



**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
(ADJUDICATION ORDER NO: Order/JS/VC/2026-27/32761)**

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:

VCK Share & Stock Broking Services Limited

PAN: AAACV8988P

SEBI Registration Number: INZ000215030

In the matter of VCK Share & Stock Broking Services Limited

BACKGROUND OF THE CASE

1. VCK Share & Stock Broking Services Limited (hereinafter referred to as “**Noticee**”) is registered with Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) as a stock broker having Reg. No. INZ000215030. SEBI along with National Stock Exchange of India Limited (hereinafter referred to as “**NSE**”) conducted theme based inspection of Noticee concerning its Authorised Persons (hereinafter referred to as “**APs**”) to examine compliance with the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”) and SEBI circulars. The said inspection was conducted for the period starting from April 01, 2024 to April 30, 2025 (hereinafter referred to as “**inspection period**”).
2. Based on the findings of inspection, SEBI initiated adjudication proceedings against Noticee for alleged violation of the following provisions:
 - (a) Clause (xix) of regulation 26 of the SEBI (Stock Brokers) Regulations, 1992 (hereinafter referred to as “**Stock Brokers Regulations**”) and clauses A(1) and A(2) of code of conduct specified in Schedule II of the Stock Brokers Regulations; and
 - (b) SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 published in the Gazette of India on December 10, 2010.



APPOINTMENT OF ADJUDICATING OFFICER

3. Pursuant to re-allocation of the matter from the erstwhile Adjudicating Officer (hereinafter referred to as “**AO**”), the undersigned was appointed as AO in the matter vide order dated July 07, 2026, under section 19 of the SEBI Act read with section 15-I(1) of the SEBI Act and rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as “**Rules**”), to inquire into and adjudge the alleged violations of the aforesaid provisions by Noticee under section 15HB of the SEBI Act.

SHOW CAUSE NOTICE, REPLY AND HEARING

4. Show Cause Notice bearing Ref. No. SEBI/HO/EAD3/SM/KS/DIS/5994-5995/2026 dated February 17, 2026 (hereinafter referred to as “**SCN**”) was issued to the Noticee in terms of the provisions of rule 4(1) of the Rules read with section 15-I of the SEBI Act, requesting Noticee to show cause as to why an inquiry should not be held against it and why penalty, if any, should not be imposed upon the Noticee under section 15HB of the SEBI Act for the alleged violations.
5. The SCN dated February 17, 2026, *inter alia*, alleged the following:

A. Terminals operated by unapproved users

During the on-site inspection of various AP locations, it was observed that Computer to Computer Link (CTCL) terminals were being operated by persons other than the approved users registered with the stock exchange, as detailed below:

- (a) *Ms. Meera Kampani (AP): As per the stock exchange records, the AP had one active CTCL terminal bearing CTCL ID- 380015348001 (allocated on January 05, 2024) located at 1st Floor, India Exchange Place, Kolkata- 700001, which was enabled in CM segment of the stock exchange. During the inspection, it was observed that the terminal was being operated by the spouse of AP, namely, Mr. Sandip Kampani, director of Noticee. All AP related activities were handled by Mr. Sandip Kampani even though he was not an approved user as per the stock exchange records.*
- (b) *Ms. Mamta Kumari Pradhan (AP): As per the stock exchange records, the AP had one CTCL terminal bearing CTCL ID- 831005347001 in her name, which was enabled only in CM segment of the stock exchange. The terminal was found at the registered address, namely, 1141, Syndicate Colony, Ulian, Kadma, Jamshedpur- 831005. During the on-site inspection at the registered address of AP on May 30, 2025, the trading terminal was found to be operated by Mr. Shailesh Kumar Yadav (i.e., husband of the AP), who was not the approved user as per exchange records.*
- (c) *Mr. Pradip Kumar Misra (AP): The AP had one CTCL terminal bearing CTCL ID- 700154350001, wherein his spouse Ms. Milita Misra was the approved user in CM*



segment of the stock exchange. The terminal was found at the registered address, namely, Flat No. H 9 and 10, Nirala Apartment, Phase-I, 2nd Floor, Banerjee Para Road, Boral, Kolkata- 700154. During the inspection, it was observed that the AP was not present at the said address. The AP had confirmed telephonically that he operates the terminal himself, whereas his spouse, Ms. Milita Misra, was the approved user. Further, it was observed that the terminal was locked and the approved user was unaware of the login credentials.

- (d) Mr. Ajay Kumar Shaw (AP): During the inspection, it was observed that the CTCL terminal bearing ID No. 700054303001 was located at 28C, Ground Ramkrishna Samadhi Road, Kankurgachi, Kolkata- 7000054 which was enabled only in the CM segment of the stock exchange. The said terminal was operated by Mr. Debangsu Guha who was not the approved user. Further, it was observed during the inspection visit that the approved user, Ajay Kumar Shaw, was not present at office of AP.
- (e) Thus, such instances of unauthorised use of CTCL terminals was alleged to be in violation of clause (xix) of regulation 26 read with clauses A(1) and A(2) of the code of conduct specified in Schedule II of Stock Brokers Regulations.

B. Lack of mandatory NISM certification

- (a) As per the SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 dated December 10, 2010, APs of trading member are required to possess mandatory NISM Series VII (Securities Operations and Risk Management) Certification. During the inspection, it was observed that the following APs of Noticee, namely, Ms. Meera Kampani, Ms. Mamta Kumari Pradhan, Mr. Pradip Kumar Misra, Mr. Ajay Kumar Shaw, Mr. Debasis Bera were operating without holding the mandatory NISM certification. Therefore, Noticee was in contravention to the regulatory requirement as mandated through SEBI Notification No. LADNRO/GN/2010-11/21/29390 published in the Gazette of India on December 10, 2010.
 - (b) In view thereof, it was alleged that Noticee had violated following regulatory provisions:
 - (i) Clause (xix) of regulation 26 of Stock Brokers Regulations and clauses A(1) and A(2) of the code of conduct specified in Schedule II of Stock Brokers Regulations; and
 - (ii) SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 published in the Gazette of India on December 10, 2010.
6. Noticee did not file any written reply to the SCN. Therefore, vide notice of hearing dated August 12, 2026, an opportunity of personal hearing was granted to Noticee on September 02, 2026. On the said date, authorised representatives of Noticee, namely Mr. Hemal Kampani, Director of Noticee (hereinafter referred to as “AR”), appeared for the personal hearing through video-conferencing and admitted the alleged violations set out in the SCN regarding the operation of trading terminals by unapproved users. AR further submitted that the mandatory NISM certifications had



since been obtained by the APs, except in the case of one AP, and stated that a written reply to the SCN would be furnished within a week. During the hearing, AR was also requested to submit the copies of the NISM certifications of the APs along with its reply. However, no written reply was received from Noticee within the said period. Accordingly, vide email dated September 11, 2026, Noticee was again called upon to submit its response to the SCN by September 14, 2026. In response, vide email dated September 11, 2026, Noticee submitted that it was in the process of obtaining the requisite NISM Series VII – Securities Operations and Risk Management certificate from the concerned APs, necessary steps had already been taken and it was awaiting receipt of the certificate from the APs. Noticee further assured that the certificate, along with its response and supporting documents, would be furnished immediately upon receipt and requested that additional time be granted for the same. However, despite the aforesaid opportunity and assurance, no written reply to the SCN has been received from Noticee till date.

CONSIDERATION OF ISSUES AND FINDINGS

7. I have carefully perused the charges levelled against Noticee in the SCN, its reply, submissions made during personal hearing and material available on record. The issues that arise for consideration in the present case are as follows:
 - I. Whether Noticee failed to ensure that CTCL terminals allotted to its APs were operated only by users duly approved and registered with the stock exchange and thereby violated clause (xix) of regulation 26 read with clauses A(1) and A(2) of the code of conduct specified in Schedule II of Stock Brokers Regulations?
 - II. Whether Noticee failed to ensure that its APs possessed the mandatory NISM Certification and thereby violated clause (xix) of regulation 26 of Stock Brokers Regulations, clauses A(1) and A(2) of the code of conduct specified in Schedule II of Stock Brokers Regulations and SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 published in the Gazette of India on December 10, 2010?
 - III. Does the violation, if any, attract monetary penalty under section 15HB of the SEBI Act?



IV. If so, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in section 15-J of the SEBI Act read with rule 5(2) of the Rules?

8. Before proceeding further, it is pertinent to refer to the provisions of Stock Brokers Regulations and SEBI Notification, which are allegedly violated by Noticee, as under:

Stock Brokers Regulations

“Liability for monetary penalty.

26. A stock broker shall be liable for monetary penalty in respect of the following violations, namely—

.....

(xix) Extending use of trading terminal to any unauthorized person or place.”

Schedule II: Code of conduct for stock brokers

“A. General.

(1) Integrity: A stock-broker, shall maintain high standards of integrity, promptitude and fairness in the conduct of all his business.

(2) Exercise of due skill and care: A stock-broker shall act with due skill, care and diligence in the conduct of all his business.”

SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 dated December 10, 2010

“..... persons associated with a registered stock-broker/trading member/clearing member in recognised stock exchanges..... shall be required to have a valid certification from the National Institute of Securities Markets (NISM) by passing the NISM Series-VII: Securities Operations and Risk Management Certification Examination....

..... a stock-broker/trading member/clearing member who employs any associated persons specified in this paragraph after the date of this notification shall ensure that the said associated persons obtain valid certification within one year from the date of their employment.”

9. The issues raised in this matter are dealt in the following paragraphs.

Issue I. Whether Noticee failed to ensure that CTCL terminals allotted to its APs were operated only by users duly approved and registered with the stock exchange and thereby violated clause (xix) of regulation 26 read with clauses A(1) and A(2) of the code of conduct specified in Schedule II of Stock Brokers Regulations?

10. It was alleged in the SCN that, during the on-site inspection of various AP locations, CTCL terminals allotted to the APs were found to be operated by persons other than



the approved users. The inspection findings indicated that, in the cases of Ms. Meera Kampani, Ms. Mamta Kumari Pradhan, Mr. Pradip Kumar Misra, and Mr. Ajay Kumar Shaw, the terminals were being operated by persons who were not the approved users as per stock exchange records, and in certain instances the approved users were either not present in the office or were unaware of the login credentials being used for operation of the terminals.

11. In response to the allegations, during the personal hearing held on September 02, 2026, AR of Noticee admitted the violations alleged in the SCN with respect to operation of trading terminals by unapproved users.
12. In view of the inspection findings, the admission made by the AR of Noticee and the absence of any material to the contrary, it is noted that the CTCL terminals allotted to the APs of Noticee, namely Ms. Meera Kampani, Ms. Mamta Kumari Pradhan, Mr. Pradip Kumar Misra and Mr. Ajay Kumar Shaw, were operated by persons who were neither approved nor authorized to use the said terminals. The fact that the approved users were, in certain instances, either absent from the premises or unaware of the use of their login credentials clearly reflects a serious lapse in Noticee's internal control, supervision and terminal access monitoring mechanisms. Accordingly, it is held that Noticee failed to ensure that the said CTCL terminals were operated only by the approved users. Such failure demonstrates lack of proper supervision and control over terminal operations at AP locations and is not in consonance with the standards expected of a registered stock broker.
13. In view of the above, I hold that Noticee violated the provisions of clause (xix) of regulation 26 read with clauses A(1) and A(2) of the code of conduct specified in Schedule II of Stock Brokers Regulations.

Issue II. Whether Noticee failed to ensure that its APs possessed the mandatory NISM Certification and thereby violated clause (xix) of regulation 26 of Stock Brokers Regulations, clauses A(1) and A(2) of the code of conduct specified in Schedule II of Stock Brokers Regulations and SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 published in the Gazette of India on December 10, 2010?



14. It was alleged in the SCN that the APs of the Noticee, namely, Ms. Meera Kampani, Ms. Mamta Kumari Pradhan, Mr. Pradip Kumar Misra, Mr. Ajay Kumar Shaw, and Mr. Debasis Bera, were functioning without possessing the mandatory NISM-Series-VII (Securities Operations and Risk Management) Certification, as required under SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 dated December 10, 2010.
15. In response to above allegations, during the personal hearing, AR of Noticee submitted that the mandatory NISM certifications have since been obtained by the concerned APs, except one AP. This submission, in effect, acknowledges that the requisite certification was not held by the APs at the relevant time.
16. In view of the inspection findings and the submission made by the AR of Noticee, it is noted that the concerned APs were functioning without possessing the mandatory NISM-Series-VII certification at the relevant time. It is further noted that, during the personal hearing, Noticee was specifically requested to furnish copies of the NISM certifications of the said APs along with its reply, however, Noticee failed to submit the same. In the absence of any supporting documentary evidence, the claims made by Noticee cannot be accepted. In any event, the subsequent obtaining of such certification by the concerned APs, as contended by Noticee, does not cure or absolve the regulatory non-compliance that persisted during the inspection period. Noticee, being a registered stock broker, was under a clear obligation to ensure that its APs fulfilled the prescribed qualification and certification requirements before they engage in any market activities. The failure to do so reflects lack of due diligence and regulatory oversight on the part of Noticee.
17. In view thereof, I hold that Noticee violated the following regulatory provisions:
 - (a) Clause (xix) of regulation 26 of Stock Brokers Regulations and clauses A(1) and A(2) of the code of conduct specified in Schedule II of Stock Brokers Regulations; and
 - (b) SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 published in the Gazette of India on December 10, 2010.



Issue III. Does the violation, if any, attract monetary penalty under section 15HB of the SEBI Act?

Issue VI. If so, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in section 15-J of the SEBI Act read with rule 5(2) of the Rules?

18. In light of the findings and observations recorded in the foregoing paragraphs, it is established that Noticee failed to ensure that CTCL terminals allotted to its APs were operated only by users duly approved and registered with the stock exchange and also failed to ensure that its APs possessed the mandatory NISM-Series-VII certification. The aforesaid violations constitute non-compliance with the regulatory obligations cast upon Noticee as a registered stock broker and therefore, render Noticee liable for imposition of appropriate monetary penalty under section 15HB of the SEBI Act.
19. In this regard, reliance is placed on the judgment of Hon'ble Supreme Court in the matter of *SEBI v. Shriram Mutual Fund*¹ wherein it was, *inter alia*, observed 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. A breach of civil obligation which attracts penalty in the nature of fine under the provisions of the Act and the Regulations would immediately attract the levy of penalty irrespective of the fact whether contravention must be made by the defaulter with guilty intention or not.*'
20. The aforesaid violation, make the Noticee liable for penalty under section 15HB of the SEBI Act. The said section reads as follows:

"Penalty for contravention where no separate penalty has been provided. 15HB. Whoever fails to comply with any provision of this Act, the rules or the regulations made or directions issued by the Board thereunder 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."

¹ [2006] 68SC 216(SC)



21. While determining the quantum of penalty, the following factors stipulated in section 15-J of the SEBI Act are taken into account:

“Factors to be taken into account while adjudging quantum of penalty

15J While adjudging quantum of penalty under 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.”
22. In this connection, the material available on record does not indicate any quantifiable gain or unfair advantage accrued to Noticee, nor does it disclose the extent of any loss suffered by investors as a result of the non-compliance with the provisions of the Stock Brokers Regulations and said SEBI Notification. Further, with respect to the repetitive nature of the default, the detail of previous defaults by Noticee is summarised in the table below:

Table-1

Sr. No.	Case name	Provisions violated	Date of Order	Penalty / Directions
1	VCK Share & Stock Broking Services Limited	SEBI Circulars	July 18, 2011	Regulatory warning
2	VCK Share and Stock Broking Services Limited	SEBI Circulars and the Securities Contracts (Regulation) Act, 1956	October 25, 2019	₹2,00,000/- (Rupees Two Lakh only)

Further, the findings recorded hereinabove establish that Noticee failed to ensure that CTCL terminals allotted to its APs were not operated only by unauthorised users and also failed to ensure that its APs possessed the mandatory NISM-Series-VII certification during the inspection period. Such lapses have the potential to affect the integrity of the trading access framework, dilute supervisory oversight and fall short of the regulatory objective of ensuring minimum professional competence. In the circumstances, these violations warrant imposition of a suitable monetary penalty.



ORDER

23. Taking into account the facts and circumstances of the case, material available on record, submissions of the Noticee, findings hereinabove and factors mentioned in section 15J of the SEBI Act, in exercise of the powers conferred upon me under section 15-I of the SEBI Act read with rule 5 of the Rules, I hereby impose a monetary penalty of ₹2,00,000/- (Rupees Two Lakh only), under section 15HB of the SEBI Act, on the Noticee. In my view, the said penalty is commensurate with the violation committed by the Noticee in this case.
24. The Noticee shall remit / pay the said amount of penalty within 45 days of receipt of this order 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

25. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, recovery proceedings may be initiated under section 28A of the SEBI Act for realization of the said amount of penalty along with interest thereon, *inter alia*, by attachment and sale of movable and immovable properties.
26. In terms of rule 6 of the Rules, copy of this order is sent to the Noticee and also to SEBI.

JAI
SEBASTIAN

Digitally signed by JAI
SEBASTIAN
Date: 2026.10.08 15:50:49
+05'30'

Place: Mumbai
Date: October 08, 2026

JAI SEBASTIAN
ADJUDICATING OFFICER