BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

ADJUDICATION ORDER NO. Order/GG/VV/2021-22/15420

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:

Sanjay Bajoria

(PAN: ADDPB1444K)

In the matter of Dealings in Illiquid Stock Options at BSE

A. BACKGROUND OF THE CASE

1. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") conducted an investigation into the trading activity in illiquid stock options on Bombay Stock Exchange Limited (hereinafter referred to as "**BSE**") for the period from April 01, 2014 to September 30, 2015 (hereinafter referred to as the "**Investigation Period**"**)** after observing large scale reversal of trades in the stock options segment of the BSE.

2. Pursuant to a preliminary examination conducted in the Illiquid Stock Options matter an Interim order was passed by SEBI on August 20, 2015 against 59 entities which were confirmed vide Orders dated July 30, 2016 and August 22, 2016. Meanwhile,

SEBI initiated a detailed investigation relating to trading in stock options segment of BSE which was completed in the year 2018. The investigation findings revealed that of all trades executed in the stock options segment of BSE during the Investigation Period, 81.38% of the trades, that is 2,91,643 trades, were trades which involved a reversal of buy and sell positions by the clients and counterparties in a contract. The investigation revealed that 14,720 entities were involved in executing non-genuine trades in BSE's stock options segment during the investigation period. The proceedings initiated against the first set of 59 entities, vide the aforementioned Interim Order were disposed of vide final Order dated April 05, 2018, without any further directions, observing that the Adjudicating Officer shall continue the proceedings in accordance with the SEBI Act, 1992 and SEBI (Procedure for Holding and Imposing Penalties by Adjudicating Officer) Rules, 1995 and pass appropriate order on merits. It was also recorded therein that SEBI has decided to take appropriate action against all 14720 entities in phases. The captioned proceedings initiated against the Noticee is part of the aforesaid mass action initiated by SEBI against the large number of entities.

3. In the meantime, the Hon'ble Securities Appellate Tribunal (SAT), vide its Order dated October 14, 2019, in the case of *R. S. Ispat Ltd Vs SEBI*, *inter alia* observed that "*SEBI may consider holding a Lok Adalat or adopting any other alternative dispute resolution process with regard to the Illiquid Stock Options".*

4. Thereafter, a Settlement Scheme was framed under the SEBI (Settlement Proceedings) Regulations, 2018, which provided a one-time opportunity for settlement of proceedings in the Illiquid Stock Options matter. The said scheme was kept open from August 01, 2020 till December 31, 2020. Finally, adjudication

proceedings were initiated against those entities who had not availed of the opportunity of settlement.

5. It was observed that 13,186 entities had not availed of the opportunity of settlement and therefore Adjudication proceedings were initiated against the entities in a phased manner. In order, to duly expedite the Adjudication proceedings against the entities, SEBI had appointed additional Adjudicating officers to adjudicate against the said entities. However, owing to the huge number of alleged entities, the adjudication proceedings are being conducted in a phased manner that would require adequate time to complete the proceedings against all entities.

6. It was observed that, Sanjay Bajoria (PAN: ADDPB1444K) (hereinafter referred to as the "**Noticee")** was one of the entities, who did not seek settlement under the Settlement Scheme in 2020 and whose reversal trades allegedly involved squaring off of open positions with a significant price difference without any basis. The aforesaid reversal trades allegedly contributed to the generation of artificial volumes, leading to allegations that the Noticee had violated the provisions of Regulations 3(a), (b), (c), (d) and Regulation 4(1) and 4(2) (a) of the SEBI (Prohibition of Fraudulent and Unfair Trading Practices relating to Securities Markets) Regulations, 2003 (hereinafter referred to as the "**PFUTP Regulations**").

B. APPOINTMENT OF ADJUDICATING OFFICER

7. SEBI initiated adjudication proceedings and appointed me, as the Adjudicating Officer under section 15-I of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the "**SEBI Act**") read with Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as

the "**SEBI Adjudication Rules**") *vide* communication dated November 12, 2021 to inquire into and adjudge under section 15HA of the SEBI Act, with respect to the allegations against the Noticee.)

C. SHOW CAUSE NOTICE, REPLY AND HEARING

8. A Show Cause Notice dated December 13, 2021 (hereinafter referred to as "**SCN**") was served upon the Noticee, vide Speed post with acknowledgement due (hereinafter referred to as '**SPAD**') and by email, under Rule 4(1) of the SEBI Adjudication Rules to show cause as to why an inquiry should not be initiated against the Noticee and thereafter penalty imposed against him under section 15HA of the SEBI Act for the alleged violation of the provisions of Regulations 3((a),(b),(c),(d)), 4(1) and 4(2)(a) of the PFUTP Regulations.

9. The SCN issued to the Noticee, *inter alia* alleged, that the Noticee engaged in executing 4 non-genuine trades through 2 contracts on 2 days viz. 20/03/2015 and 26/06/2015, with 2 counterparties viz. Mansarovar Capital Market Private Limited and J B Overseas, which led to the generation of artificial volume of 458000 units. The 4 trades each entered into by the Noticee were reversed on the same day with the same counterparties at a substantial price difference without there being any rationale. The summary of the dealings of the Noticee in the two stock option contracts, in which the Noticee allegedly executed the 4 trades during the investigation period is given as Table-1:

Table -1 Summary of the dealings of the Noticee in 2 stock option contracts

S. No.	Date	Contract Name	Avg. Buy Rate (Rs.)	Total Buy Volume (no. of units)	Avg. Sell Rate (Rs.)	Total Sell Volume (no. of units)	Total Vol in the contract	% of Artificial Volume generated by Noticee in the contract to Noticee's Total Volume in the Contract	% of Artificial Volume generated by Noticee in the contract to Total Volume in the Contract
1.	20/03/2015	CESC15MAR580.00PE	0.3	129000	4.3	129000	1592000	100	16.21
2.	26/06/2015	LNTF15JUL55.00CEW3	5.1	100000	7.6	100000	880000	100	22.73

Source: Trade log provided by BSE

10. The abovementioned contracts which resulted in 4 non-genuine trades creating artificial volumes may be understood through an illustration of one of the contract viz. "LNTF15JUL55.00CEW3" (*Serial.no. 2 of the above Table- 1)*, which is as follows:

(a) During the investigation period, in the said contract viz. "LNTF15JUL55.00CEW3", the Noticee on 26/06/2015 has executed 2 trades for a total volume of 200000 units with counterparty, viz. J B Overseas.

(b) While dealing in the said contract on 26/06/2015, the Noticee at 13:31:13.211835 hrs executed one buy trade for 100000 units at the rate of Rs.5.1 per unit with counterparty, J B Overseas. In 5 seconds after the aforementioned buy trade, the Noticee reversed the trade by executing one sell trade at 13:31:18.712059 hrs for 100000 units at the rate of Rs.7.6 per unit with the same counterparty.

(c) From the above, it is noted that while dealing in aforesaid contract (i.e LNTF15JUL55.00CEW3) during the investigation period, the Noticee executed a total of 2 trades (1 buy trade and 1 sell trade). This made up to 22.73% of the total market volume for this contract during the investigation period. Likewise, in the contract shown at S.no.1 of Table.1 of para 6, the Noticee has executed 2 reversal trades, which constituted to 16.21% of market volume.

11. Based on the above, it was alleged that the Noticee by indulging in execution of the aforesaid non-genuine reversal trades, has violated the provisions of Regulations 3(a), (b), (c), (d) and 4(1), 4(2)(a) of the PFUTP Regulations, text of which is reproduced below:

PFUTP Regulations

3. Prohibition of certain dealings in securities

No person shall directly or indirectly—
(a) buy, sell or otherwise deal in securities in a fraudulent manner;
(b)use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;
(c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
(d)engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

4. Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practice in securities.
(2) Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely :—

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

12. The Noticee had not submitted his reply to the aforesaid SCN, despite grant of sufficient time. The Noticee was further granted opportunities of personal hearing on January 11, 2022 vide Hearing Notice dated December 30, 2021, sent by SPAD and by email. However, the Noticee had not attended the hearing. Another opportunity of Hearing was granted on March 04, 2022 vide Hearing Notice dated February 24, 2022, sent by email to the Noticee. However, as the Noticee did not respond to the Hearing Notice sent by email, another opportunity of Hearing was granted on March 14, 2022 vide the Hearing Notice dated March 07, 2022, sent by SPAD and by email to the Noticee.

13. The Noticee had not appeared for the three hearings granted to him. I observe that the SCN and first and third Hearing Notices were delivered to the Noticee, in physical form by speed post with acknowledgment due (SPAD) and in soft form by email. The second Hearing Noticee was delivered in soft form by email. I observe that the delivery receipts of the SCN and three Hearing Notices are available on record, as shown below in the table:

Date of SCN/Hearing Notice	Date of delivery through SPAD	Document on record as proof of delivery	Date of delivery through email	Document on record as proof of delivery
SCN dated December 13, 2021	December 17, 2021	India Post - Track Consignment - delivery confirmed status and acknowledgment card signed by the addressee	December 13, 2021	Email sent report
1st Hearing Notice dated December 30, 2021	January 04, 2022	India Post - Track Consignment - delivery confirmed status	December 30, 2021	Email Delivery report

2nd Hearing Notice dated February 24, 2022	NA	NA	February 24, 2022	Email delivery report
3rd Hearing Notice dated March 07, 2022	March 14, 2022	India Post - Track Consignment - delivery confirmed status	March 10, 2022	Email delivery report

14. From the above, I note that despite proper service of SCN and Hearing Notice, the Noticee has not duly responded. Hence, I am compelled to proceed ex-parte in the matter. As laid down by the Hon'ble SAT in its order dated May 12, 2017 in the matter of **Shri. B.Ramalinga Raju vs. SEBI (Appeal no. 286 of 2014)**, even though the Noticees remained ex-parte, I find it relevant that I should be guided by the documents available on record. I hereby proceed with the matter, based on the material available on record.

D. CONSIDERATION OF ISSUES

15. I have taken into consideration the facts of the case and the material on record. I now proceed to consider the issues that arise in this case.

16. The core issue that arises for consideration in the instant matter is whether the trading in illiquid stock options done by the Noticee during the Investigation Period was in violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the PFUTP Regulations? If yes, whether the Noticee is liable for Monetary penalty to be levied under section 15HA of the SEBI Act or not and how much should be the quantum of penalty?

17. I have brought out the details of the Noticee's trades for each contract in two tables shown hereunder, culling out the relevant fields from the Trade log of the Noticee provided by BSE, (that was enclosed as Annexure II to the SCN), for analysis.

Table No.2 ***Summary of dealings of Noticee in contract LNTF15JUL55.00CEW3***

S. No.	Date	Name of the client	Name of the counter party client	Trade Time (in hrs)	Order LM(Last traded) TIME	CP Order _LM TIME	Trade Rate (Rs.)	Order _LM rate	CP Order _LM rate	Trade quantity (qty) / Vol (no. of units)	Order _LM QTY	CP Order _LM OTY
1.	26/06/2015	J B Overseas	Sanjay Bajoria (sell)	13:31:18.712059	13:31:18.712059	13:31:18.665135	7.6	7.6	7.6	100000	100000	100000
2.	26/06/2015	Sanjay Bajoria (buy)	J B Overseas	13:31:13.211835	13:31:13.164968	13:31:13.211835	5.1	5.1	5.1	100000	100000	100000

Source: Trade log provided by BSE

18. I note from Table No.2 above, the following aspects of trading in the first contract:

a) The Noticee on 26/06/2015 executed one buy trade at 13:31:13.211835 hrs and instantly reversed the trade by executing one sell trade at 13:31:18.712059 hrs with the counterparty, J B Overseas in 5 seconds i.e.in less than 1 minute, which indicates that the reversal of trades were synchronized. The Noticee executed the buy trade at the rate of Rs. 5.1 and the sell trade at the rate of Rs.7.6 reversing the trade with a difference in rate of Rs.2.5 in less than a minute. The Noticee has reversed the buy trade by placing a sell trade for the exact quantity of 100000 units. The Noticee by reversing the buy and sell trades, with a price difference of Rs. 2.5 for 100000 units had made profits to the extent of Rs.2,50,000/-.

b) I observe that the counterparty has made an equivalent loss and that such loss incurred by the counterparty was due to the high buy order rate followed by a low sell order rate placed within a minute, which is not rationale.

c) The Noticee and the counterparty have placed their buy orders and sell orders exactly at the same time or within a difference of seconds (as given in the table above) that show synchronization of time even in placing the orders. The Noticee and the counterparty had also placed identical buy and sell order rates and quantity.

d) The reversal of trades between the Noticee and counterparty that were synchronized did not intend to have a genuine change of rights of 100000 units traded in the first contract, as the Noticee bought and then sold the quantum of units to the same counterparty viz. Choudhary Management Private Limited.

e) The non-genuine trades of the Noticee in this contract had led to the generation of artificial volume of 200000 units. The Noticee's trades in the contract had contributed to 22.73% of the market volume of the contract (as given in Table No.1).

19. Therefore, I observe that both the limbs of the reversal transaction were synchronized time wise and were put with identical rate and quantity, that led to the execution of trades. The above aspects of the Noticee's trades in the first contract such as, the exactness of the quantity that got reversed between the two parties, the proximity in the time of the reversal of trades and above all the absence of rationale to justify the variation in the sell and buy price placed within a minute, no change of rights of the units traded, certainly go to show that these are non-genuine artificial trades.

20. Likewise, I observe a similar pattern of trading in the second contract entered by the Noticee, as given in the Table No. 3:

Table No.3 Summary of dealings of Noticee in contract CESC15MAR580.00PE

S. No.	Date	Name of the client	Name of the counter party client	Trade Time (in hrs)	Order _LM TIME	CP Order _LM TIME	Trade Rate (Rs.)	Order _LM rate	CP Order _LM rate	Trade quantity (qty) / Volume (no. of units)	Order _LM QTY	CP Order _LM OTY
1.	20/03/2015	Sanjay Bajoria(buy)	Mansarovar Capital Market Pvt Ltd	15:04:30. 211960	15:04:30. 211960	15:04:30. 162891	0.3	0.3	0.3	129000	129000	129000
2.	20/03/2015	Mansarovar Capital Market Pvt Ltd	Sanjay Bajoria(sell)	15:04:33. 909255	15:04:33. 909255	15:04:33. 712125	4.3	4.3	4.3	129000	129000	129000

Source: Trade log provided by BSE

21. I note from Table No. 3 above, that the Noticee had adopted the same strategy of buying at a high rate and selling at a lower rate. In the second contract, the trades are placed by the Noticee with the counter party Gold View Financial Services Limited. It is also relevant to note the following aspects of the second contract:

    a) The Noticee on 20/03/2015 executed one buy trade at 15:04:30.211960 hrs and instantly reversed the trade by executing one sell trade at 15:04:33.909255 hrs with the counterparty, viz. Mansarovar Capital Market Pvt Ltd., in 3.7 seconds i.e.in less than 1 minute, which indicates that the reversal of trades were synchronized. The Noticee executed the buy trade at the rate of Rs. 0.3 and the sell trade at the rate of Rs.4.3 reversing the trade with a difference in rate of Rs.4 in less than a minute. The Noticee has reversed the buy trade by placing a sell trade for the exact quantity of 129000 units. The Noticee by reversing the buy and sell trades, with a price difference of Rs. 4 for 129000 units had made profits to the tune of Rs.5,16,000/-.

b) I observe that the counterparty has made an equivalent loss and that such loss incurred by the counterparty was due to the high buy order rate followed by a low sell order rate placed within a minute.

c) The Noticee and the counterparty have placed their buy orders and sell orders exactly at the same time or within a difference of seconds (as given in the table above) that show synchronization of time even in placing the orders. The Noticee and the counterparty had also placed identical buy and sell order rates and quantity. The attribute tagged with the orders of the Noticee and counterparty under 'order type' and 'CP_order Type' is "L", as seen from columns 49 & 50 of the trade log in Annexure 2 to the SCN, which implies that Limit orders were placed by both the parties at a prefixed price.

d) The reversal of trades between the Noticee and counterparty did not intend to have a genuine change of rights of 129000 units traded, as the Noticee bought and then sold the quantum of units to the same counterparty viz. Mansarovar Capital Market Pvt Ltd. The non-genuine trades of the Noticee in this contract had led to the generation of artificial volume of 2,58,000 units, contributing to 16.21% of the market volume of the contract.

22. From the facts brought out in Tables Nos.1, 2 and 3 given above, I observe that by reversing the trades with substantial price variations within a minute in both the contracts, the Noticee has made profits to a total of Rs. 7,66,000/-. I note that in both the contracts, the reversal of trades by the Noticee, was done within a minute and was thereby synchronized. Furthermore, I observe that in the two contracts, even when the counterparty in each contract was different, there is a similar pattern of synchronization of the order time, order rate and order quantity and the orders were limit orders. When I take a look at the contribution of trading by the Noticee in the stock option segment of BSE during the investigation period, I find that the Noticee by

trading in the two contracts had contributed to 22.73% and 16.21% of the market volume of the contracts traded as given in Table-1.

23. On observing the facts of the case and the pattern of trading by the Noticee, I am convinced that the trades were a consequence of pre-meditated decision of both parties and hence are unfair trades for the purpose of SEBI (PFUTP) Regulations. The trades of the Noticee, fall in the category of non-genuine trades, as it has entered by two parties on the stock exchange platform by mutual understanding, thereby attracting the prohibition against fraudulent or manipulative and unfair trade practices contained in SEBI (PFUTP) Regulations. The trades are ex facie pre-meditated to book profits for the Noticee and for the counterparty to bear losses in both the contracts. The non-genuine trades executed by the Noticee, therefore have resulted in no transfer of rights and is a manipulative act of contributing to merely generating an artificial volume in the stock options segment of BSE.

24. In this context, it is relevant to quote the judgment of the Hon'ble Supreme Court in the matter of **Rakhi Trading (SEBI Vs. Rakhi Trading- CANo.1969/2011, Order dated February 8, 2018)**

"1. Fairness, integrity and transparency are the hallmarks of the stock market in India".

Their Lordships have considered similar transactions in the same segment.

*"**38.** …. The repeated reversals and predetermined arrangement to book profits and losses respectively, made it clear that the parties were not trading in the normal sense and ordinary course. Resultantly, there has clearly been a restriction on the free and fair operation of market forces in the instant case."*

*"**41** …. The stock market is not a platform for any fraudulent or unfair trade practice. The field is open to all the investors. By synchronization and rapid reverse trade, as has been carried out by the traders in the instant case, the price discovery system itself is affected. Except the parties who have pre-fixed the price, nobody is in the position to participate in the trade. It also has an adverse impact on the fairness, integrity and transparency of the stock market." (***Paragraph Nos. 1, 35, 38 and 41** of the part of the judgement authored by His Lordship Mr.Justice Kurian Joseph*).*

*"**38.** The smooth operation of the securities market and its healthy growth and development depends upon large extent on the quality and integrity of the market. Unfair trade practices affect the integrity and efficiency of the securities market and the confidence of the investors. Prevention of market abuse and preservation of market integrity are the hallmark of securities law…" (***Paragraph No.38** of the part of the judgment authored by Her Ladyship Ms. Justice R. Bhanumathi). *For this, the Hon'ble Judge also relied on the apex court observations in N.Narayanan Vs. Adjudicating Officer, Securities and Exchange Board of India(2013) 12 SCC 152 wherein it was inter alia observed: "Market abuse" impairs economic growth and erodes investor's confidence."*

*"**42**. Where certain unscrupulous elements are trying to manipulate the market to serve their own interest, it becomes imperative on the part of SEBI to intervene and to curb further mischief and to take necessary action to maintain public confidence in the integrity of the securities market…"*

25. Finally, to answer the question as to whether these trades fall within the ambit of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the PFUTP Regulations, I would like to rely on the following extract of the judgment of the Hon'ble Supreme Court in the matter of **Rakhi Trading:**

"**39.** *Regulation 2(1)(c) defines fraud. Under Regulation 2(1)(c)(2) a suggestion as to a fact which is not true while he does not believe it to be true is fraud. Under Regulation 2(1)(c)(7), a deceptive behavior of one depriving another of informed consent or full participation is fraud. And under Regulation 2(1)(c)(8), a false statement without any reasonable ground for believing it to be true is also fraud. In synchronized and reverse dealing in securities, with predetermined arrangement to book loss or gain between pre-arranged parties, all these vices are attracted.*

40. *Regulation 3(a)expressly prohibits buying, selling or otherwise dealing in securities in a fraudulent manner. Under Regulation 4(2) dealing in securities shall be deemed to be fraudulent if the trader indulges in an act which creates a false or misleading appearance of trading in the securities market. It is a deeming provision. Such trading also involves an act amounting to manipulation of the price of the security in the sense that the price has been artificially and apparently prefixed. The price does not at all reflect the value of the underlying asset. It is also a transaction in securities entered into without any intention of performing it and without any intention of effecting a change of ownership of such securities, ownership being understood in the limited sense of the rights of the contract." (per His Lordship Mr.Justice Kurian Joseph's findings in paragraph Nos.* ***39&40****).*

26. The Hon'ble Appellate Tribunal has summarised the circumstances identified by the Apex court in **Rakhi Trading Judgment** in the case of **Global Earth**

Properties and Developers Pvt. Ltd. Vs Securities and Exchange Board of India (Appeal No.212 of 2020 decided on September 14, 2020). In para 14 of the said order, the Hon'ble SAT enlisted the following circumstances:

*"**14 e.** In synchronised and reverse trades, there is no genuine change of rights in the contract."*

27. Further in paragraph No. 20 of the said order in **Global Earth (supra),** the Hon'ble Tribunal held as below:

*"**20.** From the aforesaid cumulative analysis of the reversed transactions with the counter party, quantity, time and significant variation of the price clearly indicates that the trades were non-genuine and had only misleading appearance of trading in the securities market without intending to transfer the beneficial ownership. One finds it to be naïve to presume that the perception of the two counter parties to a trade changed within few seconds/minutes and positions were interchanged and the contracts were changed where one party made profit and the other party ended up making losses every time without prior meeting of mind. It is not a mere coincidence that the Appellants could match the trades with the counter party with whom he had undertaken the first leg of respective trade. In our opinion, the trades were non-genuine trades and even though direct evidence is not available in the instant case but in the peculiar facts and circumstances of the present case there is an irresistible inference that can be drawn that there was meeting of minds between the Appellants and the counter parties, and collusion with a view to trade at a predetermined price."*

28. From the above position in law and facts, it follows that the Noticee's transactions in question falls within the mischief of unfair and fraudulent or manipulative trade practice, as contemplated in the SEBI (PFUTP) Regulations. Hence, I am inclined to impose monetary penalty on the Noticee.

29. Thus, from the facts of the matter and the legal position laid down by the Hon'ble Supreme Court, I find that the subject trades are non-genuine and artificial. On being convinced of the generation of artificial volumes in the market by the Noticee, I am of the view that a penalty ought to be imposed on the Noticee which is commensurate to the violation. I find that a penalty of Rs. 5,00,000/- (Rupees Five Lakh only), being the statutory minimum penalty prescribed for PFUTP under section 15HA, is appropriate in the instant case.

E. ORDER

30. Therefore, in exercise of powers conferred upon me under Section 15-I (2) of the SEBI Act read with rule 5 of the Adjudication Rules, I hereby impose a penalty of Rs 5,00,000/- (Rupees Five Lakhs only) upon the Noticee *i.e.,* Sanjay Bajoria (PAN: ADDPB1444K) under Section 15HA of the SEBI Act for violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the PFUTP Regulations.

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

In case further assistance would be required in payment of penalties, the Noticee may contact the support at portalhelp@sebi.gov.in.

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-II, 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: March 17, 2022 **GEETHA G**

Place: Mumbai **ADJUDICATING OFFICER**