BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

(ADJUDICATION ORDER NO: Order/PM/GD/2022-23/16588)

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

In respect of:

Name of the Entity	**Registration No.**	**PAN**
Ajay Chauhan (Proprietor Drift Financial Services)	INA000009898	AODPC6797H

A. BACKGROUND

1. Mr. Ajay Chauhan, Proprietor Drift Financial Services (hereinafter referred as "Noticee") is a SEBI registered Investment Adviser (SEBI Regd. No. INA000009898). A complaint was received against the Noticee on December 23, 2019 on SEBI Complaint Redressal System, abbreviated as SCORES ("Complaint Ref. No. - SEBIP/MP19/0000485/1") from one of his client Mr. Kartiikkay (hereinafter referred as "complainant").

2. It was observed from the complaint that the Noticee has promised "assured high returns to his client Mr. Kartikkay", despite fully aware that, all the investments made in the securities market are subject to market risk and such returns cannot be assured in the securities market.

B. APPOINTMENT OF ADJUDICATING OFFICER

3. SEBI initiated Adjudication proceedings against the Noticee and vide order dated March 05, 2021, appointed Shri Amit Pradhan as the Adjudicating Officer under Section 15 I of the SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules,1995 (hereinafter referred to as "Adjudication Rules") to inquire into and adjudge under the provisions of Section 15C,15EB and 15HA of the SEBI Act,

1992 for the violation of the provisions of Regulations 3(a), 3(b), 3(c), 3(d), 4(1), 4(2) (a) and 4(2) (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 read with section 12A(a), (b) and (c) of SEBI Act, 1992, Regulation 15(1) of the IA Regulations and Clauses 1 (honesty and fairness), 2 (diligence) and 8 (compliance) of the Code of Conduct as specified in the Third Schedule read with Regulation 15(9) of IA Regulations and SEBI Circular CIR/OIAE/2014 dated December 18, 2014 and Regulation 21(1) read with Regulation 28(f) of IA Regulations. Subsequently, upon appointment of the undersigned as AO vide SEBI order dated June 18 2021, the matter was transferred to the undersigned.

C. SHOW CAUSE NOTICE, HEARING AND REPLY

4. A show cause notice bearing ref. no. EAD-2/AP/AKS/8660/2021 dated April 12, 2021 (hereinafter referred to as "SCN") was served upon the Noticee under Rule 4(1) of the Adjudication Rules read with section 15I of the SEBI Act requiring the Noticee to show cause as to why an inquiry should not be held against you in terms of Rule 4 of the Adjudication Rules and penalty be not imposed under section 15C, 15EB and 15HA of the SEBI Act. The Noticee was given 14 days to furnish its reply, if any, to the violations alleged to have been committed by it.

5. The SCN was sent through Speed Post A.D. to Noticee's registered address. However the said notice was returned undelivered. Subsequently in terms of in terms of rule 7(d) of the SEBI Adjudication Rules, service of SCN was done through Newspaper publication with the following information.

Name of the Noticee	Newspaper Publication
Ajay Chauhan, (Proprietor Drift Financial Services)	The Times of India, & Nai Dunia (Indore, Bhopal Edition) Dated April 22, 2022

6. I Note that public notice for SCN was duly published in the Newspaper mentioned above. Subsequently *vide* email dated June 07, 2021 & June 16,

2021, Noticee informed that he has filed settlement application. However I note from records that Noticee has not submitted settlement application as per laid down procedure under SEBI (Settlement Proceedings) Regulations, 2018 to concerned settlement department. Consequently Adjudication Proceedings was reinstituted in the present matter. *Vide* email dated April 07, 2022 an opportunity of personal hearing was granted to the Noticee on April 12, 2022. However, the Noticee did not avail the said hearing opportunity. In the Interest of natural justice, *vide* Email dated April 26, 2022 another hearing opportunity was granted to the Noticee on May 04, 2022. On the scheduled date of hearing, Noticee did not appear before me. The Noticee has also not submitted any reply in regards to adjudication proceedings. I note that Hearing Notice was sent through digitally signed email in terms of rule 7(b) of the SEBI Adjudication Rules. The hearing notices were delivered to the noticee and did not bounce back. I note that adequate opportunities of personal hearing have been provided to the Noticee. However the Noticee did not file any reply on merits against the charges levelled in the show cause notice. I am of the opinion that principles of natural justice have been complied with in the present case. As the said Noticee has chosen not to respond to the SCN, it would be appropriate to proceed in the matter, based on materials available on record.

7. In this context, I would like to rely upon the findings of the Hon'ble Securities Appellate Tribunal (SAT) in the matter of **Classic Credit Ltd., vs. SEBI** (Appeal 68 of 2003 decided on December 08, 2006) wherein the Hon'ble SAT, *inter alia*, observed that - *"............ the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show-cause notice were admitted by them".*

8. The Hon'ble SAT has again in the matter of **Sanjay Kumar Tayal & Others vs. SEBI** (Appeal 68 of 2013 decided on February 11, 2014), *inter alia,* observed that – *"………………As rightly contended by Mr. Rustomjee, learned senior counsel for respondents, appellants have neither filed reply to show cause notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed*

to have admitted charges levelled against them in the show cause notices…………….".

9. In ***Dave Harihar Kirtibhai vs. SEBI*** (Appeal No. 93, 104, 180 and 181 of 2014) dated December 19, 2014, the Hon'ble SAT has held the following: *"...further, it is being increasingly observed by the Tribunal that many persons/entities do not appear before SEBI (Respondent) to submit reply to SCN or, even worse, do not accept notices/letters of Respondent and when orders are passed ex-parte by Respondent, appear before Tribunal in appeal and claim non-receipt of notice and do not appear and/or submit reply to SCN but claim violation of principles of natural justice due to not being provided opportunity to reply to SCN or not provided personal hearing. This leads to unnecessary and avoidable loss of time and resources on part of all concerned and should be eschewed, to say the least. Hence, this case is being decided on basis of material before this Tribunal...".*

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 Noticee has violated regulations 3(a),(b),(c),(d) and 4(1), 4(2)(a) and 4(2)(e) of the PFUTP Regulations read with section 12A(a), (b) and (c) of the SEBI Act, Regulation 15(1) of the IA Regulations and Clauses 1 (honesty and fairness), 2 (diligence) and 8 (compliance) of the Code of Conduct as specified in the Third Schedule read with Regulation 15(9) of IA Regulations and SEBI Circular CIR/OIAE/2014 dated December 18, 2014 and Regulation 21(1) read with Regulation 28(f) of IA Regulations.

    II. If yes, whether the violation, on the part of the Noticee would attract monetary penalty under section 15C, 15EB and 15HA of the SEBI Act?

    III. If yes, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in Section 15J of the SEBI Act read with Rule 5 (2) of the SEBI Adjudication Rules?

Issue I: Whether Noticee has violated regulations 3(a),(b),(c),(d) and 4(1), 4(2)(a) and 4(2)(e) of the PFUTP Regulations read with section 12A(a), (b) and (c) of the SEBI Act, Regulation 15(1) of the IA Regulations and Clauses 1 (honesty and fairness), 2 (diligence) and 8 (compliance) of the Code of Conduct as specified in the Third Schedule read with Regulation 15(9) of IA Regulations and SEBI Circular CIR/OIAE/2014 dated December 18, 2014 and Regulation 21(1) read with Regulation 28(f) of IA Regulations.

11. Before moving forward, it is pertinent to refer to the text of regulations 3(a),(b),(c),(d) and 4(1)), 4(2)(a) and 4(2)(e) of the PFUTP Regulations and section 12A(a), (b) and (c) of the SEBI Act, and Regulation 15(1) of the IA Regulations and Clauses 1 (honesty and fairness), 2 (diligence) and 8 (compliance) of the Code of Conduct as specified in the Third Schedule read with Regulation 15(9) of IA Regulations, which reads as under:

SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003:

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) – (j).....

(k) "disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading and which is designed or likely to influence the decision of investors dealing in securities;

(l) – (m) ....

(s) mis-selling of securities or services relating to securities market;

Explanation- For the purpose of this clause, "mis-selling" means sale of securities or services relating to securities market by any person, directly or indirectly, by—

(i) knowingly making a false or misleading statement, or

(ii) knowingly concealing or omitting material facts, or

(iii) knowingly concealing the associated risk, or

(iv) not taking reasonable care to ensure suitability of the securities or service to the buyer;

SEBI Act

Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.

12A.No person shall directly or indirectly—

(a) use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognized stock exchange, any manipulative or deceptive device or contrivance in

contravention of the provisions of this Act or the rules or the regulations made thereunder;

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

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

IA Regulations, 2013

15. General responsibility.

(1) An investment adviser shall act in a fiduciary capacity towards its clients and shall disclose all conflicts of interests as and when they arise.

(9) An investment adviser shall abide by Code of Conduct as specified in Third Schedule.

21. Redressal of client grievances.

(1) An investment adviser shall redress client grievances promptly.

28. Liability for action in case of default.

(f) fails to resolve the complaints of investors or fails to give a satisfactory reply to the Board in this behalf,

shall be dealt with in the manner provided under the Securities and Exchange Board of India (Intermediaries) Regulations, 2008.

IA Regulations, 2013

SCHEDULE III

Securities and Exchange Board of India (Investment Advisers) Regulations, 2013

CODE OF CONDUCT FOR INVESTMENT ADVISER

[See sub-regulation (9) of regulation 15]

1. ***Honesty and fairness***

An investment adviser shall act honestly, fairly and in the best interests of its clients and in the integrity of the market.

2. ***Diligence***

An investment adviser shall act with due skill, care and diligence in the best interests of its clients and shall ensure that its advice is offered after thorough analysis and taking into account available alternatives.

8. ***Compliance***

An investment adviser including its partners, principal officer and persons associated with investment advice shall comply with all regulatory requirements applicable to the conduct of its business activities so as to promote the best interests of clients and the integrity of the market.

12. I note that from records that Complainant has attached an email dated November 26, 2019 received from DRIFT along with his complaint, wherein, DRIFT *inter alia* stated that –

    I. **"*We <u>ensure that you book maximum returns</u>*** *in the market by our superb DFS special all in one plan market tips.*"

    II. "*In this package we provide fair, reliable and timely calls to our clients can make money with us and* ***<u>get a high profit</u>****.*" (emphasis implied)

13. Complainant received a call on November 15, 2019 from Noticee's Proprietorship firm viz. Drift Financial Services (hereinafter referred as "DRIFT"). The representative from DRIFT informed him, that he would receive training on "how to trade in share market" and thereafter, he will receive trading tips from DRIFT. It was informed to him that at beginning for 3 months' service cost will be Rs. 70,000/-. However, when he informed that, he did not have that

much money with him to pay for the services offered by them, and then they settled for an amount of Rs. 5,000/-, which was eventually paid by him.

14. Subsequently, DRIFT sent him Know Your Customer (“KYC”) and Risk Profiling Form (“RPM”) forms via email and after signing the forms he submitted the forms to DRIFT. Thereafter, one of the representative of DRIFT called him and informed him that the best services for him available at a fees of Rs. 1,50,000/- ,which can be started by paying 25% of the aforementioned amount. Accordingly, he paid an amount of Rs. 32,500/- to DRIFT. Subsequently, he was asked to pay the entire amount, which he arranged and he paid balance amount of Rs. 1,12,500/- to DRIFT. During the next 6 days, DRIFT made huge losses to him. Thereafter, DRIFT pressurized him to pay an additional amount of Rs. 3 Lakh. They also informed to him that they would handle his demat account.

15. I Note that Noticee has promised “assured high returns to his client Mr. Kartikkay”, despite being fully aware that, all the investments made in the securities market are subject to market risk and such returns cannot be assured in the securities market.

16. Further I Note that Noticee tried to deceive its clients’ by promising them assured high profits in securities market and thus misrepresented the advisory services offered by him to his clients’. By promising the clients’ of assured profits and not making them aware of associated market risks with their investments in the securities market, where there is possibility of loss of capital, shows that the Noticee was not honest in his conduct and failed to take due care in his dealings with his clients’.

17. In view of above, Noticee’s act of misrepresentation of “assured high return in the securities market” to his clients’ is found to be a fraudulent act and same is covered within the definition of ‘fraud’ as defined under regulation 2(1)(c) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (hereinafter referred as “PFUTP Regulations”).Therefore I hold that the Noticee viz. Mr. Ajay Chouhan

(Proprietor of Drift Financial Services) has violated the provisions of Regulations 3(a), (b), (c) and (d), 4(1), 4(2)(k) and (s) of the PFUTP Regulations read with section 12A(a), (b) and (c) of SEBI Act, 1992.

18. I Note that Noticee has not been honest with its clients, by promising them assured profits and not informing them that their investments in the securities market are subject to market risk, which involves possible capital losses.

19. I also note that Noticee by not disclosing the market risk associated with an investment in securities market to his clients', has failed to act in a fiduciary capacity towards his clients. In view of the said observations, I conclude that Noticee has violated the provisions of the Regulation 15(1) of the IA Regulations and Clauses 1 (honesty and fairness), 2 (diligence) and 8 (compliance) of the Code of Conduct as specified in the Third Schedule read with Regulation 15(9) of IA Regulations.

20. Regulation 21 of IA Regulations mandates that IA shall redress clients' grievances promptly. Further, SEBI, vide circular no. CIR/OIAE/2014 dated December 18, 2014 has, *inter alia*, stated that registered intermediaries, to whom complaints are forwarded through SCORES, shall take immediate efforts on receipt of a complaint, for its resolution, within thirty days. Further, the said circular has stated that in case of failure by SEBI registered intermediaries to file Action Taken Report (hereinafter referred to as "ATR") under SCORES within 30 days of date of receipt of the grievance, it shall be treated as failure to furnish information to SEBI and deemed to constitute non-redressal of investor grievance.

21. I note that complaint filed in SCORES portal on December 23, 2019 against the Noticee. Noticee was strictly advised to resolve the complaint on an urgent basis and submit ATR to SEBI. The status of the aforementioned complaint is as under:-

Sr. No.	SCORES Complaint number	Name of Complainant	Date of receipt of complaint	Date of forwarding complaint to IA (X)	Date of Reminders	Date of Final ATR (Y)	Excessive time above 30 days
1.	SEBIP/MP19/0000485/1	Shri Kartiikkay	23.12.2019	28.12.2019	09.01.2020 20.02.2020 19.06.2020 11.08.2020 25.08.2020 09.09.2020	09.01.2020 02.03.2020 10.07.2020 20.07.2020	103

22. I note from material available on record that complaint was pending for one year and repeated attempts were made to reach Mr. Ajay Chouhan, Propreitor "Drift Financial Services" to resolve the complaint, however the phone went unanswered. Subsequently, vide email dated November 23, 2020 Noticee was advised to contact SEBI however no response was received from the Noticee. Thereafter, a copy of the complaint was forwarded to Mr. Ajay Chouhan vide letters dated December 1 & 2, 2020 advising him to resolve the complaint by December 8, 2020 and update the status in SCORES portal. The status of delivery of letters are as under –

Sl. No.	Letter dated	Address	Address details received from	Remark
1.	December 1, 2020	Mr. Ajay Chouhan, 7 Saila, Tehsil Barghat, Seoni, Madhya Pradesh-480661	NSDL & CDSL	Delivered on December 10, 2020
2.	December 1, 2020	Mr. Ajay Chouhan F-179, 4th Floor Jeevan Nagar, Maharani Bagh New Delhi-110014		Returned undelivered
3.	December 2, 2020	Mr. Ajay Chouhan (Proprietor: Drift Financial Services) 2nd Floor, 04/1, Bhagyashree Colony, MR 10 Road, Near HP Petrol Pump, Vijay Nagar, Indore, Madhya Pradesh – 452010	Registered address as per SEBI records	Returned undelivered

4.	December 2, 2020	Mr. Ajay Chouhan (Proprietor: Drift Financial Services) Panchvi Manzil (Part) Office No 502 A Indore, Madhya Pradesh – 452001	KYC of IndusInd Bank Ltd.	Returned undelivered

23. It is pertinent to note here that in spite of lapse of 7 days of the receipt of the letter, Noticee has neither resolved the complaint pending for one year nor contacted SEBI in the matter.In view of above, I note that Noticee has not submitted the ATR in a time bound manner as prescribed by SEBI despite repeated reminders and thus failed to resolved investors' grievance of his client Mr. Kartikkay. Therefore, I hold that Noticee has violated the provisions of SEBI Circular CIR/OIAE/2014 dated December 18, 2014 and Regulation 21(1) read with Regulation 28(f) of IA Regulations.

24. I find it relevant to refer to the judgment of the Apex Court in **SEBI vs Shri Ram Mutual Fund**, (Appeal Civil 9523-9524 of 2003) dated May 23, 2006, wherein it was held that "in our opinion, *mens rea* is not an essential ingredient for contravention of the provisions of a civil act". In view of the aforesaid judgment, I find it difficult to exercise leniency on grounds such as ignorance or lack of intention. If leniency is observed in such cases then every offender would seek impunity citing aforesaid reasons and the legislative intent of the provisions of PIT Regulations would be defeated. The key objective of SEBI Act is protection of the interests of the investors. The requirement to submit disclosures under the PIT Regulations are sacrosanct as they enable the public to make an informed investment decision in a timely manner. By not submitting the requisite disclosures, the concerned persons deprive the investing public of the statutory rights available to them.

Issue II. Does the violation, if any, attract monetary penalty under Section 15C, 15EB and 15HA of the SEBI Act, 1992

25. I note that the Apex Court in the case of SEBI Vs Shri Ram Mutual Fund (Appeal Civil 9523-9524 of 2003) dated May 23, 2006 *(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."

26. Further, vide order dated April 26, 2013 the **Hon'ble Supreme Court of India in the matter of N Narayanan vs. SEBI** (Appeal Nos. 4112-4113 of 2013) held as under:-

"SEBI, the market regulator, has to deal sternly with companies and their Directors indulging in manipulative and deceptive devices, insider trading etc. or else they will be failing in their duty to promote orderly and healthy growth of the Securities market. Economic offence, people of this country should know, is a serious crime which, if not properly dealt with, as it should be, will affect not only country's economic growth, but also slow the inflow of foreign investment by genuine investors and also casts a slur on India's securities market. Message should go that our country will not tolerate market abuse and that we are governed by the Rule of Law. Fraud, deceit, artificiality, SEBI should ensure, have no place in the securities market of this country and market security is our motto."

27. In view of the above, I am convinced that it is a fit case to impose monetary penalty on the Noticee under the provisions of Section 15C, 15EB and 15HA of the SEBI Act, 1992, which reads as under

SEBI Act

Penalty for failure to redress investors' grievances.

15C. If any listed company or any person who is registered as an intermediary, after having been called upon by the Board in writing including by any means of electronic communication, to redress the grievances of investors, fails to redress such grievances within the time specified by the Board, such company or intermediary shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees.

Penalty for default in case of investment adviser and research analyst.

15EB. Where an investment adviser or a research analyst fails to comply with the regulations made by the Board or directions issued by the Board, such investment adviser or research analyst shall be liable to penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees.

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.

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

28. While determining the quantum of penalty under 15C, 15EB and 15HA of SEBI Act, 1992, it is important to consider the factors stipulated in Section 15J of SEBI Act, 1992 read with Rule 5(2) of the Adjudication Rules, 1995 which read as under: -

SEBI Act, 1992

15J While adjudging quantum of penalty under [110][15-I or section 11 or section 11B, the Board or the adjudicating officer] shall have due regard to the following factors, namely :—

(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;

(b) the amount of loss caused to an investor or group of investors as a result of the default;

(c) the repetitive nature of the default.

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

29. In the instant case, from the material available on record, any quantifiable gain or unfair advantage accrued to the Noticee or the extent of loss suffered by the investors as a result of the aforesaid violations by the Noticee is not available.

Further, it does not show that the said failure is repetitive from the material available on record. However, the role of an investment advisor is nevertheless critical to the development of the securities market, especially for the entry of small investors who can rely on their advice. The misconduct of the Noticee is clearly evidence of the breach of fiduciary duties the company owed to its clients. There is a pressing need for every IA to assign high priority to investor complaints and to take all measures necessary to resolve these issues as soon as possible.

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 and SCRA Adjudication Rules, I hereby impose penalty on the Noticee as follows:

S. No	Noticee	Violation	Penal provisions	Penalty (in Rs.)
1.	Ajay Chauhan, (Proprietor Drift Financial Services)	SEBI Circular CIR/OIAE/2014 dated December 18, 2014 and Regulation 21(1) read with Regulation 28(f) of IA Regulations	Section 15C of the SEBI Act.	1,00,000
		Regulation 15(1) of the IA Regulations and Clauses 1 (honesty and fairness), 2 (diligence) and 8 (compliance) of the Code of Conduct as specified in the Third Schedule read with Regulation 15(9) of IA Regulations	Section 15EB of the SEBI Act.	1,00,000
		Regulations 3(a),(b),(c),(d) and 4(1), 4(2)(a) and 4(2)(e) of the PFUTP Regulations read with section 12A(a), (b) and (c) of the SEBI Act,	Section 15HA of the SEBI Act	5,00,000

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, , 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 and SCRA Adjudication Rules, copies of this order are sent to the Noticee and SEBI.

Date: May 27, 2022
Place: Mumbai

PRASANTA MAHAPATRA
ADJUDICATING OFFICER