BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. Order/BM/GN/2022-23/18776-18782]

UNDER SECTION 23-I OF THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 READ WITH RULE 5 OF THE SECURITIES CONTRACTS (REGULATIONS) (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 2005

In respect of:

Noticee No.	Noticee Name	PAN
1	Bagaria Properties and Investment Private Limited	AACCB4233F
2	Viewpoint Marketing Pvt Ltd. (now Known as Virendra Kumar and Sons Jewellers LLP)	AACCV8003B
3	Shree Bhuvanakaram Tradinvest Private Limited	AACCS0916J
4	Shree Suprinit Tradinvest Private Limited	AACCS6445A
5	Shree Mallikarjun TradInvest Private Limited	AACCS0918G
6	Expert Investment Advisory Private Limited	AACCE4258R
7	Needful Financial Consultants Private Limited	AADCN3128J

In the matter of

Metalyst Forgings Limited (Earlier Known as Ahmednagar Forgings Limited)

BACKGROUND:

1. Securities and Exchanges Board of India (hereinafter referred to as **SEBI**) conducted an investigation into the scrip of Metalyst Forging Limited (hereinafter referred to as **MFL / Company**) from April 21, 2015 to May 14, 2015 (hereinafter referred to as "**IP" or "Investigation Period"**) to ascertain whether trading in the shares of MFL were in violation of Securities Contract (Regulation) Act, 1956 (hereinafter referred to as **SCR Act)** and various SEBI notifications. Investigation observed that Bagaria Properties And Investment Private Ltd. **(**hereinafter referred to as **Noticee 1),** Viewpoint Marketing Pvt Ltd. (now known as Virendra Kumar and Sons Jewellers LLP) **(**hereinafter referred to as **Noticee 2),** Shree Bhuvanakaram Tradinvest Pvt. Ltd. (hereinafter referred to as **Noticee 3**), Shree Suprinit Tradinvest Pvt. Ltd (hereinafter referred to as **Noticee 4**), Shree Mallikarjun TradInvest Private Limited (hereinafter referred to as **Noticee 5**), Expert Investment Advisory Private Limited (hereinafter referred to

as **Noticee 6**) and Needful Financial Consultants Private Limited (hereinafter referred to as **Noticee 7**) (hereinafter collectively referred to as **Noticees**), allegedly entered into spot delivery contracts which were not in compliance with SCR Act and various SEBI notifications.

APPOINTMENT OF ADJUDICATING OFFICER

2. SEBI, vide order dated March 25, 2022, appointed the undersigned as the Adjudicating Officer (hereinafter referred to as **AO**) under Section 19 of the SEBI Act read with Sub-section 1 of Section 23 I of the SCR Act and Rule 3 of Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005 (hereinafter referred to as the **SC(R) Rules**) to inquire into and adjudge under Section 23H of SCR Act for the alleged violation of- Section 2(i) r/w sections 13, 16 & 18 of the SCR Act r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013 by Noticee 1 to Noticee 7 mentioned above.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. Show Cause Notice (hereinafter referred to as **"SCN"**) dated June 07, 2022 was issued to Noticee No. 1 to Noticee No. 7 in terms of Section 23-I of the SCR Act read with Rule 4 of the SC(R) Rules to show cause as to why an inquiry should not be held against the Noticees and why penalty should not be imposed on the Noticees under the provisions of Section 23H of SCR Act, 1956 for the alleged violations of Section 2(i) r/w sections 13, 16 and 18 of the SCR Act r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013 by Noticee 1 to Noticee 7.

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

   i. SEBI conducted an investigation into the scrip of MFL and observed that on March 31, 2015, Amtek Auto Limited (hereinafter referred to as **AAL**), promoter of MFL had entered into off-market transactions with Noticee 1 to Noticee 7.

   ii. AAL transferred total 39,00,000 shares of MFL to noticees 1 to 7 on 31/03/2015. Bank account statement of all 7 Noticees were examined for the period (22/04/2015 to 29/02/2016) and it has been observed that Noticee 1, Noticee 2, Noticee 4, Noticee 6 and Noticee 7 have various transactions with AAL whereas Noticee 3 and Noticee 5 did not had any transaction with AAL for the period 22/04/2015 to 29/02/2016.

Table 1: Off-market transfer by AAL

Date of transfer	Purchaser	Quantity	Rate	Amount in Rs. Crores
March 31, 2015	Noticee 1	750000	207.1	15.5325
	Noticee 2	750000	207.1	15.5325
	Noticee 3	300000	207.1	6.213
	Noticee 4	300000	207.1	6.213
	Noticee 5	300000	207.1	6.213
	Noticee 6	750000	207.1	15.5325
	Noticee 7	750000	207.1	15.5325
	Total	3900000		

iii. The aforesaid sale were pursuant to Share Purchase Agreements (hereinafter referred to as **SPA**) dated March 31, 2015 between AAL and Noticee 1, Noticee 2, Noticee 3, Noticee 4, Noticee 5, Noticee 6 and Noticee 7 in the year 2015 for off-market sale of its 39,00,000 equity shares @ Rs. 207.1/- per shares of MFL as consideration amount aggregating to Rs. 80.76 crores .

iv. AAL received Rs. 63.73 crores out of the total consideration amount of Rs. 80.76 crores. A perusal of the SPA entered by AAL with the purchasers inter-alia contains following condition among others:

a) In 6 SPAs it was stated that the said sale consideration shall be paid and the transaction shall be closed in one or more lots but not later than April 30, 2015.

b) In one SPA (Noticee 2) no date was mentioned to close the transaction.

v. On perusal of the Delivery instruction Slips (DIS), it was observed that the column for consideration was left blank by AAL even though it had stated it as sale. As AAL and the purchasers had entered into off-market transactions, such transaction needs to conform the conditions of Spot Delivery Contract provisions as mentioned at Section 2(i) r/w sections 13, 16 & 18 of the SCRA, 1956 r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013.

vi. It has been observed by SEBI that AAL and the Noticees entered into contract on March 31, 2015 for the off market transfer of shares, for which the payment of price has not been made by the noticees neither on the same day as the date of the contract nor on the next day as required under SCR Act.

vii. Based on the above, it is alleged that the aforesaid transactions between AAL and Noticee 1 to Noticee 7 does not conform to the Spot Delivery Contract provisions as mentioned in Section 2(i) r/w sections 13, 16 & 18 of the SCRA, 1956 r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013 as the payment of consideration was not made either on the same day as the date of the contract i.e. March 31, 2015 or on the next day i.e. on April 01, 2015.

viii. It is therefore, alleged that the Noticee 1 to Noticee 7 have violated Section 2(i) r/w sections 13, 16 & 18 of the SCRA, 1956 r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013.

5. The SCN dated June 07, 2022 was delivered to the Noticees in the following manner:

Sr. No.	Noticee	Mode of delivery
1	Bagaria Properties and Investment Private Limited	Through E-mail dated June 08, 2022 and SPAD
2	Viewpoint Marketing Pvt Ltd. (now Known as Virendra Kumar and Sons Jewellers LLP)	Through E-mail dated June 08, 2022
3	Shree Bhuvanakaram Tradeinvest Private Limited	Through E-mail dated June 08, 2022 and SPAD
4	Shree Suprinit Tradinvest Private Limited	Through E-mail dated June 08, 2022 and SPAD
5	Shree Mallikarjun TradInvest Private Limited	Through E-mail dated June 08, 2022 and SPAD
6	Expert Investment Advisory Private Limited	Through Paper Publication (the Times of India, Mumbai and Kolkata edition, Navbharat and Lokmat Mumbai edition, Sanmarg and Bartaman Kolkata edition on August 12, 2022.)
7	Needful Financial Consultants Private Limited	News Paper Publication (the Times of India, Mumbai and Kolkata edition, Navbharat and

		Lokmat Mumbai edition, Sanmarg and Bartaman Kolkata edition on August 12, 2022.)

6. Efforts were made to serve the SCN to Noticee 6 and Noticee 7 through digitally signed email dated June 08, 2022 and through SPAD but the same was returned undelivered, subsequently the SCN was tried to be served by way of affixture but the same was not successful, thereafter e SCN was served through publication in News Paper as stated in the table above. Through the said newspaper publication, the Noticee 6 and Noticee 7 were also advised to appear for personal hearing before the AO on August 23, 2022. However, Noticee 6 and Noticee 7 did not appear for hearing on August 23, 2022. It is observed that, Noticee 3, Noticee 4 and Noticee 5 submitted their replies dated August 05, 2022 pursuant to the receipt of the SCN. Noticee 1 vide email dated June 27, 2022 sought extension of one month for the submission of reply. Vide email dated June 28, 2022, extension for submission of reply till July 28, 2022 was granted to Noticee 1. Noticee 1 submitted its reply vide letter dated August 23, 2022 which was forwarded to the undersigned vide email dated August 26, 2022. However, no reply was received from Noticee 2, Noticee 6 and Noticee 7.

7. The Noticee 1, Noticee 3, Noticee 4 and Noticee 5 has made the similar replies. The replies of the aforementioned Noticees are summarised below-

Inordinate delay in issuance of SCN

i. Noticees 1, 3, 4 and 5 submitted that the Impugned proceedings suffer from enormous laches. Admittedly, the alleged violation arising from off market transfers, involving 300,000 shares of Metalyst Forging Limited ("MFL"), between them and Amtek Auto Limited ("AAL"), promoter of MFL, pertains to 31.3.15. The present SCN has been issued in June 2022 (i.e. more than 7 years after the impugned transaction). Aforementioned noticees submitted that the aforesaid inordinate delay has severely prejudiced them. Aforementioned noticee stated that the said inordinate delay has not been explained by SEBI. On this ground alone, noticee requested that the SCN proceedings needs to be and ought to be discontinued and SCN needs to be dropped qua us.

ii. Noticees 1, 3, 4 and 5 further submitted that it is well settled now that even though there is no period of limitation prescribed in the SEBI Act and Regulations for the completion of investigations or for the issuance of a show cause notice, the authority is required to exercise its powers within a reasonable period. Aforementioned noticees stated that the facts of the present case will amply demonstrate that the powers have not been exercised by SEBI within a reasonable period and therefore, in the facts and circumstances of the case, proceedings need to be discontinued and dropped and no penalty needs to be imposed.

iii. In support of their contention for inordinate delay Noticees 1, 3, 4 and 5 has referred to the orders of the Hon'ble Securities Appellate Tribunal in the matters of Libord Finance Ltd. Vs SEBI (Order passed on march 31, 2008), Shri Ashok K Chaudhary Vs SEBI (Order passed on November 05, 2008), AstraZenca Pharma India Ltd and anr. Vs SEBI (Order passed on September 04, 2019), Ashlesh Gunvantbhai Shah Vs SEBI (Order passed on January 31, 2020) and Ashok Shivlal Rupani and anr. Vs SEBI (Order passed on August 22, 2019).

iv. Noticees 1, 3, 4, and 5 has also submitted that in the Notice, it has been alleged that the off market transfer between them and AAL, does not conform to the conditions of Spot Delivery Contract provisions as mentioned at Section 2(1) r/w sections 13, 18 & 18 of the SCRA, 1956 r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No, LADNRO/GN/2013-14/26/8667 dated October 03, 2013, as the payment of consideration was not made either on the same day as the date of the contract i.e. March 31, 2015 or on the next day i.e. on April 01, 2015.

v. With regard to the aforesaid allegation, Noticee 1, 3, 4 and 5 submitted that they had in the ordinary course of business entered into off market transaction with regard to shares of MFL. Pursuant to execution of Share Purchase Agreement (SPA) dated 31.3.15, they had purchased shares of MFL from AAL. Due to certain reasons, subsequent to the execution of said SPA the consideration amount could not be paid and the period was inter alia mutually extended from time to time, by the parties and the terms were also revised.

vi. Noticees 1, 3, 4 and 5 further submitted that the impugned transaction does not fulfil the spot delivery contract norms in as much as the consideration did not pass within the time limit for the same, it cannot further be equated with any undesirable speculation that is sought to be prohibited by Section 16 of SCRA as well as by the Notifications dated March 1, 2000 & October 3, 2013. Aforementioned noticees further stated that there is no allegation that the impugned transaction (off market transfer) is a result of excessive or undesirable speculation or that it had any market wide adverse impact. The alleged breach in the facts and circumstance of the case is a mere technical breach with no adverse consequences.

vii. In view of the aforesaid, noticees 1, 3, 4 and 5 submitted that any imposition of penalty in the facts and circumstances of the case, would be totally unfair and excessive, and also completely unjustified and unwarranted.

viii. Noticees 1, 3, 4 and 5 without prejudice have also made submissions of following mitigating/ extenuating factors to be considered:

a) Aforementioned noticees have enjoyed an impeccable track record. Save and except the present proceedings, no other proceedings have ever been initiated against us or any action taken against us by SEBI.

b) Significantly, it may be noted that there is no allegation that the impugned off market transactions have adversely affected the price or volume of the scrip or has disturbed the market etc. Noticees 1, 3, 4 and 5 have submitted that they have not made any gains or gained any unfair advantage and have also not caused loss to investors or anybody. Same has not been, even alleged in the Notice.

c) Aforementioned noticees have also submitted that the alleged violation is not repetitive in nature. Whole case is based on one single off market transfer of shares which took place on 31.3.15.

d) The alleged violation is one off violation. Over the years, they have been trading in the securities market. There have been no allegation of violations against them ever by SEBI. This is the first instance.

e) There has been undue delay in initiation of proceedings (i.e. around 7 years). It is well settled now that "undue delay is a mitigating factor which has to be considered while imposing a penalty under section 15J of the SEB/ Act". (Refer: Anita Jajodia vs SEBI

— SAT Order dated 20.1.21).It would be in the fitness of things and also in consonance with the well settled principles of proportionality and fairness, that no monetary penalty be imposed on aforementioned noticees.

ix. Noticees 1, 3, 4 and 5 have also referred to the order dated 27.6.2019 passed by Hon'ble Securities Appellate Tribunal in the matter of Pawan Kumar Satyanarayana vs SEBI (being SAT Appeal no 399 of 2018) in which the Hon'ble SAT has affirmed the impugned order in so far as the violation of law is concerned. However, the penalty was reduced from Rs. 12 lakhs to Rs.2 lakhs.

8. In the interest of natural justice, the Noticee 1 was given opportunities of personal hearing before the undersigned vide Hearing Notices dated August 17, 2022 on 23/08/2022 and second opportunity of hearing was given on 26/08/2022 vide email dated 23/08/2022 through WEBEX platform. Noticee 2 was given opportunities of personal hearing before the undersigned vide Hearing Notices dated July 13, 2022 on 25/07/2022 and second opportunity of hearing was given on 17/08/2022 vide email dated 26/07/2022 through WEBEX platform. Vide letter dated June 27, 2022, Noticee 4 sought copy of the Investigation Report, vide email dated 06/07/2022 copy of Investigation Report was provided to the Noticee 4. In the interest of natural justice, the Noticee 3, Noticee 4 and Noticee 5 were given opportunities of personal hearing before the undersigned vide Hearing Notices dated July 26, 2022 on 17/08/2022 through WEBEX platform. Authorised Representative (AR) of the Noticee 3, Noticee 4 and Noticee 5 appeared on the date of hearing and reiterated the submissions made vide reply dated 05/08/2022. Noticee 6 and Noticee 7 were given opportunity of personal hearing on 23/08/2022 through paper publication dated 12/08/2022. However, Noticee 1, Noticee 2, Noticee 6 and Noticee 7 did not avail the opportunity of personal hearings. I note that sufficient opportunities have been given to Noticees 2, Noticee 6 and Noticee 7 to represent their case and the principles of natural justice have been complied with. It is observed that, despite service of the SCN and hearing notices through Digitally Signed E-mail, Noticee 2 did not respond and avail the opportunity of personal appearance. It is also observed that, despite service of the SCN cum hearing notices through Paper Publication, Noticee 6 and Noticee 7 did not respond and avail the opportunity of personal appearance. The Hon'ble Securities Appellate Tribunal (SAT) in the matter of Sanjay Kumar Tayal & Ors. v. SEBI(in appeal No. 68/2013) decided on February 11, 2014, held that "...*appellants have neither filed reply to show*

cause notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceeding and, therefore, appellants are presumed to have admitted charges levelled against them in the show cause notices". Since no replies to the SCN was filed by Noticee 2, Noticee 6 and Noticee 7, it can be reasonably presumed that the allegations have been admitted to by Noticee 2, Noticee 6 and Noticee 7 in this case.

9. In view of the above, I am compelled to proceed ex-parte in the matter against Noticee 2, Noticee 6 and Noticee 7. I am of the view that Noticee 2, Noticee 6 and Noticee 7 has nothing to submit and in terms of Rule 4(7) of SC(R) Rules, the matter is proceeded ex-parte on the basis of material available on record.

ISSUES FOR CONSIDERATION, EVIDENCE AND FINDINGS

10. I have taken into consideration the facts and circumstances of the case and the material available on record. The issues that arise for consideration in the present case are:

ISSUE I: Whether Noticee 1 to Noticee 7 has violated the provisions of Section 2(i) r/w sections 13, 16 & 18 of the SCR Act r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013?

ISSUE II: Does the violation, if any, on part of the Noticee 1 to Noticee 7 attract penalty under Section 23H of SCR Act?

ISSUE III: If so, how much penalty should be imposed on the Noticees taking into consideration the factors mentioned in Section 23J of the SCR Act?

11. Before proceeding further, it will be appropriate to refer the provisions of Section 2(i) r/w sections 13, 16 & 18 of the SCR Act r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013 alleged to have been violated by the Noticees. The texts of the alleged provisions are as under-

"Section 2 (i) -Spot Delivery Contract

"Spot Delivery Contract" means a contract which provides for:

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

(b) transfer of the securities by the depository from the account of a beneficial owner to the account of another beneficial owner when such securities are dealt with by a depository;

Section 13: Contracts in notified areas illegal in certain circumstances.

If the Central Government is satisfied, having regard to the nature or the Volume of transactions in securities in any State or States or area that it is necessary so to do, it may, by notification in the Official Gazette, declared this section to apply to such State or States or area, and thereupon every contract in such State or States or area which is entered into after the date of the notification otherwise than between members of a recognized stock exchange or recognized stock exchanges in such State or States or area or through or with such member shall be illegal:

Provided that any contract entered into between members of two or more recognised stock exchanges in such State or States or area, shall —

(i)be subject to such terms and conditions as may be stipulated by the respective stock exchanges with prior approval of Securities and Exchange Board of India;

(ii) require prior permission from the respective stock exchanges if so stipulated by the stock exchanges with prior approval of Securities and Exchange Board of India.

Section 16:Power to prohibit contracts in certain cases.

16. (1)If the Central Government is of opinion that it is necessary to prevent undesirable speculation in specified securities in any State or area, it may, by notification in the Official Gazette, declare that no person in the State or area specified in the notification shall, save with the permission of the Central Government, *enter into any contract for the sale or purchase of any security specified in the notification except to the extent and in the manner, if any, specified therein.*

(2) All contracts in contravention of the provisions of sub-section (1) entered into after the date of notification issued thereunder shall be illegal.

Section 18: Exclusion of spot delivery contracts from sections 13, 14, 15 and 17.

18. (1) Nothing contained in sections 13, 14,15 and 17 shall apply to spot delivery contracts.

(2) Notwithstanding anything contained in sub-section (1), if the Central Government is of opinion that in the interest of the trade or in the public interest it is expedient to regulate and control the business of dealing in spot delivery contracts also in any State or area (whether section 13 has been declared to apply to that State or area or not), it may, by notification in the Official Gazette, declare that the provisions of section 17 shall also apply to such State or area in respect of spot delivery contracts generally or in respect of spot delivery contracts for the sale or purchase of such securities as may be specified in the notification, and may also specify the manner in which, and the extent to which, the provisions of that section shall so apply.

SEBI Notification S.O. 184(E) dated March 01, 2000

In exercise of the powers conferred by sub-section (1) of section 16 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), read with Government of India Notification No. S.O. 573(E), dated 30th July, 1992, and Notification No. 183(E), dated 1stMarch, 2000, issued under section 29A of the said Act, the Securities and Exchange Board of India (hereinafter referred to as "the Board") being of the opinion that it is necessary to prevent undesirable speculation in securities in the whole of India, hereby declare that no person in the territory to which the said Act extends, shall, save with the permission of the Board, enter into any contract for sale or purchase of securities other than such spot delivery contract or contract for cash or hand delivery or special delivery or contract in derivatives as is permissible under the said Act or the Securities and Exchange Board of India Act, 1992 (15 of 1992), and the rules and regulations made under such Acts and rules, regulations and bye-laws of a recognised stock exchange

Provided that any contracts for sale or purchase of Government securities, gold related securities, money market securities and ready forward contracts in debt securities entered into on the recognised stock exchange shall be entered into in accordance with-

(a) the rules or regulations or the bye-laws made under the Securities Contracts (Regulation) Act, 1956 (42 of 1956), or the Securities and Exchange Board of India Act, 1992 (15 of 1992), or the directions issued by the Securities and Exchange Board of India under the said Acts;

(b) the rules made or guidelines or directions issued under the Reserve Bank of India Act, 1934 (2 of 1934), or the Banking Regulation Act, 1949 (10 of 1949) or the Foreign Exchange Regulation Act, 1973 (46 of 1973), by the Reserve Bank of India;

(c) the provisions contained in the notifications issued by the Reserve Bank of India under the Securities Contracts (Regulation) Act, 1956 (42 of 1956)

SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013

In exercise of the powers conferred by subsection (2) of section 28 and sub-section (1) of section 16 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), read with Government of India notification number S.O. 573(E), dated the 30th July, 1992 issued under section 29A of the said Act, the Securities and Exchange Board of India (hereinafter referred to as 'the Board') hereby rescinds the notification number S.O.184(E), dated the 1st March, 2000, except as respects things done or omitted to be done before such rescission, and declares that no person in the territory to which the said Act extends, shall, save with the permission of the Board, enter into any contract for sale or purchase of securities other than a contract falling under any one or more of the following, namely:-

(a) spot delivery contract;

(b) contracts for sale or purchase of securities or contracts in derivatives, as are permissible under the said Act or the Securities and Exchange Board of India Act, 1992 (15 of 1992) and the rules and regulations made under such Acts and rules, regulations and bye-laws of a recognised stock exchange;

(c) contracts for pre-emption including right of first refusal, or tag-along or drag-along rights contained in shareholders agreements or articles of association of companies or other body corporate;

(d) contracts in shareholders agreements or articles of association of companies or other body corporate, for purchase or sale of securities pursuant to exercise of an option contained therein to buy or sell the securities, where-

i. *the title and ownership of the underlying securities is held continuously by the selling party to such contract for a minimum period of one year from the date of entering into the contract;*
ii. *the price or consideration payable for the sale or purchase of the underlying securities pursuant to exercise of any option contained therein, is in compliance with all the laws for the time being in force as applicable; and*
iii. *the contract is settled by way of actual delivery of the underlying securities:*

Provided that the contracts specified in clauses (a) to (d) above, shall be in accordance with the provisions of the Foreign Exchange Management Act, 1999 and rules or regulations made thereunder:

Provided further that nothing contained in this notification shall affect or validate any contract which has been entered into prior to the date of this notification.

Explanation.-It is hereby clarified that the contracts mentioned in clauses (c) and (d) above shall be valid notwithstanding anything contained in section 18 A read with clause (d) of sub-section (1) of section 23 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956):

Provided also that any contract for sale or purchase of government securities, gold related securities, money market securities, contracts in currency derivatives, interest rate derivatives and ready forward contracts in debt securities entered into on the recognised stock exchange shall be entered into in accordance with, —

(a) the rules or regulations or the bye-laws made under the Securities Contracts (Regulation) Act, 1956 (42 of 1956), or the Securities and Exchange Board of India Act,

1992(15 of 1992) or the directions issued by the Securities and Exchange Board of India under the said Acts;

(b) the rules made or guidelines or directions issued, under the Reserve Bank of India Act, 1934 (2 of 1934) or the Banking Regulations Act, 1949 (10 of 1949) or the Foreign Exchange Management Act, 1999 (42 of 1999), by the Reserve Bank of India;

(c) the notifications issued by the Reserve Bank of India under the Securities Contracts (Regulation) Act, 1956 (42 of 1956)."

FINDINGS

12. On perusal of the material available on record and giving regard to the facts and circumstances of the case I record my findings hereunder:

ISSUE I: Whether Noticee 1 to Noticee 7 has violated the provisions of Section 2(i) r/w sections 13, 16 & 18 of the SCR Act r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013.

13. Before proceeding with the matter on merits, I first deal with the preliminary submission of the Noticees that there has been an unexplained inordinate delay in issuance of SCN, proceedings did not initiate within reasonable time, and this inordinate delay has severely prejudiced the noticee. In this regard, I note that the Investigation as regards the violation Securities Law is an exhaustive, time consuming process, which may require detailed analysis of the case facts. I further note that the case was initiated in 2017-18. Subsequently, there was a change in the Investigating Authority in 2019. Thereafter various communication was made with the company and the suspected entities from 2019 to 2021 and as information was not forthcoming several reminders were also sent. The aforesaid investigation was concluded in February 2022 and thereafter adjudication proceedings were initiated in March 02, 2022. The undersigned was appointed Adjudicating Officer in the matter on March 25, 2022 and the SCN was issued in June 07, 2022. Notwithstanding the same, I also note that there is no provision with prescribed time limit in the SEBI Act or Regulations which may have the effect of prohibiting SEBI from taking action by issuing Show Cause Notice or passing any order beyond a particular period of time in a given case.

14. In this regard, I place reliance on the judgement of the Hon'ble Supreme Court in the case of Adjudicating Officer, SEBI vs. Bhavesh Pabari (decided on February 28, 2019) in which it was held that:

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

15. I also place reliance on the judgement of Hon'ble Securities Appellate Tribunal (SAT) in the matter of Girrajkumar Gupta HUF (Appeal No. 424/ 2019) dated August 11, 2021, wherein Hon'ble SAT held that, *"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."*

16. In view of the aforesaid and placing reliance on the aforesaid judgements, I find that SCNs in the present proceeding have been issued within a reasonable period of time and there has been no delay in issuance of SCN. In this regard, I note that Noticees have placed reliance upon the Order passed by the Hon'ble Securities Appellate Tribunal in the matter of Libord Finance Ltd. vs SEBI (Order passed on March 31, 2008), Shri Ashok K Chaudhary Vs SEBI (Order passed on November 5, 2008), AstraZenca Pharma India Ltd and anr. Vs SEBI (Order passed on September 04, 2019), Ashlesh Gunvantbhai Shah Vs SEBI (Order passed on January 31, 2020) and Ashok Shivlal Rupani and anr. Vs SEBI (Order passed on August 22, 2019). I note that in the case of Bharat J Patel & Others vs. SEBI, decided vide order dated September 8, 2020, the Hon'ble SAT ('Hon'ble Securities Appellate Tribunal') had emphatically iterated that "whether delay has caused prejudice to the parties would depend on the facts of each case." I note that the Noticees 1 and Noticee 3 to Noticee 5 have merely stated that prejudice has been caused to them due to the alleged delay. However, the aforesaid Noticees have failed to demonstrate what prejudice has been caused to them. Hence the contention of the Noticees are not tenable.

17. I now proceed to deal with the merits of the case in respect of the alleged contraventions by Noticees.

18. It is alleged in the SCN that on March 31, 2015, AAL promoter of MFL had entered into off-market transactions with Noticee 1 to Noticee 7.

19. AAL, transferred total 39,00,000 shares of MFL to noticees 1 to 7 on 31/03/2015. Bank account statement of all 7 Noticees were examined for the period (22/04/2015 to 29/02/2016) and it has been observed that Noticee 1, Noticee 2, Noticee 4, Noticee 6 and Noticee 7 have various transactions with AAL whereas Noticee 3 and Noticee 5 did not have any transaction with AAL for the period 22/04/2015 to 29/02/2016.

Off-market transfer by AAL

Date of transfer	**Purchaser**	**Quantity**	**Rate**	**Amount in Rs. Crores**
March 31, 2015	Noticee 1	750000	207.1	15.5325
	Noticee 2	750000	207.1	15.5325
	Noticee 3	300000	207.1	6.213
	Noticee 4	300000	207.1	6.213
	Noticee 5	300000	207.1	6.213
	Noticee 6	750000	207.1	15.5325
	Noticee 7	750000	207.1	15.5325
	Total	3900000		

20. The aforesaid sale were pursuant to Share Purchase Agreements (hereinafter referred to as **SPA**) dated March 31, 2015 between AAL and Noticee 1, Noticee 2, Noticee 3, Noticee 4, Noticee 5, Noticee 6 and Noticee 7 in the year 2015 for off-market sale of its 39,00,000 equity shares @ Rs. 207.1/- per shares as consideration amount aggregating to Rs. 80.76 crores of MFL.

21. AAL received Rs. 63.73 crores out of the total consideration amount of Rs. 80.76 crores. A perusal of the SPA entered by AAL with the purchasers inter-alia contains following condition among others:

a) In 6 SPAs it was stated that the said sale consideration shall be paid and the transaction shall be closed in one or more lots but not later than April 30, 2015.

b) In one SPA (Noticee 2) no date was mentioned to close the transaction.

23. On perusal of the Delivery instruction Slips (DIS), it was observed that the column for consideration was left blank by AAL even though it had stated it as sale. As AAL and the purchasers had entered into off-market transactions, such transaction needs to conform the conditions of Spot Delivery Contract provisions as mentioned at Section 2(i) r/w sections 13, 16 & 18 of the SCRA, 1956 r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013. Spot Delivery Contract is defined under Section 2(i) of the SCR Act, as follows-

"Section 2 (i) - Spot Delivery Contract

"Spot Delivery Contract" means a contract which provides for:

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

(b) transfer of the securities by the depository from the account of a beneficial owner to the account of another beneficial owner when such securities are dealt with by a depository;

24. The following table highlights whether the aforesaid transaction conforms the conditions set out under SCRA for the spot delivery contracts i.e. actual delivery of securities and the payment of a price either on the same day as the date of the contract or on the next day.

Table: Summary of compliance of conditions set out under SCRA for the spot delivery contracts, for the transaction entered into between AAL and the Noticees on March 31, 2015.

Purchaser	Total Consideration	Due date for consideration as per SCR Act	Date of receipt of fund by AAL	Amount	Whether conditions of spot delivery contracts under SCRA complied with
Noticee 4	**62130000**	01/04/2015	22/04/2015	20710000	No
			22/05/2015	12426000	
			14/03/2016	5000000	
			15/03/2016	5000000	
			17/03/2016	5000000	
			05/05/2016	10000000	
	Total			**58136000**	
Noticee 3	62130000	01/04/2015	Not Available	0	No
	Total			**0**	
Noticee 5	62130000	01/04/2015	Not Available	0	No
	Total			**0**	
Noticee 1	155325000	01/04/2015	19/02/2016	4300000	No
			19/02/2016	4800000	
			19/02/2016	4000000	
			19/02/2016	3300000	
			22/02/2016	2500000	
			22/02/2016	2500000	
			24/02/2016	3000000	
			24/02/2016	2500000	
			24/02/2016	4900000	
			24/02/2016	4500000	
			24/02/2016	5000000	
			01/03/2016	4000000	
			01/03/2016	3500000	
			02/03/2016	5000000	
			04/03/2016	5500000	
			04/03/2016	4500000	
			09/03/2016	5000000	
			10/03/2016	5000000	
			11/03/2016	2000000	
			11/03/2016	3000000	
			15/03/2016	4400000	
			15/03/2016	4600000	
			17/03/2016	1500000	
			19/03/2016	4500000	
			19/03/2016	4500000	
			19/03/2016	2000000	

Purchaser	Total Consideration	Due date for consideration as per SCR Act	Date of receipt of fund by AAL	Amount	Whether conditions of spot delivery contracts under SCRA complied with
			24/03/2016	5800000	
			24/03/2016	8600000	
	Total			**114700000**	
Noticee 2	155325000	01/04/2015	24/04/2015	5000000	No
			24/04/2015	4500000	
			24/04/2015	6710000	
			24/04/2015	4500000	
			27/04/2015	3510000	
			27/04/2015	5500000	
			27/04/2015	5000000	
			27/04/2015	4500000	
			29/04/2015	2200000	
			29/04/2015	6000000	
			29/04/2015	6500000	
			29/04/2015	3210000	
			29/04/2015	5000000	
			06/05/2015	6300000	
			06/05/2015	4810000	
			06/05/2015	3700000	
			06/05/2015	5900000	
			11/05/2015	4110000	
			11/05/2015	5300000	
			11/05/2015	5500000	
			11/05/2015	5800000	
			13/05/2015	8284000	
			14/05/2015	4000000	
			14/05/2015	3426000	
			14/05/2015	5000000	
			07/10/2015	3500000	
			19/12/2015	5000000	
			19/12/2015	4000000	
			01/01/2016	3500000	
			02/01/2016	4500000	
			04/01/2016	1500000	
			06/01/2016	1000000	
			21/01/2016	3000000	
			22/01/2016	2300000	
			04/02/2016	1000000	
			08/02/2016	1765000	
	Total			**155325000**	
Noticee 7	155325000	01/04/2015	17/07/2015	10000000	No
			17/07/2015	10000000	

Purchaser	Total Consideration	Due date for consideration as per SCR Act	Date of receipt of fund by AAL	Amount	Whether conditions of spot delivery contracts under SCRA complied with
			17/07/2015	10000000	
			20/07/2015	10000000	
			20/07/2015	10000000	
			21/07/2015	9000000	
			21/07/2015	5500000	
			23/07/2015	10500000	
			05/10/2015	5000000	
			05/10/2015	2000000	
			06/10/2015	2000000	
			07/10/2015	7500000	
			08/10/2015	5000000	
			13/10/2015	9500000	
			13/10/2015	500000	
			17/10/2015	4000000	
			27/10/2015	4400000	
			27/10/2015	3800000	
			31/10/2015	4000000	
			03/11/2015	3000000	
			04/11/2015	1100000	
			09/11/2015	3000000	
			16/11/2015	3700000	
			19/11/2015	3000000	
			20/11/2015	4000000	
			23/11/2015	4100000	
			26/11/2015	3000000	
			26/11/2015	2300000	
			01/12/2015	5425000	
	Total			**155325000**	
Noticee 6	155325000	01/04/2015	03/12/2015	3200000	No
			04/12/2015	5000000	
			05/12/2015	5000000	
			09/12/2015	1500000	
			10/12/2015	2500000	
			10/12/2015	1000000	
			11/12/2015	4000000	
			11/12/2015	1000000	
			15/12/2015	6000000	
			16/12/2015	2200000	
			16/12/2015	3000000	
			17/12/2015	2500000	
			19/12/2015	4400000	
			21/12/2015	2500000	

Purchaser	Total Consideration	Due date for consideration as per SCR Act	Date of receipt of fund by AAL	Amount	Whether conditions of spot delivery contracts under SCRA complied with
			22/12/2015	3200000	
			22/12/2015	2000000	
			23/12/2015	4800000	
			28/12/2015	5000000	
			28/12/2015	3000000	
			29/12/2015	5000000	
			01/01/2016	8700000	
			05/01/2016	5000000	
			06/01/2016	5200000	
			11/01/2016	10000000	
			14/01/2016	5000000	
			15/01/2016	7000000	
			19/01/2016	3000000	
			20/01/2016	2000000	
			21/01/2016	2300000	
			22/01/2016	2500000	
			25/01/2016	3000000	
			27/01/2016	5000000	
			28/01/2016	2500000	
			01/02/2016	5000000	
			02/02/2016	7000000	
			04/02/2016	7500000	
			05/02/2016	2000000	
			09/02/2016	4325000	
	Total			**153825000**	

25. In view of the above it is alleged that the aforesaid transactions between AAL and Noticee 1 to Noticee 7 does not conform to the Spot Delivery Contract provisions and are in violation of Section 2(i) r/w sections 13, 16 & 18 of the SCRA, 1956 r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013.

26. Vide reply dated August 05, 2022 Noticee 1, Noticee 3, Noticee 4 and Noticee 5 submitted that they had in the ordinary course of business entered into off market transaction with regard to shares of MFL. Pursuant to execution of Share Purchase Agreement (SPA) dated 31.3.15, they had purchased shares of MFL from AAL. Due to certain reasons, subsequent to the execution of said SPA the consideration amount could not be paid and the period was inter alia mutually extended from time to time, by the parties and the terms were also

revised. It was observed from the reply of the aforementioned noticees that they had not paid the full consideration amount and the period for payment was inter alia mutually extended by the parties from time to time. Hence, from the above, it can be concluded that the aforementioned noticees have admitted that they have not paid the consideration in full on the same day or next day as required under the SCR Act, 1956.

27. AAL, the seller, informed that the resolution plan of AAL was approved by the Hon'ble National Company Law Tribunal, Chandigarh, vide its order dated July 09, 2020. Its past liabilities, including penalty(s) if any, in relation to the period prior to commencement of CIRP stand extinguished on account of the NCLT Approval Order read with Section 31 (1) and Section 32A of the Code.

28. It may be noted that the "Spot Delivery Contract" is defined under section 2(i) (a) of SCRA Act, 1956 as *"a contract which provides for, actual delivery of securities and the payment of a price therefor either on the same day as the date of the contract or on the next day, the actual period taken for the dispatch of the securities or the remittance of money therefore through the post being excluded from the computation of the period aforesaid if the parties to the contract do not reside in the same town or locality."*

29. In other words, a spot delivery contract in securities market is said to be completed only if delivery/transfer of securities and payment thereof has been made within the time limit prescribed under Section 2(i) (a) of SCRA, 1956. Therefore, in a 'spot delivery contract' the payment of consideration amount must be done either on the same day or the next day of the transaction as stipulated under section 2(i) (a) of SCRA, 1956.

30. I note that the AAL transferred total 39,00,000 shares of MFL to noticees 1 to 7 through off-market transfer. I observe that in the Delivery Instruction Slips (DIS), the column for consideration was left blank by AAL even though it had stated it as sale. I observe that AAL and the Noticees had entered into off-market transactions. I note from the documents and material available on record that the abovementioned off-market transactions were in the nature of sale transactions and it was pursuant to SPA dated March 31, 2015 between AAL and the Noticees. It was obligatory for the payment of consideration to be made in lieu of transfer of securities either on the same day as the date of sport delivery contract or on the subsequent day, as per the provisions of the SCR Act, 1956. Admittedly the payments were not made by the Noticees to comply with the provisions of Spot delivery contract.

31. At this juncture, it is pertinent to mention Hon'ble SAT in the matter of Mrs. Bhanuben Jaisukhlal Shah v. SEBI (Appeal No. 271/2009) wherein it was observed: *"In the case before us, it is not in dispute that the appellant sold 4,50,000 shares in off-market transactions in December, 2004 and had not received the payment till the time she filed her reply before the adjudicating officer. ..This being so, the off-market sales effected by the appellant in December 2004 were not spot delivery contracts within the meaning of the Act and since these were not transacted through or with member(s) of a recognized stock exchange, they are illegal in view of the provision of Section 13 of the Act. In this view of the matter, no fault can be found with the impugned order passed by the adjudicating officer holding the said transactions to be illegal violating the provisions of Section 2(i) read with Section 13 of the Act."*

32. Noticee1, 3, 4 and 5 have submitted that although, the impugned transaction does not fulfil the spot delivery contract norms in as much as the consideration did not pass within the time limit for the same, it cannot further be equated with any undesirable speculation that is sought to be prohibited by Section 16 of SCRA as well as by the Notifications dated March 1, 2000 & October 3, 2013. There is no allegation that the impugned transaction (off market transfer) is a result of (excessive or undesirable speculation or that it had any market wide adverse impact). The alleged breach in the facts and circumstance of the case is a mere technical breach with no adverse consequences.

33. In this regard I rely on the decision of the Hon'ble Supreme Court of India, while referring to Section 16 of SCRA, made the following observations in the matter of Bhagwati Developers Pvt. Ltd. Vs. Peerless General Finance and Investment Company Ltd. and Ors. [(2013)9 SCC 584]:

"From a plain reading of the aforesaid provision it is evident that in order to prevent undesirable stipulation in specified securities in any State or area the Central Government by notification is competent to declare that no person in any State or area specified in the notification shall, save with the permission of the Central Government, enter into any contract for the sale or purchase of any security specified in the notification. The Central Government in exercise of the aforesaid power issued notification dated 27th of June, 1969 and declared that in the whole of India "no person" shall "save with the permission of the Central Government enter into any contract for the sale or purchase of securities other than such spot delivery contract" as is permissible under the Act, the Rules, bye-laws and

the Regulations of a recognized stock exchange. The Appellant, therefore, can come out of the rigors of Section 16 of the Act only when it satisfies that the transaction comes within the definition of "spot delivery contract".

34. In view of the above, I observe that in order to prevent undesirable transactions in securities such a provision has been inserted in the Act and subsequent notification was issued to prevent dealings outside the stock exchange mechanism. Hence, off market transfer would have to qualify as a spot delivery contract as defined under section 2(i) of SCRA i.e., actual delivery/ transfer of shares and the payment should be on the same day as date of contract or the next day. There is no pre-requirement of any allegation of excessive or undesirable speculation or that it had any market wide adverse impact to comply with the provisons of Spot Delivery contract as contented by the Noticees. The provisions of Spot Delivery are attracted as soon as any off market transactions are made for consideration. Hence, the contention of the Noticees 1, 3, 4 and 5 is not tenable.

35. From the foregoing, I am of the view that Noticee 1 to Noticee 7 are in violation of the Section 2(i) r/w sections 13, 16 & 18 of the SCR Act r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013.

ISSUE II: Does the violation, if any, on part of the Noticee 1 to Noticee 7 attract penalty under Section for 23H of SCRA, 1956.

36. As has been established above Noticee 1 to 7 are in violations of the provisions Section 2(i) r/w sections 13, 16 & 18 of the SCR Act r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013.

37. I note that the Hon'ble Supreme Court of India in the matter of SEBI v/s Shri Ram Mutual Fund (Appeal Civil 9523-9524 of 2003) 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...."*

38. Therefore, I am of the view that it is a fit case for imposing penalty on the Noticees under Section 23H of the SC(R) Act, 1956. The text of provision is reproduced hereunder:

"Penalty for contravention where no separate penalty has been provided.
23H. *Whoever fails to comply with any provision of this Act, the rules or articles or bye- laws or the regulations of the recognised stock exchange or directions issued by the Securities and Exchange Board of India for which no separate penalty has been provided, shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees."*

ISSUE III: If so, how much penalty should be imposed on the Noticees taking into consideration the factors mentioned in Section 23J of the SCRA, 1956?

39. While determining the quantum of penalty under SCR Act, it is important to consider the factors stipulated in Section 23 J of SCR Act, 1956 read with SC(R) Rules reads as under:

Factors to be taken into account by adjudicating officer:
23J*.While adjudging the quantum of penalty under section 23-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.

40. The material available on record has not quantified the amount of disproportionate gain or unfair advantage, if any, made by the Noticee and the loss, if any, and suffered by the investors as a result of the Noticee's failure. From the records available it is observed that the Noticees have not been penalised earlier for violation of provisions under the Securities Act. Hence violation is not repetitive.

ORDER

41. Having considered the facts and circumstances of the case, the mitigating factors given by the Noticees, the material available on record, the factors mentioned in Section 23J of the SCR Act, the purpose of SCR Act, 1956 taking note of Section 23H of SCR Act, and also taking into account judgment of the Hon'ble Supreme Court in *SEBI vs. Bhavesh Pabari*

(2019) 5 SCC 90 and in exercise of power conferred upon me under section 23 I of the SCR Act, 1956 read with rule 5 of the SC(R) Rules, I hereby impose following penalty under section 23H of the SCR Act, 1956 on the Noticees:

Name of entity	**Provisions violated**	**Penalty (Rs.)**
Bagaria Properties and Investment Private Limited	Section 2(i) r/w sections 13, 16 & 18 of the SCR Act r/w SEBI Notification G.S.R 184 (E) dated March 1, 2000 and SEBI Notification No. LAD-NRO/GN/2013-14/26/6667 dated October 03, 2013	3,00,000/- (Rupees Three Lakh only)
Viewpoint Marketing Pvt Ltd. (now Known as Virendra Kumar and Sons Jewellers LLP)		3,00,000/- (Rupees Three Lakh only)
Shree Bhuvanakaram Tradinvest Private Limited		3,00,000/- (Rupees Three Lakh only)
Shree Suprinit Tradinvest Private Limited		3,00,000/- (Rupees Three Lakh only)
Shree Mallikarjun TradInvest Private Limited		3,00,000/- (Rupees Three Lakh only)
Expert Investment Advisory Private Limited		3,00,000/- (Rupees Three Lakh only)
Needful Financial Consultants Private Limited		3,00,000/- (Rupees Three Lakh only)

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

42. The Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order either by way of Demand Draft in favour of “SEBI - Penalties Remittable to Government of India”, payable at Mumbai, OR through online payment facility available on the website of SEBI, i.e. 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, Noticees may contact the support at portalhelp@sebi.gov.in.

43. The aforesaid Noticees shall forward said Demand Draft or the details / confirmation of penalty so paid to “The Division Chief (Enforcement Department 1 DRA-4), Securities and Exchange Board of India, SEBI Bhavan II, Plot No. C/7, “G” Block BKC, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.” The Noticee shall also provide the following details while forwarding DD / payment information:

1. Case Name:	
2. Name of payee:	
3. Date of payment:	
4. Amount paid:	
5. Transaction no.:	
6. Bank details in which payment is made:	
7. Payment is made for: (like penalties/ disgorgement/ recovery/ settlement amount and legal charges along with order details)	

44. In terms of the provisions of rule 6 of the SC(R) Rules, a copy of this order is being sent to the Noticees and also to the Securities and Exchange Board of India.

Place: Mumbai **BARNALI MUKHERJEE**

Date: Auguist 30, 2022 **ADJUDICATING OFFICER**