BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

(ADJUDICATION ORDER NO: Order/GR/RR/2020-21/10365)

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:

SL. No.	Name of the Entity	PAN
1	Ms. Drishti Makhija	BOTPM3865H

In the matter of dealing in Illiquid Stock Options at Bombay Stock Exchange

FACTS OF THE CASE

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") initiated adjudication proceedings under Section 15HA of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the "SEBI Act") against Drishti Makhija (hereinafter referred to as 'Noticee / Drishti") in the matter of dealing in Illiquid Stock Options on the BSE. Adjudication proceedings were initiated against the Noticee for alleged violation of Regulations 3 (a), (b), (c), (d) and 4(1), 4 (2)(a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 (hereinafter referred to as the "PFUTP Regulations").

APPOINTMENT OF ADJUDICATING OFFICER

2. SEBI, vide Order dated April 3, 2018, appointed Shri Biju S as the Adjudicating Officer (hereinafter referred as AO) under Sub-section (1) of Section 15-I of the SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and imposing

penalties) Rules, 1995 (Adjudicating Rules) to inquire into and adjudge under Section 15HA of the SEBI Act for the alleged violations specified at para 1 above committed by the Noticee.

Subsequently, vide Order dated July6, 2018, Shri. Satya Ranjan Prasad was appointed as the Adjudicating Officer in the said matter in the place of Shri Shri Biju S. Later, vide order dated May 17, 2019 the undersigned has been appointed as the Adjudicating Officer in the instant matter. The proceeding is therefore been carried forward where they had been left off by the previous AO.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

3. Show Cause Notice No. EAD-4/ADJ/SRP/HKS/OW/P/24306/1/2018 dated August 30, 2018 (hereinafter be referred to as, the "SCN") was served upon the Noticee under Rule 4(1) of the SEBI (Procedure for holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as 'Adjudication Rules') to show cause as to why an inquiry should not be held and penalty be not imposed against him under Section 15HA of the SEBI Act for the alleged violations of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2)(a) of the PFUTP Regulations. The Noticee was alleged to have engaged in 2 reversal trades with same counterparty on the same day with significant price difference in buy and sell trade. The Noticee, through her dealing in the contract, executed 2 non-genuine trades which is 100% of total trades from the market in the said contract during April 1, 2014 to September 30, 2015 and thereby generated artificial volume of 30,000 units which is 100% of volume traded in the said contract. It is alleged that, the said trading activity of the Noticee created false and misleading appearance of trading and generated artificial volumes in the stock options segment of the BSE during April 1, 2014 to September 30, 2015, in violation of the provisions of the abovementioned Regulations.

4. The undersigned received intimation that SEBI has received an application for settlement in the prescribed form from the Noticee, and to keep the proceedings in abeyance till disposal of the settlement application.

5. I note that SEBI has passed settlement order dated January 14, 2021 under Settlement Scheme in terms of Regulation 26 of the SEBI (Settlement Proceedings) Regulations, 2018, inter alia, in respect of 1018 entities including the Noticee, for settlement of proceedings initiated for defaults specified in the SCN subsequent to payment of Rs. 33,32,500/- as settlement amount by the Noticee. As per the terms of settlement mentioned in paragraph 10 of the abovementioned Order, SEBI shall not initiate any enforcement action or continue any enforcement proceedings already initiated against the Noticee for the settled defaults.

ORDER

6. In view of the above, the Adjudication Proceeding initiated against Noticee i.e. Drishti Makhija vide SCN No. EAD-4/ADJ/SRP/HKS/OW/P/24306/1/2018 dated August 30, 2018 is disposed of.

7. In terms of the provisions of Rule 6 of the Adjudication Rules 1995, a copy of this Order is being sent to the Noticee and also to Securities and Exchange Board of India.

Date: February 9, 2021 **G RAMAR**

Place: Mumbai **ADJUDICATING OFFICER**