BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

ADJUDICATION ORDER NO. Order/PM/SM/2022-23/17388

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

In respect of:

Sachin Machhindra Vyavahare

PAN: AYOPV1299E

In the matter of Mindtree Ltd.

A. BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") received a letter dated October 26, 2018 from Mindtree Ltd. (hereinafter referred to as the "**Company**") informing SEBI regarding instances of violation of the code of conduct framed by the Company under the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the "**PIT Regulations**") by two of its employees and action taken by the Company pursuant to the same. Accordingly, SEBI initiated an examination in the matter against the said two employees.

2. SEBI also initiated a separate investigation for ascertaining any violation of regulation 7(2)(a) of the PIT Regulations with regard to the transactions of promoters, directors and employees of the Company, in the Company's scrip, during the period from January 01, 2019 to March 31, 2019 (hereinafter referred to as the **"Investigation Period"**).

3. The investigation revealed that Sachin Machhindra Vyavahare in (hereinafter referred to as the "**Noticee**") was an employee of the Company and had transacted in the Company's scrip during the Investigation Period. It was further observed that the Noticee had done

transactions aggregating to a traded value in excess of Rs 10,00,000 over a calendar quarter.

4. Thereafter, the Company was asked to confirm whether the Company or its compliance officer had received any disclosures for trading done by the Noticee in terms of regulation 7(2)(a) of the PIT Regulations. *Vide* emails dated December 07, 2020 and December 14, 2020 (hereinafter referred to as the "**December 2020 Replies**"), the Company confirmed that it had not received any disclosures from the said Noticee. In view of this communication, it was *prima facie* observed that the Noticee had failed to make the required disclosure under regulation 7(2)(a) of the PIT Regulations. Thereafter, SEBI initiated adjudication proceedings against the Noticee for the alleged violation of regulation 7(2)(a) of PIT Regulations in respect of the transactions in the Company's scrip under section 15A(b) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the "**SEBI Act**").

B. APPOINTMENT OF ADJUDICATING OFFICER

5. Pursuant to the investigation, SEBI initiated adjudication proceedings against the Noticee and appointed the undersigned as the adjudicating officer *vide* order dated March 04, 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 the "**SEBI Adjudication Rules**") to inquire into and adjudge under section 15A(b) of the SEBI Act for the alleged violation of regulation 7(2)(a) of the PIT Regulations by the Noticee.

C. SHOW CAUSE NOTICE, REPLY AND HEARING

6. A show cause notice (hereinafter referred to as "**SCN**") bearing reference no. EAD-8/PM/NJMR/20484/1/2021 dated August 23, 2021 was served on the Noticee under rule 4 of the SEBI Adjudication Rules to show cause as to why an inquiry should not be held against him in terms of rule 4 of the SEBI Adjudication Rules and penalty should not be imposed under section 15A(b) of the SEBI Act for the violation alleged to have been committed by him. In the SCN, the Noticee was asked to indicate whether he would prefer a personal hearing before the adjudicating officer in the matter.

7. The allegations levelled against the Noticee in the SCN are summarized below as follows:

(i) SEBI *vide* email sent on August 03, 2020, called upon the Company, to provide the names and PAN of its employees, promoters, directors and persons falling under the purview of regulation 6(2) of the PIT Regulations for the period January 01, 2019 to March 31, 2019, duly certified as true and correct by their compliance officer.

(ii) The Company *vide* emails sent on August 07, 2020, August 10, 2020, August 12, 2020, August 25, 2020 and August 26, 2020 submitted the list of their promoters, directors, designated persons, their relatives and employees in India for the period January 01, 2019 to March 31, 2019.

(iii) On receipt of the aforesaid data from the Company, SEBI conducted an analysis of the trading data received from BSE Limited (hereinafter referred to as "**BSE**") and National Stock Exchange of India Limited (hereinafter referred to as "**NSE**") with respect to the employees of the Company, in the Company's scrip, and it was observed that the Noticee had executed transactions aggregating to a traded value in excess of Rs 10,00,000 in a calendar quarter *i.e.* from January 01, 2019 till March 31, 2019.

(iv) In terms of the provisions of regulation 7(2)(a) of the PIT Regulations, as it existed at the time the Noticee committed the alleged violation, promoters, employees and directors of every company were required to disclose to the company the number of securities acquired or disposed of, within two trading days of such transaction, if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregated to a traded value in excess of Rs 10,00,000.

(v) However, it was observed that the Noticee did not disclose his transactions in Company's scrip which exceeded Rs 10,00,000 in value in the calendar quarter from January 01, 2019 to March 31, 2019 to the Company, within two trading days of the transactions, as confirmed by the Company, *vide* the December 2020 Replies.

(vi) Given the above, it was alleged that the Noticee had violated regulation 7(2)(a) of the PIT Regulations. The alleged violation, if established, makes the Noticee liable for monetary penalty under section 15A(b) of the SEBI Act.

8. The Noticee *vide* email dated September 01, 2021 submitted his reply to the SCN. The relevant extract from the aforesaid reply is provided below verbatim:

This particular incident has happened 18th March to 26nd March 2019.

My friend who was operating my account has purchased the Mindtree option contracts and my mistake was I have not seen the details of transaction and I forgot to inform him not to do any transaction on Mindtree.

My sincere apology that I forgot to respond Mindtree about these transaction as I'm unaware of it. I am aware of Mindtree policy and I have gone through the training sessions.

After receiving show cause notice mail from Mindtree on 24 Dec, 2020, I came to know about these transactions on Mindtree contract and till then I was not aware of these transaction.

When Mindtree came to know about these transaction Mindtree sent me show cause notice mail and also fined me as per Mindtree' s Code of Conduct for Prevention of Insider Trading in the Securities of Mindtree Limited ("the Code").

Total penalty imposed by Mindtree' s Code of Conduct for Prevention of Insider Trading in the Securities of Mindtree Limited ("the Code") was ***30,000 INR*** *and same penalty amounts is credited to the SEBI IPEF through the online mode.*

(Please find attached screenshot of payment details send to SEBI IPEF through online mode)

Payment Receipt 1.jpg   Payment Receipt 2.jpg

Also as per as per my profit/loss book during this investigation period i.e. 01 January, 2019 to 31st March,2019 I have made ***Total Loss Of 7,920 INR*** *on Mindtree stock option on my account.*

(Please find attached profit/loss book)

YL8456_pnl_2019-03
-18_to_2019-03-26.xl

Date	Stock	Call/Put	Strike	Quantity	Buy Price	Sell Price	Buy Traded Value	Sell Traded Value	Total Traded Value	Profit/Loss
18-Mar-19	Mindtree	Call	1000	600	12.85		7710		7710	-3720
19-Mar-19	Mindtree	Call	1000	600	8.5		5100		5100	
19-Mar-19	Mindtree	Call	1000	600		6.65		3990	3990	
19-Mar-19	Mindtree	Call	1000	600		5.95		3570	3570	-1530
20-Mar-19	Mindtree	Call	1000	600	6.85		4110		4110	-2820
25-Mar-19	Mindtree	Call	1000	600	1.75		1050		1050	
26-Mar-19	Mindtree	Call	1000	600		2.15		1290	1290	
26-Mar-19	Mindtree	Call	1000	600		2		1200	1200	150
Total							**17970**	**10050**	**28020**	**Loss = 7920**

Please find attached mail in sequential order exchanged between Mindtree Compliance officer and me with below given details.

1. *Show Cause Notice Sent by Mindtree Compliance officer to me. (Date: 24 December, 2020)*
   (Refer attachment 'SHOW CAUSE NOTICE')

   SHOW CAUSE NOTICE.msg

2. *Explanation given to Show Cause Notice Sent by me to Mindtree Compliance officer. (Date: 28 December, 2020)*
   (Refer attachment 'Explanation to Show Cause Notice')

   Explanation to Show Cause Notice.

3. *Penalty imposed under Mindtree Code of Conduct for Prevention of Insider Trading in the Securities of Mindtree Limited ("the Code"). (Date: 04 February, 2021)*
   (Refer attachment 'Penalty imposed')

   Penalty imposed.msg

4. *Penalty amount details and Documents signed (Form C and ANNEXURE 4) Sent by me to Mindtree Compliance officer. (Date: 05 February, 2021)*
   (Refer attachment 'Penalty amount details and Doc signed')

Penalty amount details and Doc sigr

As per above explanation, kindly consider my innocence and unawareness of these transaction as I have not done those intentionally.

And from my profit/loss book it is clearly seen that I have not made any profit instead I have made loss on Mindtree option contract during this investigation period.

9. After considering the facts and circumstances of the case, the undersigned granted an opportunity of personal hearing to the Noticee on January 28, 2022 vide email dated January 19, 2022. In view of the prevailing circumstances owing to COVID-19, the hearing was scheduled through video conferencing on cisco webex platform. On the Scheduled hearing date, the Noticee appeared before me through video conference and reiterated the submissions made by him vide email sent on September 01, 2021 which has been reproduced in paragraph 8 above. The Noticee stated that he does not wish to submit any additional submissions in the present matter. Therefore, I find that principles of natural justice have been complied with respect to the Noticee in the current adjudication proceedings.

D. CONSIDERATION OF ISSUES AND FINDINGS

10. I have taken into consideration the material available on record. The issues that arise for consideration in the present case are as follows:

    I. Whether the Noticee has violated regulation 7(2)(a) of the PIT Regulations?

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

    III. If the answer to Issue No. 2 is in affirmative, then what should be the quantum of monetary penalty?

I. Issue No. 1: Whether the Noticee has violated regulation 7(2)(a) of the PIT Regulations?

11. Before moving forward, it is pertinent to refer to the relevant provision of the PIT Regulations which is alleged to have been violated by the Noticee. The said provision is reproduced hereunder:

Disclosures by certain persons.

7. (2) Continual Disclosures.

(a). Every promoter [1][member of the promoter group], [2][designated person] and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified;

[1]Inserted by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2019 (w.e.f. January 21, 2019).

[2]Substituted for the word "employee" by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (w.e.f. April 01, 2019) (hereinafter referred to as the "PIT 2018 Amendment Regulations")

12. I note from the material available on record that the Noticee was an employee of the Company during the Investigation Period. On perusal of the transaction details of the Noticee, I note that the Noticee had traded in excess of Rs 10,00,000 in the Company's scrip during the Investigation Period (*i.e.,* calendar quarter beginning from January 01, 2019 to March 31, 2019). The details of the said trades of the Noticee are tabulated below:

Traded value at NSE cash segment (in Rs.)	**Traded value at NSE derivatives segment (in Rs.)**	**Traded value at BSE cash segment (in Rs.)**	**Total traded value** (BSE + NSE) **(in Rs.)**	**No. of occasions transactions executed**
0	48,28,020	0	48,28,020	3

13. I note from the table given in the paragraph above that the Noticee had executed three transactions through which the total traded value of the Noticee in the said calendar quarter amounted to Rs. 48,28,020 which is in excess of Rs 10,00,000.

14. Regulation 7(2)(a) of the PIT Regulations, as it existed at the time the Noticee committed the alleged violation (*i.e.,* before the PIT 2018 Amendment Regulations came into force), provided that certain specified entities (such as employees) are required to submit disclosures to the company within two trading days of transactions, if the value of the securities traded, in one transaction or a series of transactions, aggregates to a traded value in excess of Rs 10,00,000 over any calendar quarter.

15. I note from the reply of the Noticee that he has not disputed the following allegations levelled in the SCN that: (i) he was an employee of the Company during the Investigation Period; (ii) he had executed trades in excess of Rs 10,00,000; and (iii) he had not filed the requisite disclosures within the time stipulated under regulation 7(2)(a) pursuant to the trades executed by him. I note from the material available on record that the Company *vide* the December 2020 Replies has confirmed that the Noticee did not submit the disclosure within the time specified under the aforesaid regulation for the trades undertaken by him during the Investigation Period.

16. I note that in his reply, the Noticee has submitted that his friend was operating his account and his friend purchased the Mindtree option contracts. Further, Noticee submitted that he did not see the details of the aforesaid transactions and he forgot to stop his friend from the doing the same. I find that the aforesaid justification for the alleged violation is untenable. I note that the Account through which transactions took place, belonged to Noticee and if any wrongful act is done by using the said account then Noticee himself shall be accountable for the same. If the Noticee had not given any authorisation to his friend then in the absence of any evidence or any complaint regarding the misuse of his account by his friend, it is presumed that the Noticee himself has given the authority to his friend for using the account. Therefore, the said submission can't be considered relevant for determining whether the Noticee has violated regulation 7(2)(a).

17. I note that in his reply, the Noticee has submitted that he *was not aware of this policy and the restriction of trading* in his company. I find that the aforesaid justification for the alleged violation is untenable, the Noticee cannot take shelter of ignorance with respect to the

requirement to disclose transactions under regulation 7(2)(a) of the PIT Regulations as it is the law of the land. It is an established legal principle that "*ignorantia juris non excusat*" which translates into ignorance of law is no excuse. The legal principle is justified on the grounds of necessity because if there is relaxation in the application of this principle, every accused will take the plea that he did not know the law and it will be incumbent on the adjudicating authority to establish the knowledge of law and it would, in turn, render the administration of justice impracticable. This has also been explained by John Salmond, in one of his revered works, *"Jurisprudence or the Theory of the Law"*, wherein he has stated that one of the main reasons for the strict application of the aforesaid principle is due to the evidential difficulties that would be faced by the adjudicating authority for establishing knowledge of law. The relevant text from his aforesaid work is reproduced below verbatim:

"In the second place, even if invincible ignorance of the law is in fact possible, the evidential difficulties in the way of the judicial recognition of such ignorance are insuperable, and for the sake of any benefit derivable therefrom it is not advisable to weaken the administration of justice by making liability dependent on well nigh inscrutable conditions touching knowledge or means of knowledge of the law. Who can say of any man whether he knew the law, or whether during the course of his past life he had an opportunity of acquiring a knowledge of it by the exercise of due diligence?....." (emphasis supplied).

18. In this regard, I find it relevant to refer to the order of Hon'ble Securities Appellate Tribunal (SAT) passed in the matter of **Madanchand Prasan Chand Chordia vs. SEBI** (Appeal No. 134 of 2014), dated June 16, 2014, wherein it held that:

"The main contention of the appellant, who has appeared in person before us, is that he was not aware about the requirement of law in making disclosure as a part of SAST Regulations, 2011 and PIT Regulations, 1992. We note that ignorance of law is not an excuse."

19. I note that Noticee has also submitted that the Noticee did not have intention to indulge in any unfair trade practice. In this regard, I find it relevant to refer to the judgment of Apex Court in ***SEBI vs Shri Ram Mutual Fund*** (Appeal Civil 9523-9524 of 2003) dated May 23, 2006, wherein it held that "*in our opinion, mens rea is not an essential ingredient for*

contravention of the provisions of a civil act". In light of the above, I find that the aforesaid submission of the Noticee does not hold any ground as for ascertaining violation of regulation 7(2)(a) establishing presence of malafide intention on the part of the Noticee is not germane.

Thus, I find that the aforesaid submission of the Noticee deserves dismissal.

20. The Noticee has submitted that as per as per his profit/loss book during the investigation period i.e. 01 January, 2019 to 31st March,2019 he had made total loss of Rs 7,920 on Mindtree stock option on his account. I do not find the aforesaid consideration relevant for determining whether the Noticee has violated regulation 7(2)(a). I find that my view is supported by the following orders passed by the Hon'ble SAT:

(i) In ***Akriti Global Traders Ltd. vs. SEBI*** (Appeal no.78 of 2014), decided on September 30, 2014, Hon'ble SAT held that "*Argument of appellant that the delay was unintentional and that the appellant has not gained from such delay and therefore penalty ought not to have been imposed is without any merit, because, firstly, penal liability arises as soon as provisions under the regulations are violated and that penal liability is neither dependent upon intention of parties nor gains accrued from such delay..*". *(emphasis supplied)*

(ii) Further, in ***Shri Virendrakumar Jayantilal Patel vs. SEBI*** *(*Misc. application no.140 of 2014 and appeal no.299 of 2014) dated October 14, 2014, Hon'ble SAT held that: *"Similarly argument that the failure to make disclosures within the stipulated time, was unintentional, technical or inadvertent and that no gain or unfair advantage has accrued to the appellant, is also without any merit, because, all these factors are mitigating factors and these factors do not obliterate the obligation to make disclosures." (emphasis supplied).*

21. With respect to the submission of the Noticee, that he was designated as 'MODULE LEAD' which was related to developer of the application and his designation was not connected to Mindtree Business related information or sensitive information and his other submission that the noticee is not a 'designated person' under the code of conduct defined by Mindtree. I find that the aforesaid submissions of the Noticee is irrelevant to the facts of the present matter as the words of regulation 7(2)(a) at the time the Noticee

committed the alleged violation were crystal clear that the regulation demands continual disclosures from all employees irrespective of the position/designation of the employee, the level of access the employee possesses with respect to unpublished price sensitive information of the company and his/her connection with the management of the company. In this regard, it is pertinent to note that the alleged violation committed by the Noticee fell between the period extending from January 01, 2019 to March 31, 2019, and the PIT 2018 Amendment Regulations which substituted the word “employee” with “designated person” under regulation 7(2)(a) came into effect from April 01, 2019. Therefore, the provisions of the PIT 2018 Amendment Regulations do not apply to the Noticee. Thus, I do not find any merit in the aforesaid submission of the Noticee.

Thus, I find that the aforesaid submission of the Noticee deserves dismissal.

22. The Noticee has also submitted that he has not made any profit instead as per his profit and loss book, he incurred loss of Rs 7,920. I do not find the aforesaid consideration relevant for determining whether the Noticee has violated regulation 7(2)(a). I find that my view is supported by the following orders passed by the Hon’ble SAT:

(i) In ***Akriti Global Traders Ltd. vs. SEBI*** (Appeal no.78 of 2014), decided on September 30, 2014, Hon’ble SAT held that “*Argument of appellant that the delay was unintentional and that the appellant has not gained from such delay and therefore penalty ought not to have been imposed is without any merit, because, firstly, penal liability arises as soon as provisions under the regulations are violated and that penal liability is neither dependent upon intention of parties nor gains accrued from such delay..”*. *(emphasis supplied)*

(ii) Further, in ***Shri Virendrakumar Jayantilal Patel vs. SEBI*** *(*Misc. application no.140 of 2014 and appeal no.299 of 2014) dated October 14, 2014, Hon’ble SAT held that: *“Similarly argument that the failure to make disclosures within the stipulated time, was unintentional, technical or inadvertent and that no gain or unfair advantage has accrued to the appellant, is also without any merit, because, all these factors are mitigating factors and these factors do not obliterate the obligation to make disclosures.” (emphasis supplied).*

23. In view of the aforesaid paragraphs, I conclude that the allegation that the Noticee has violated regulation 7(2)(a) of the PIT Regulations stands established due to his failure to make the requisite disclosures with respect to the concerned trades within the time stipulated under the aforesaid regulation. It is pertinent to note that the requirement to submit disclosures under the PIT Regulations in the manner prescribed and within the time stipulated are sacrosanct as they enable the public to make an informed investment decision in a timely manner. By not submitting the requisite disclosures within the specified time, the concerned persons deprive the investing public of their statutory rights. Further, the disclosure also enables the regulator to properly monitor the transactions in the capital market to effectively regulate the same. Thus, I find that the aforesaid violation by the Noticee affects multiple stakeholders and has an impact on the entire securities market.

II. **Issue No 2: Does the violation, if any, attract monetary penalty under section 15A(b) of the SEBI Act?**

24. I note that the Apex Court in the case of ***Shri Ram Mutual Fund (supra)*** 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."*

25. Further, in ***Mr. Ankur Chaturvedi vs. SEBI*** (Appeal no. 434 of 2014) decided on August 04, 2015, Hon'ble SAT has held 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".*

26. In view of the judgments/orders referred above and the fact that the Noticee has violated regulation 7(2)(a) of the PIT Regulations, I am of the view that a monetary penalty needs to be imposed upon the Noticee 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:*

(b) *to file any return or furnish any information, books or other documents within the time specified therefore in the regulations, fails to file return or furnish the same within the time specified therefore in the regulations, [3][or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents], he shall be liable to a penalty [4][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].*

[3]Inserted by the Finance Act, 2018 w.e.f. 08-03-2019.

[4]Substituted for the words "of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less" by the Securities Laws (Amendment) Act, 2014, w.e.f. 08-09-2014.

III. **Issue No 3: If the answer to issue no. 2 is in affirmative, then what should be the quantum of monetary penalty?**

27. While determining the quantum of monetary penalty under section 15A(b) 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 while adjudging quantum of penalty

While adjudging quantum of penalty under [5][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.

[6][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.]

[5]Substituted for the words "section 15-I, the adjudicating officer" by the Finance Act, 2018 w.e.f. 08-03-2019

[6]Inserted by Part VIII of Chapter VI of the Finance Act, 2017 vide Gazette Notification No. 7, Extraordinary Part II Section 1 dated March 31, 2017. This shall come into force from April 26, 2017.

28. 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 default of the Noticee in submitting timely disclosures or the consequent loss caused to investors as a result of the aforesaid default. With respect to repetitive nature of the default, it is important to note that the Noticee has violated the provisions of regulation 7(2)(a) of the PIT Regulations on three occasions during the Investigation Period. Hence, the violation committed by the Noticee is repetitive in nature.

29. In the present matter, the facts of the case clearly establish the violation committed by the Noticee. Accordingly, I consider it necessary to impose monetary penalty which would act as a deterrent to the Noticee in future.

E. ORDER

30. 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 read with rule 5 of the SEBI Adjudication Rules, I hereby impose a penalty of Rs 1,00,000 (Rupees One Lakh Only) on the Noticee *i.e.,* Sachin Machhindra Vyavahare under section 15A(b) of the SEBI Act. I am of the view that the penalty is imposed on the Noticee is commensurate with the violation committed by the Noticee.

31. The Noticee 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

32. The Noticee shall forward the said demand draft or the details / confirmation of penalty so paid through e-payment to the Division Chief, Enforcement Department-I, DRA-I, SEBI, in the format 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

33. In terms of rule 6 of the SEBI Adjudication Rules, copies of this order are sent to the Noticee and also to SEBI.

Date: June 28, 2022
Place: Mumbai

PRASANTA MAHAPATRA
ADJUDICATING OFFICER