BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO.ORDER/BS/AU/2021-22/12610-12611]

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

In respect of:

Sr. No.	Name	PAN
1.	Ms. Promila Lal	AABPL8634L
2.	MBL & Company Ltd.	AADCM8394F

In the matter of Religare Enterprises Ltd.

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as **'**SEBI**'**) conducted investigation into the alleged irregularities in the trading in the shares of Religare Enterprises Ltd. (hereinafter referred to as **'**REL**'**) for the period April 13, 2011 to May 02, 2011 (hereinafter referred to as 'investigation period') and into the possible violation of the provisions of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as 'SEBI Act, 1992') and Regulations made thereunder.

2. It was alleged that Ms. Promila Lal (hereinafter referred to as Noticee No. 1) entered into synchronized and reversal of trades with one Shri Mohd. Rashid during the

investigation period. MBL & Company Ltd. (hereinafter referred to as Noticee No 2) was the broker of Noticee No. 1 in execution of the said transactions.

APPOINTMENT OF ADJUDICATING OFFICER

3. Shri S V Krishnamohan was appointed as Adjudicating Officer vide order dated February 26, 2016 to inquire into and adjudge under Section 15 HA of the SEBI Act, the alleged violation of Regulations 3(a) to (d), 4(1), 4(2)(a) and (g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 (hereinafter referred to as PFUTP Regulations) by Noticee No. 1 and under Sections 15 HA and 15HB of the SEBI Act, the alleged violation of Regulations 4(1), 4(2) (a) of PFUTP Regulations, 2003 and Clause A (3), (4), (5) of the Code of Conduct prescribed for Stock Brokers specified under Schedule II under Regulation 7 of the SEBI(Stock Brokers and Sub-Brokers) Regulations, 1992 (hereinafter referred to as Stock Broker Regulations).

4. Subsequently, vide order dated September 15, 2017, the undersigned was appointed as the Adjudicating Officer in the place of Shri S. V. Krishnamohan.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

5. Separate Show Cause Notices (hereinafter referred to as 'SCNs') dated April 29, 2016 were issued to the Noticees in terms of Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as the Rules) read with Section 15I of SEBI Act, 1992 for the violations as specified in the SCN.

6. Vide letter dated May 12, 2016, Noticee No. 1 replied to the SCN and primarily submitted that

    a. *I am the Director of notice No. 2.*

b. *My trades did not match during a fixed time but across the entire period of trading session for the day which becomes all the more difficult for anyone to do synchrosied trading.*
c. *I do not have any personal relationship with Mohd. Rashid.*
d. *The net position at the end of the day is zero which means there is no carry over which could otherwise be a factor for any substantial rise in the price on the next day.*

7. Vide letter dated May 16, 2016, Noticee No. 2 replied to the SCN and reiterated the submissions made by Noticee No. 1.

8. Subsequently vide hearing notice dated April 11, 2018, Noticees were granted personal hearing on April 20, 2018. However, Noticees sought adjournment of the same.

9. Subsequently vide hearing Notice dated May 17, 2018, Noticees were granted final opportunity of personal hearing on June 13, 2018.

10. Shri Ketan Rupani and Shri Ranjan Dutta, Authorised Representative (hereinafter referred to as 'AR') appeared on behalf of both the Noticees and submitted that Noticee No. 1 suffered a loss Rs. 10,000 in dealing in the scrip of REL during the investigation period. The ARs further submitted that the alleged trades were mere coincidence.

11. Subsequently, vide letter dated June 21, 2018, Noticees filed additional reply to the SCN and reiterated the submissions made vide reply dated May 12, 2016. Vide said letter, Noticee No. 1 also forwarded additional details which were not furnished with the earlier reply.

CONSIDERATION OF ISSUES AND FINDINGS

12. I have carefully examined the material available on record. The issues that arise for consideration in the present case are :

a. Whether Noticee No. 1 violated Regulations 3(a) to (d), 4(1), 4(2)(a) and (g) of PFUTP Regulations?

b. Whether Noticee No. 2 violated Regulations 4(1), 4(2) (a) of PFUTP Regulations, 2003 and Clause A (3), (4), (5) of the Code of Conduct prescribed for Stock Brokers specified under Schedule II under Regulation 7 of the Stock Broker Regulations?

c. Does the violation, if established, attract monetary penalty under Sections 15HA and 15 HB of SEBI Act, 1992?

d. If yes, then what should be the quantum of penalty?

FINDINGS

13. Before I proceed with the matter, it is pertinent to mention the relevant legal provisions which are 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;

(b) dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;

…

(d) paying, offering or agreeing to pay or offer, directly or indirectly, to any person any money or money's worth for inducing such person for dealing in any security with the object of inflating, depressing, maintaining or causing fluctuation in the price of such security;

(e) any act or omission amounting to manipulation of the price of a security;

…

(g) entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security;

Stock Broker Regulations

(3) Manipulation : A stock -broker shall not indulge in manipulative, fraudulent or deceptive transactions or schemes or spread rumours with a view to distorting market equilibrium or making personal gains.
(4) Malpractices: A stock-broker shall not create false market either singly or in concert with others or indulge in any act detrimental to the investors interest or which leads to interference with the fair and smooth functioning of the market. A stockbroker shall not involve himself in excessive speculative business in the market beyond reasonable levels not commensurate with his financial soundness.
(5) Compliance with statutory requirements: A stock-broker shall abide by all the provisions of the Act and the rules, regulations issued by the government, the Board and the Stock Exchange from time to time as may be applicable to him.

14. The SCN alleges that the Noticee No. 1 entered into synchronized trades with Mohd. Rashid and in all 1,01,302 shares were synchronized in 88 trades at BSE and 2,05,707 shares were synchronised in 166 trades at NSE. The said synchronised trades are summarized below:

BSE

Date	Traded among clients	Sync Volume	Sync volume as % of total traded among clients	No of total trades amongst clients/ No of synchronized trades	Synchronized qty to mkt volume
13.04.2011	5750	5750	100.00%	7 / 7	2.95%
15.04.2011	3000	3000	100.00%	4 / 4	1.54%
18.04.2011	9000	9000	100.00%	10 / 10	4.62%
19.04.2011	6000	5900	98.33%	7 / 6	3.03%
20.04.2011	11000	11000	100.00%	10 / 10	5.64%
21.04.2011	13000	13000	100.00%	10 / 10	6.67%
25.04.2011	6000	6000	100.00%	4 / 4	3.08%
26.04.2011	9600	9600	100.00%	6 / 6	4.92%
27.04.2011	4000	4000	100.00%	2 / 2	2.05%
28.04.2011	12000	12000	100.00%	8 / 8	6.15%
29.04.2011	9000	9000	100.00%	6 / 6	4.62%

02.05.2011	12952	12952	100.00%	15 / 15	6.64%
Total	**101302**	**101202**	**99.90%**	**89 / 88**	**51.90%**

NSE

Date	Traded among	Sync Volume	Sync volume as % of total traded among clients	No of total trades amongst clients/ No of synchronized trade	Synchronized qty to mkt volume
13.04.2011	24000	24000	100.00%	24 / 24	5.78%
15.04.2011	21000	21000	100.00%	22 / 22	5.06%
18.04.2011	18900	18800	99.47%	21 / 20	4.53%
19.04.2011	11000	11000	100.00%	12 / 12	2.65%
20.04.2011	19000	19000	100.00%	14 / 14	4.57%
21.04.2011	11927	11927	100.00%	6 / 6	2.87%
25.04.2011	12000	12000	100.00%	6 / 6	2.89%
26.04.2011	19980	19980	100.00%	12 / 12	4.81%
27.04.2011	4000	4000	100.00%	2 / 2	0.96%
28.04.2011	24000	24000	100.00%	12 / 12	5.78%
29.04.2011	12000	12000	100.00%	8 / 8	2.89%
02.05.2011	28000	28000	100.00%	28 / 28	6.74%
Total	**205807**	**205707**	**99.95%**	**167 / 166**	**49.52%**

15. It was further alleged that Noticee No. 1 also entered into reversal trades with Mohd. Rashid during the investigation period in the following manner:

BSE

S No	Trade date	Buy Client	Member no.	Sale Client	Total traded quantity	Total reversed quantity	Net LTP Contribution
1	13/04/2011	Promila Lal	10047	Mohd Rashid	2800	2800	3.1
	13/04/2011	Mohd Rashid	12310	Promila Lal	2950		

2	15/04/2011	Promila Lal	10047	Mohd Rashid	1500	1500	-0.55
	15/04/2011	Mohd Rashid	12310	Promila Lal	1500		
3	18/04/2011	Promila Lal	10047	Mohd Rashid	4500	4500	3.75
	18/04/2011	Mohd Rashid	12310	Promila Lal	4500		
4	19/04/2011	Promila Lal	10047	Mohd Rashid	3000	3000	-1.9
	19/04/2011	Mohd Rashid	12310	Promila Lal	3000		
5	20/04/2011	Promila Lal	10047	Mohd Rashid	5500	5500	-1.65
	20/04/2011	Mohd Rashid	12310	Promila Lal	5500		
6	21/04/2011	Promila Lal	10047	Mohd Rashid	6500	6500	-4.5
	21/04/2011	Mohd Rashid	12310	Promila Lal	6500		
7	25/04/2011	Promila Lal	10047	Mohd Rashid	3000	3000	0.2
	25/04/2011	Mohd Rashid	12310	Promila Lal	3000		
8	26/04/2011	Promila Lal	10047	Mohd Rashid	4800	4800	-1.35
	26/04/2011	Mohd Rashid	12310	Promila Lal	4800		
9	27/04/2011	Promila Lal	10047	Mohd Rashid	2000	2000	-0.95
	27/04/2011	Mohd Rashid	12310	Promila Lal	2000		
10	28/04/2011	Promila Lal	10047	Mohd Rashid	6000	6000	-1.3
	28/04/2011	Mohd Rashid	12310	Promila Lal	6000		
11	29/04/2011	Promila Lal	10047	Mohd Rashid	4500	4500	2.6
	29/04/2011	Mohd Rashid	12310	Promila Lal	4500		
12	13/04/2011	Promila Lal	10047	Mohd Rashid	6452	6452	1.65
	13/04/2011	Mohd Rashid	12310	Promila Lal	6500		
Total					**101302**	**50552**	**-0.90**

NSE

S No	Trade date	Buy Client	Member no.	Sale Client	Total traded quantity	Total reversed quantity	Net LTP Contribution
1	13/04/2011	Promila Lal	10047	Mohd Rashid	12000	12000	0.95
	13/04/2011	Mohd Rashid	12310	Promila Lal	12000		
2	15/04/2011	Promila Lal	10047	Mohd Rashid	10500	10500	-0.7
	15/04/2011	Mohd Rashid	12310	Promila Lal	10500		
3	18/04/2011	Promila Lal	10047	Mohd Rashid	9500	9400	3.15
	18/04/2011	Mohd Rashid	12310	Promila Lal	9400		
4	19/04/2011	Promila Lal	10047	Mohd Rashid	5500	5500	-0.05

	19/04/2011	Mohd Rashid	12310	Promila Lal	5500		
5	20/04/2011	Promila Lal	10047	Mohd Rashid	9500		
	20/04/2011	Mohd Rashid	12310	Promila Lal	9500	9500	-0.35
6	21/04/2011	Promila Lal	10047	Mohd Rashid	6000		
	21/04/2011	Mohd Rashid	12310	Promila Lal	5927	5927	-0.9
7	25/04/2011	Promila Lal	10047	Mohd Rashid	6000		
	25/04/2011	Mohd Rashid	12310	Promila Lal	6000	6000	-0.15
8	26/04/2011	Promila Lal	10047	Mohd Rashid	10000		
	26/04/2011	Mohd Rashid	12310	Promila Lal	9980	9980	-2
9	27/04/2011	Promila Lal	10047	Mohd Rashid	2000		
	27/04/2011	Mohd Rashid	12310	Promila Lal	2000	2000	0.5
10	28/04/2011	Promila Lal	10047	Mohd Rashid	12000		
	28/04/2011	Mohd Rashid	12310	Promila Lal	12000	12000	-2.35
11	29/04/2011	Promila Lal	10047	Mohd Rashid	6000		
	29/04/2011	Mohd Rashid	12310	Promila Lal	6000	6000	1.05
12	13/04/2011	Promila Lal	10047	Mohd Rashid	14000		
	13/04/2011	Mohd Rashid	12310	Promila Lal	14000	14000	3.25
Total					**205807**	**102807**	**2.4**

16. It was alleged that by entering into aforementioned trades, Noticee No. 1 created artificial volume leading to false and misleading appearance of trading in the scrip of REL.

17. It was also alleged that Noticee No. 2 being a SEBI registered intermediary failed to exercise due skill, care and diligence in its conduct of broking business by acting as a broker to the aforesaid trades of Noticee No. 1.

18. The following can be observed from the Synchronised trades executed by Noticee No.1 :

Synchronised Trades of suspected entities i.e, Mohammad Rashid and Promila Lal – BSE

Gross Buy Qty of suspected entities	Gross Sell Qty of suspected entities	Gross Total	Total traded qty among the suspected entities	Synchronized traded qty by suspected entitie	Sync Trades a total traded qty among the suspected entities	Sync Trade as % of Total Market volume	Sum of LTP at Sync Trades	Sum of NLP at Sync trades

126822	126822	253644	101302	101202	99.90	51.90	-0.9	-0.95

Synchronised Trades of suspected entities i.e, Mohammad Rashid and Promila Lal - NSE

Gross Buy Qty o suspected entities	Gross Sell Qty of suspected er	Gross Total	Total traded qty among the suspecte entities	Synchronized traded qty by suspected entities	Sync Trades total traded qty among the suspecte entities	Sync Trades as % of Total Market volume	Sum of LTP at Sync Trades	Sum of NLP at Sync trades
249460	249460	498920	205807	205707	99.95	49.52	2.15	-0.1

19. It is noted that the synchronised trades executed by the Noticee no. 1 is 51.90% of the total volume traded by her at BSE and 49.52% of the total volume traded by her in the scrip of REL at NSE. However, the Last Traded Price (LTP) because of such trades is miniscule i.e. -0.9 at BSE and 2.15 at NSE. Further the New Low Price (NLP) is in negative pursuant to such trades.

20. However, in certain orders the price, time and quantity were matched between Noticee No. 1 and Mohd Rashid. For eg:

BUY ORDER				SELL ORDER				TRADE			Time differenc
Client	Time	Rate	Qty.	Client	Time	Rate	Qty	Time	Qty	Price	
Promila L	10:00:34	488.5	1000	Mohd Rashid	10:00:34	488.5	1000	10:00:34	1000	488.5	00:00:00
Mohd Ras	10:00:46	488.55	1000	Promila Lal	10:00:46	488.55	1000	10:00:46	1000	488.55	00:00:00
Promila L	11:46:09	487	2000	Mohd Rashid	11:46:08	487	2000	11:46:09	2000	487	00:00:01
Mohd Ras	11:46:19	487.05	2000	Promila Lal	11:46:19	487.05	2000	11:46:19	2000	487.05	00:00:00
Promila L	11:46:28	487	500	Mohd Rashid	11:46:29	487	500	11:46:29	500	487	00:00:01
Mohd Ras	11:46:38	487.05	500	Promila Lal	11:46:38	487.05	500	11:46:38	500	487.05	00:00:00
Promila L	12:40:38	484.05	2000	Mohd Rashid	12:40:38	484.05	2000	12:40:38	2000	484.05	00:00:00
Mohd Ras	12:40:52	484.1	2000	Promila Lal	12:40:52	484.1	2000	12:40:52	2000	484.1	00:00:00
Promila L	15:13:32	482	1000	Mohd Rashid	15:13:32	482	1000	15:13:32	1000	482	00:00:00
Mohd Ras	15:13:43	482.05	1000	Promila Lal	15:13:43	482.05	1000	15:13:43	1000	482.05	00:00:00

21. Further, in case of reversal trades, few orders were reversed immediately. For eg:

TRADE_DATE	CLIENTNAME	CP_CLIENTNAME	ORDER_TIME	CP_ORDER_TIME	TRADED_QTY
13/04/2011	Promila Lal	Sri Mohd Rashid	09:29:00.097460	09:28:59.977197	1000
13/04/2011	Sri Mohd Rashid	Promila Lal	09:29:09.407532	09:29:09.690558	1000
13/04/2011	Promila Lal	Sri Mohd Rashid	10:27:41.149828	10:27:41.125809	1000
13/04/2011	Sri Mohd Rashid	Promila Lal	10:27:49.845370	10:27:49.921542	1000
13/04/2011	Promila Lal	Sri Mohd Rashid	14:30:58.235125	14:30:57.999792	800
13/04/2011	Sri Mohd Rashid	Promila Lal	14:31:11.861903	14:31:12.066468	800

22. Thus, it is noted that both synchronized and reversal trades were executed with very little or no time difference. This leads to the inescapable conclusion that both traded may be executed in a pre-meditated fashion perhaps by one person only on behalf of the other.

23. It is pertinent to mention here that the Hon'ble SAT in Appeal No. 54 of 2002 in Nirmal Bang Securities Pvt. Ltd. v. SEBI, vide order dated October 31, 2003 observed the following:

> *"It was submitted by the Appellants that it was not possible for the broker to know who the counter party broker is and that trades were not synchronized but it was only a coincidence in some cases. Theoretically this is OK. But when parties decide to synchronize the transaction the story is different. There are many transactions giving an impression that these were all synchronized, otherwise there was no possibility of such perfect matching of quantity price etc. As the Respondent rightly stated it is too much of a coincidence over too long a period in too many transactions when both parties to the transaction had entered buy and sell orders for the same quantity of shares almost simultaneously. "*

24. Further, the Hon'ble SAT in Appeal No. 393 of 2015 in the matter of Magnum Equity broking Ltd. v. SEBI, vide order dated November 28, 2016, noted the following:

"Synchronized trades in the history of the securities market have always been shunned for the simple reason that they create a misleading appearance of artificial volume in a particular scrip by giving the public the impression that a lot of trading activity is being conducted with respect to that scrip, making it seem like a good investment opportunity. Such artifices, if allowed to grow in number in the market, hurt the sanctity of market mechanism and hinder the ongoing constant process of the market righting and restoring itself."

25. Further, the Hon'ble Supreme Court in the matter of SEBI v Kishore Ajmera in Civil Appeal No. 2818 of 2008, observed the following:

"In these cases the volume of trading in the illiquid scrips in question was huge, the extent being set out hereinabove. Coupled with the aforesaid fact, what has been alleged and reasonably established, is that buy and sell orders in respect of the transactions were made within a span of 0 to 60 seconds. While the said fact by itself i.e. proximity of time between the buy and sell orders may not be conclusive in an isolated case such an event in a situation where there is a huge volume of trading can reasonably point to some kind of a fraudulent/manipulative exercise with prior meeting of minds…

When over a period of time such transactions had been made between the same set of brokers or a group of brokers a conclusion can be reasonably reached that there is a concerted effort on the part of the concerned brokers to indulge in synchronized trades the consequence of which is large volumes of fictitious trading resulting in the unnatural rise in hiking the price/value of the scrip(s)… The conclusion has to be gathered from various circumstances like that volume of the trade effected; the period of persistence in trading in the particular scrip; the particulars of the buy and sell orders, namely, the volume thereof; the proximity of time between the two and such other relevant factors. The fact that the broker himself has initiated the sale of a particular quantity of the scrip on any particular day and at the end of the day approximately equal

number of the same scrip has come back to him; that trading has gone on without settlement of accounts i.e. without any payment and the volume of trading in the illiquid scrips, all, should raise a serious doubt in a reasonable man as to whether the trades are genuine. The failure of the brokers/sub-brokers to alert themselves to this minimum requirement and their persistence in trading in the particular scrip either over a long period of time or in respect of huge volumes thereof, in our considered view, would not only disclose negligence and lack of due care and caution but would also demonstrate a deliberate intention to indulge in trading beyond the forbidden limits thereby attracting the provisions of the FUTP Regulations.

Upto an extent such conduct on the part of the brokers/sub-brokers can be attributed to negligence occasioned by lack of due care and caution. Beyond the same, persistent trading would show a deliberate intention to play the market. The dividing line has to be drawn on the basis of the volume of the transactions and the period of time that the same were indulged in. In the present cases it is clear from all these surrounding facts and circumstances that there has been transgressions by the respondents beyond the permissible dividing line between negligence and deliberate intention."

26. The Hon'ble SAT in the matter of Ketan Parekh v. Securities and Exchange Board of India (Appeal no. 2 of 2004, Date of Decision-14.07.2006), has held that:

"…Any transaction executed with the intention to defeat the market mechanism whether negotiated or not would be illegal. Whether a transaction has been executed with the intention to manipulate the market or defeat its mechanism will depend upon the intention of the parties which could be inferred from the attending circumstances because direct evidence in such cases may not be available. The nature of the transaction executed, the frequency with which such transactions are undertaken, the value of the transactions, whether they involve circular trading and whether there is real change of beneficial ownership, the conditions then prevailing in the market are some of the factors which go to show the intention of the parties. This list of factors, in the

very nature of things, cannot be exhaustive. Any one factor may or may not be decisive and it is from the cumulative effect of these that an inference will have to be drawn."

27. Therefore, in the light of above, it is apparent that the trades were synchronized by resulting in violation of the provisions Regulations 3(a) to (d), 4(1), 4(2)(a) and (g) of PFUTP Regulations to create false or misleading appearance of trading. However, it is pertinent to mention here that the counter party to the trades as mentioned in the show cause notice dated April 29, 2016 is Mr . Mohammad Rashid and the counter party failed to attend the hearing granted in the adjudication proceedings. It is noted that Mr. Rashid vide his letter dated April 24, 2018 sought inspection of the documents. However, he failed to conduct the inspection of documents when he was granted opportunities to do so. It is also noted from the submissions of Noticee No. 1 that she has no connection with the counterparty and further, on account of her dealings in the scrip, she suffered a loss of Rs. 10,000. Considering this fact in the light the failure on the part of the counter party Mr. Mohammad Rashid to attend the adjudication proceedings strongly indicates that perhaps the counter party played a role in matching the trades. Considering this peculiar factual situation, I am inclined to give benefit of doubt to Noticee No. 1.

28. Further, it is noted that Noticee No. 2 being the stock broker, executed the alleged trades on behalf of Noticee No. 1. In absence of any additional evidence other than trading for clients it is difficult to establish the violation of Code of Conduct of the Stock Broker Regulations by Noticee No. 2. Given the fact that allegations against Noticee No. 1 are not established, I am inclined to take a lenient view and give benefit of doubt to Noticee No. 2 as well and consider it not a fit case for imposing penalty.

ORDER

29. Accordingly, taking into account the aforesaid observations and in exercise of powers conferred upon me under Section 15 I of the SEBI Act read with Rule 5 of the Adjudication Rules and after considering all the facts and circumstances of the case

and evidence on record, I conclude that the allegations levelled against the Noticee 1 and 2 do not stand.

30. Accordingly, the Adjudication proceedings initiated against the Noticees vide the SCN dated April 29, 2016 stands disposed of without any penalty.

31. In terms of rule 6 of the Rules, copy of this order is sent to the Noticees and also to the Securities and Exchange Board of India.

Place: Mumbai **BIJU. S**

DATE: July 15, 2021 **ADJUDICATING OFFICER**