead to creation of artificial volume at BSE. In view of the same, SEBI conducted an investigation into the trading activities of certain entities in illiquid stock options at BSE for the period April 01, 2014 to September 30, 2015 (hereinafter referred to as "**Investigation Period**").

2. Pursuant to investigation, it was observed during the investigation period, certain entities were involved in reversal trades in BSE's Stock Options Segment. A total of 2,91,744 trades comprising 81.41% of all the trades executed in BSE Stock Options Segment reversal trades, which involved squaring off transactions (i.e. buy and sell positions) by the same set of counterparties in a contract, 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 in otherwise illiquid option contracts.

3. It was observed that Ms. **PRANITA KAYAN[1], [PAN: AULPK6465A] (PRANITA KANORIA)** (hereinafter referred to as the "**Noticee**") was one of the various entities who indulged in execution of reversal trades in stock options segment of BSE during the investigation period. Such trades were observed to be non-genuine in nature and created false or misleading appearance of trading in terms of artificial volumes in illiquid stock options and therefore were alleged to be manipulative, deceptive in nature. In view of the same, SEBI initiated adjudication proceedings against the Noticee for violation of the provisions of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations, 2003**").

APPOINTMENT OF ADJUDICATING OFFICER

4. SEBI initiated adjudication proceedings and appointed the undersigned as Adjudicating Officer under section 15-I of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act**") read with rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "**Adjudication Rules**") vide order dated July 06, 2021 to inquire into and adjudge under section 15HA of the SEBI Act against the Noticee for the alleged violation of the aforesaid provisions of PFUTP Regulations, 2003.

SHOW CAUSE NOTICE, REPLY AND HEARING

5. A Show Cause Notice (hereinafter referred to as "**SCN**") bearing ref. no.: SEBI/HO/OW/2021/26693/1 dated October 01, 2021 was issued to the Noticee under Rule 4(1) of the Adjudication Rules to show cause as to why an inquiry should not be initiated against the noticee and why penalty should not be imposed under Section 15HA of the SEBI Act, 1992 for the violations alleged to have been committed by Noticee.

6. The SCN issued to the Noticee, inter alia, mentioned / alleged the following: "….

    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*

[1] SCN was issued in the name of Ms Pranita Kanoria, however, as intimated by the Noticee, post marriage, her name has changed to Ms. Pranita Kayan.

generation of alleged artificial volume of 1,12,000 units. These trades of the Noticee involved reversal with the same counterparty on the same day, but at different prices.
…

7. *A summary of dealings of Noticee in the Stock Options contract in which the Noticee allegedly executed reversal trades during the investigation period, is as follows:-*

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 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.	*DISH15APR60.00CEW1*	*10.80*	*56,000*	*17.90*	*56,000*	*100*	*6.80*

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 Noticee in one contract viz, DISH15APR60.00CEW1", during the investigation period, as follows:-*

(a) *During the investigation period, 2 trades for 1,12,000 units were executed by the Noticee in the said contract on March 24, 2015.*

(b) *While dealing in the said contract on March 24, 2015, at 14:51:54 hrs the Noticee entered into a buy trade with counterparty Brijbhumi Dealer Private Limited for 56,000 units at Rs 10.80 per unit. At 15:05:04 hrs the Noticee entered into a sell trade with the same counterparty, for 56,000 units at Rs 17.90 per unit.*

(c) *The Noticee's two trades while dealing in the abovesaid contract during the investigation period allegedly generated artificial volume of 1,12,000 units, which made up 6.80 % of total market volume in the said contract during this period.*

9. *In view of the foregoing, it is alleged that 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 Regulation 3(a),(b),(c),(d), 4(1), 4(2)(a) of PFUTP Regulations, 2003.…"*

7. The SCN dated October 01, 2021 was served on the Noticee via Registered Post Acknowledgement Due (RPAD) and via email dated October 04, 2021. The Noticee, vide letter dated October 04, 2021 and vide email dated October 05, 2021, sent by its representative, acknowledged the receipt of SCN and submitted its reply to the SCN.

8. In terms of adjudication rules, vide hearing notice no. SEBI/HO/OW/2021/28877/1 dated October 18, 2021, the Noticee was granted an opportunity of personal hearing on November 10, 2021, scheduled to be conducted online through Cisco WebEx platform. Vide email dated October 20, 2021, the Noticee confirmed its attendance in the aforesaid hearing. On the stipulated date of hearing, Shri Harshvardhan Kayan, the Authorized Representative (hereinafter referred to as, "**AR**") of the Noticee, appeared before the Adjudicating Officer. During the course of the hearing, the AR reiterated the submissions made by the Noticee in the original submission and presented certain new facts, which post hearing were submitted in writing. The post hearing submission made by the AR was received on November 11, 2021, through email, and November 15, 2021, through post.

9. The main contentions of the Noticee, as submitted by him in its written submissions and during the personal hearing, are as follows:

   9.1 The Noticee denies the allegations and observations made in the Show Cause Notice, stating that the allegations are bizarre and baseless.

   9.2 The Noticee has questioned how a single trade could result in multiple violations that are unfair and fraudulent in nature, without any cohesive evidence or proof for the same.

   9.3 The Noticee stated, "*We believe that we have been unfairly considered under a broad classification without any merit to the facts of our trade and its specific nature*".

   9.4 In respect of the trades under question, the Noticee submitted as under:

      a. As per the chart attached in the reply, the trade is in line with market fundamentals of DISH TV and technical price movement. Further, the prices can be corroborated through prices from NSE or through Black Scholes Option Pricing Model.

      b. Since most traders are unaware of option pricing, they were trading at irrational prices on the screen. The noticee was the price taker and not price maker and an 18 Rs Option being offered at Rs 10.8 offered a smart arbitrage opportunity.

c. An arbitrage opportunity was captured on BSE, within the certain investigation period, does not mean it is any different from a regular arbitrage trading.

d. A single trade of round trip nature has been executed and the price movement is Rs 17.9 to Rs 10.8 for the option that is very acceptable and rather normal for an option contract.

e. The difference between the buy and sell trades was approximately 15 minutes, implying that the seller had to square with the noticee and the trade wasn't fabricated/ artificial/ pre-arranged. Further, sellers face huge margin shortfall penalties if they do not square off their position and logically after 15 minutes the seller had to square with us at market prices closer to market closing time.

f. There are perhaps 1000s of tradable securities with only a handful of traders active in each security; thus, reversal is possible with an unrelated party.

g. The trades under question constitute a small percentage of trade in one scrip DISH TV and in a Single CALL contract, thus, labelling it as unfair trade practice, when no other participants were affected is not correct.

9.5 The Noticee in its defence further submitted that *"None of the ingredients of the PFUTP regulations are attracted in the present case essentially because*

a. The trades were executed on the floor of a premier exchange bound by risk management systems and with full compliance within all rules and regulations of the exchange

b. At no point was there any warning concerning the scrip traded by the noticee.

c. The observations regarding the scrip being illiquid is incorrect. The Noticee has traded in total 112,000 shares and constituted only 6.80% of the day's volume in a mid-cap scrip.

d. The trades were done in the normal course of business with cross-verifiable prices from the NSE.

e. None of the trades is deceptive in nature or has any impact on investors or their investing decisions that does not fit into the definition of fraud.

f. *There is no nexus directly or indirectly with the counter party.*

g. *SEBI and BSE have themselves permitted and opened various illiquid and out of the money options for trading and it is natural for investors to attempt to exploit any mispricing in the same."*

9.6 The Noticee submits that it had put many order entries after seeing the price action on this scrip and the same has not been captured in the data. The trade data therefore seems myopic, as it does not account the effort of the trader to capture such an arbitrage. The order entry and unfulfilled order log can be obtained with BSE and through this larger data set, the trading pattern of the noticee can be understood better.

CONSIDERATION OF ISSUES AND FINDINGS

10. I have taken into consideration the facts and circumstances of the case, the material/documents made available on record and the submissions of the Noticee. The issues that arise for consideration in the instant case are:

10.1 Whether the Noticee has violated provisions of regulations 3(a), (b), (c), (d), and 4(1) and 4(2) (a) of PFUTP Regulations, 2003?

10.2 Does the violation, if any, attract monetary penalty under section 15HA of the SEBI Act, 1992?

10.3 If so, what would be the quantum of monetary penalty that can be imposed on the Noticee after taking into consideration the factors mentioned in section 15J of the SEBI Act, 1992?

FINDINGS

11. ***ISSUE I: Whether the Noticee has violated the provisions of Regulations 3 (a), 3(b), 3(c), 3(d), and 4(1) and 4(2) (a) of PFUTP Regulations?***

Before proceeding further, I would like to refer to the relevant provisions of the PFUTP Regulations, 2003 as below:

"3. Prohibition of certain dealings in securities

No person shall directly or indirectly—

(a) *buy, sell or otherwise deal in securities in a fraudulent manner;*

(b) *use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;*

(c) *employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;*

(d) *engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.*

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.*

(2) *Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely:—*

(a) *indulging in an act which creates false or misleading appearance of trading in the securities market;****"***

11.1 It has been alleged that the Noticee had indulged in execution of reversal of trades in Stock Options with same entity on the same day. Such trades are non-genuine in nature and have created false or misleading appearance of trading in terms of artificial volume in stock options and therefore alleged to be manipulative, deceptive in nature.

11.2 I note that reversal trades have been considered as those trades in which an entity reverses its buy or sell positions in a contract with subsequent sell or buy positions with the same counterparty during the same day. The said reversal trades are non-genuine trades as they are not executed in normal course of trading, lacks basic trading rationale, and lead to false or misleading appearance of trading in terms of generation of artificial volume, hence are deceptive and manipulative. Artificial volume is the volume (no. of units) reversed in both legs of said reversal trades while keeping out the volume, if any, which is not reversed.

11.3 I shall now proceed to deal with the transactions executed by Noticee in the alleged non-genuine trades:

a. I note that while dealing in the contract of 'DISH15APR60.00CEW1' on March 24, 2015, the Noticee engaged in reversal trades (altogether two trades, one on the buy side and another on the sell side), which led to generation of alleged artificial volume of 1,12,000 units (buy side + sell side). These trades of the Noticee involved reversal with the same counterparty within 15 minutes, but at significantly different price.

b. At 14:51:54.185267 hrs, the Noticee placed a buy order for 56,000 units @ Rs.10.80 per unit. The buy order of the Noticee was executed instantly at 14:51:54.185267 hrs against sell order placed by one 'BRIJBHUMI DEALER PRIVATE LIMITED' at 14:51:54.098283 hrs at the same rate and for same quantity. Within 15 minutes, at 15:05:04.185120 hrs, the Noticee placed a sell order for 56,000 units @ Rs.17.90 per unit, which got executed against the buy order from the same counterparty 'BRIJBHUMI DEALER PRIVATE LIMITED' placed in less than one second time difference at 15:05:04.456805 hrs at the same rate and for equal quantity.

c. The order time, order type and order price were matched by both the parties for both legs of the reversal trade.

d. Trades executed by the Noticee in above contracts had significant difference in buy rates and sell rates considering that the trade/ position was reversed within few minutes.

e. The Noticee's trades generated artificial volume of 1,12,000 units, (buy side + sell side) which made up 100% of total market volume generated by noticee in the said contract on that day.

f. Overall, the Noticee's trades contributed to 6.80% of volume in the said contract.

11.4 The buying of illiquid stock options by the Noticee and subsequent reversal trade with the same counterparty for the same quantity, within a short span of time with a significant difference in buy and sell value of stock options, where order time, order price and order type were matched by both the parties for both legs of the reversal trade, in itself, exhibits abnormal market behaviour and defies economic rationality. I note from the above trading pattern, that the Noticee has deliberately misused the trading platform for creating artificial volume in the illiquid stock options.

11.5 The fact that the orders of the Noticee and the counterparty matched with such precision (considering that there was a perfect match of price, quantity, order type and very close proximity of time) indicates a prior meeting of minds with a view to execute the reversal trades at a predetermined price. Since these trades were done in illiquid option contract, there was very little trading in the said contract and hence, there was no price discovery in the strictest terms. The wide variation in prices of the said contracts, within a short span of time, is a clear indication that there was pre-determination in the prices by the counterparties while executing the trades. I note that no justifiable rationale has been given for entering into such transactions by the Noticee as the behaviour exhibited by the Noticee defies logic and basic economic sense.

11.6 The Noticee, under **sub point c. point 4. of Para 9**, claims that "Just because an arbitrage opportunity was captured on BSE, within the certain investigation period, doesn't mean it is any different than a regular arbitrage trading." Also, the noticee has contended, under **sub point e. point 4 of Para 9**, that the difference of around 15 minutes between the buy and sell trades implies that the trades were not fabricated/ artificial/ pre-arranged and that the sellers face huge margin shortfall penalties if the position is not squared off. Further **in sub point a. point 5. of Para 9**, the noticee has contended that the alleged trades were carried out on the floor of the Exchange bound by risk management systems and with full compliance within all rules and regulations of the exchange.

In this regard, I note that while the trades were carried out on the floor of the Exchange bound by their risk management systems and that as contended a regular arbitrage opportunity was available, however, considering the precision at which the reversal transactions had taken place and the exact matching of price with huge price variations, I am of the view that it will be too naive to hold that just because these transactions were executed through exchange trading platform, within the applicable limits, such trades were genuine.

Further, the noticee's contention that, the trades were not fabricated/ artificial / pre-arranged and that the sellers face margin shortfall penalties if the positions are not squared-off, I note that such contention would be over-looking the prior meeting of minds involving synchronization of buy and sell order w.r.t. the transactions entered into by the Noticee with its counterparty and that such reversal trading clearly violates transparent norms of trading in the securities market.

In view of the above observations, I hold that the said transactions executed by the Noticee in the said Stock Option contract were synchronized, non-genuine trades, in which positions were reversed within a small time gap with prior meeting of mind between the parties to the trade.

11.7 Further, with respect to the claim of the noticee, **under sub point g. point 4. of Para 9,** that it is not an unfair trade practice as it didn't affect any market participant, I note that the Hon'ble Supreme Court in the matter of ***SEBI vs Rakhi Trading Private Ltd.***, in Civil appeals no., 1969 of 2011 decided on February 8, 2018 held that the price discovery system itself was affected by synchronization and rapid reverse trade, which also had the impact of excluding other investors from participating in the market. The Supreme Court, therefore found that the traders having engaged in a fraudulent and unfair trade practice while dealing in securities, are hence liable to be proceeded against for violation of Regulations 3(a), 4(1) and 4(2)(a) of the PFUTP Regulations. The Apex Court also held that:

"…*considering the reversal transactions, quantity, price and time and sale, parties being persistent in the number of such trade transactions with huge price variations, it will be too naïve to hold that the transactions are through screen-based trading and hence anonymous. Such conclusion would be over-looking the prior meeting of minds involving synchronization of buy and sell order and not negotiated deals as per the Board's circular. The impugned transactions are manipulative/ deceptive device to create a desired loss and/or profit. Such synchronized trading is violative of transparent norms of trading in securities."*

11.8 Further, to counter the claim of the noticee, **under sub-point f. of point 4 of Para 9**, that there are several tradable securities on the Exchange platform and there are chances of reversal with unrelated parties as only a handful of traders are active in each security, we may rely upon the extract of the judgement of Hon'ble SAT dated September 14, 2020 in the matter of ***Global Earth Properties and Developers Pvt. Ltd. Vs SEBI*** (Appeal No. 212 of 2020) as under:

"…It is not a mere coincidence that the Appellants could match the trades with the counter party with whom he had undertaken the first leg of respective trade. In our opinion, the trades were non-genuine trades and even though direct evidence is not available in the instant case but in the peculiar facts and circumstances of the present case there is an irresistible inference that can be drawn that there was meeting of minds between the Appellants and the counter parties, and collusion with a view to trade at a predetermined price."

11.9 In the instant matter, I note that the noticee claims, **under sub point f. of point 5. of Para 9,** no nexus directly or indirectly with counter party. Though direct evidence regarding meeting of minds or collusion of the Noticee with the counterparty is not forthcoming, the trading behaviour of the Noticee, as detailed earlier, makes it clear that the aforesaid non-genuine trades could not have been possible without meeting of minds at some level. In this context, I deem it appropriate to refer to the order dated July 14, 2006 passed by Hon'ble SAT, in the case of ***Ketan Parekh vs SEBI*** (Appeal no. 2/2004), wherein, Hon'ble SAT has held that:

"The nature of transactions executed, the frequency with which such transactions are undertaken, the value of the transactions, the conditions then prevailing in the market are some of the factors which go to show the intention of the parties. This list of factors, in the very nature of things, cannot be exhaustive. Any one factor may or may not be decisive and it is from the cumulative effect of these that an inference will have to be drawn."

11.10 Further, I would like to rely on the judgement of Hon'ble Supreme Court passed in the case of ***SEBI vs Rakhi Trading Private Ltd.*** (*supra)*, wherein the Apex Court held that "*the entities were engaged in a fraudulent and unfair trade practice while dealing in Options and hence were liable for violation of SEBI (PFUTP) Regulations".* The Hon'ble Apex Court has also held that in the absence of direct proof of meeting of minds, the test should be one of preponderance of probability and also stated that the conclusion has to be gathered from various circumstances like volume of trade, period of persistence of trading, particulars of buy and sell orders, proximity of time between the two and such other relevant factors.

11.11 The noticee has claimed, **under sub point c. of point 5 of Para 9,** that the scrip was not illiquid as its trade of 112,000 shares constituted only 6.80% of the days' volume. I would like to point the fact that the scrip itself was not illiquid, but the combination of Expiry, Strike Price and type of the option made the traded option contract illiquid. Further, the noticee has claimed that it was the price taker for the contract. However, the noticee had bought the option contract at the Day Low and sold it at Day High, suggesting otherwise.

11.12 My conclusion, hence, is that considering the aforesaid factors, the trading behaviour of the Noticee has resulted in creation of artificial trading volumes in the contract. In view of the above, I find that the allegation of violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations, 2003 by the Noticee stands established.

12. ***ISSUE - II: If yes, whether the Noticee is liable for monetary penalty under Section 15HA of the SEBI Act?***

12.1 Pursuant to detailed analysis as brought out above, it is established that reversal trades are not normal transactions and it clearly demonstrates beyond reasonable doubt that the Noticee had intentionally executed these trades and manipulated the volume by fraudulently trading in the contract 'DISH15APR60.00CEW1''.

12.2 While dealing with the present issue, I would like to be guided by the Judgement of The Hon'ble Supreme Court of India in the matter of ***SEBI vs Shri Ram Mutual Fund*** [2006] 68 SCL 216(SC), which 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 and hence the intention of the parties committing such violation becomes wholly irrelevant…"

12.3 Accordingly, I am convinced that it is a fit case for imposition of monetary penalty on the Noticee under the provisions of section 15HA of the SEBI Act, 1992 which read as under:

***Penalty for fraudulent and unfair trade practices*.**

"15HA. If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher".

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

13.1 While determining the quantum of monetary penalty under Section 15HA of the SEBI Act, I have considered the factors stipulated in Section 15-J of the SEBI Act, which reads as under:

"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."*

13.2 I observe that the material / documents made available on record do not quantify any disproportionate gains or unfair advantage, if any, made by the Noticee and the losses, if any, suffered by the investors due to such violations on part of the said Noticee. However, Noticee has entered into 2 non-genuine trades in 1 stock option contract during the investigation period.

13.3 Therefore, I note that the Noticee indulged in execution of reversal trades in stock options on BSE in the Investigation Period which were non-genuine and created false and misleading appearance of trading in terms of artificial volumes in stock options, leading to violation of regulation 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFTUP Regulations, 2003.

13.4 Considering, the facts of the matter as discussed earlier, I am of the view that imposition of minimum penalty as prescribed under Section 15HA of the SEBI Act would commensurate for the present matter.

ORDER

14. 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 Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, I hereby impose following penalty under section 15HA of the SEBI Act, 1992 on the Noticee:

Name of the Noticee	**Violation provisions**	**Penalty**
Pranita Kayan **[PAN:AULPK6465A]**	Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of PFUTP Regulations, 2003	**Rs. 5,00,000/-** (Rupees Five Lakh only)

I am of the view that the said penalty commensurate with the lapse/ omission on the part of the Noticee.

15. The Noticee shall remit/ pay the said amount of penalty within 45 (forty five) days of the receipt of this order either by way of Demand Draft ("DD") in favour of "SEBI –Penalties Remittable to Government of India", payable at Mumbai or through online payment facility available on the website of SEBI, i.e. www.sebi.gov.in, i.e., on the payment link:

ENFORCEMENT → Orders → Orders of AO →PAY NOW or at

https://siportal.sebi.gov.in/intermediary/AOPaymentGateway.html.

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

17. The Noticee shall forward the aforesaid DD/ payment confirmation details to the Division Chief, Enforcement Department-I (EFD), Division of Regulatory Action-I [EFD1-DRA-1] SEBI Bhavan, Plot No.C4-A,' G' Block, Bandra Kurla Complex (BKC), Bandra (East), Mumbai – 400 051 and also send an email to tad@sebi.gov.in with the following details:

Sl. No.	Particulars	Details
1	Name of the Case / Matter	
2	Name and PAN of the Payee	
3	Date of Payment	
4	Amount Paid	
5	Transaction Number	
6	Bank Name and Account Number	
7	Purpose of Payment	Payment of penalty under AO proceedings

18. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, recovery proceedings may be initiated under Section 28A of the SEBI Act, 1992 for realization of the said amount of penalty along with interest thereon, inter alia, by attachment and sale of movable and immovable properties.

19. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this order is being sent to the Noticee and Securities and Exchange Board of India, Mumbai.

Date: April 08, 2022 **NITIN SINGH**

Place: Mumbai **ADJUDICATING OFFICER**