

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/MC/HP/2020-21/8754-8756]

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) RULES, 1995

In respect of –

- 1) Nikki Global Finance Limited (PAN: AAACN0244L)** having address at I-9, LGF, Lajpat Nagar-1, New Delhi -110024
Email ID: ngfltd@rediffmail.com
- 2) Levia Trading Private Limited (PAN: AACCL5027D)** having address at 215, Old China Bazar Street, 4th Floor, Kolkata - 700001, West Bengal
Email ID: corporatefilling123@gmail.com
- 3) Scope Vyapar Private Limited (Now known as Class Commercial Private Limited) (PAN: AAICS6023N)** having address at 23/1 Principal Khudiram Bose Road Kolkata - 700006, West Bengal
Email ID: kol_co32@yahoo.com

In the matter of Nikki Global Finance Limited

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as, '**SEBI**'), initiated adjudication proceedings against **Nikki Global Finance Limited (Noticee 1/Company)**, **Levia Trading Private Limited (Noticee 2)** and **Scope Vyapar Private Limited (Now known as Class Commercial Private Limited) (Noticee 3)** pursuant to investigation in the matter of Nikki Global Finance Limited.
2. Adjudication Proceedings have been initiated against,
 - a) Noticee 1 under section 15A(b) of SEBI Act, 1992 (hereinafter referred to as, the '**SEBI Act**') for alleged violations of regulation 13(6) of SEBI (Prohibition of

Insider Trading) Regulations, 1992 (hereinafter referred to as '**PIT Regulations, 1992**') read with Regulation 12 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as '**PIT Regulations, 2015**').

- b) Noticee 2 and Noticee 3 under section 15A(b) of SEBI Act for alleged violations of Regulation 13(1) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Regulation 13(3) read with Regulation 13(5) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Regulation 29(1) and 29(2) read with Regulation 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as '**SAST Regulations, 2011**').
3. SEBI conducted an investigation in the matter to ascertain whether there were any disclosure violations by the promoters of Noticee 1 and certain other entities under PIT Regulations, 1992 and/or SAST Regulations, 2011 during the period July 01, 2009 to May 30, 2014 (hereinafter referred to as '**investigation period**' or '**IP**').

APPOINTMENT OF ADJUDICATING OFFICER

4. The undersigned was appointed as Adjudicating Officer (hereinafter referred to as '**AO**') *vide* order dated December 12, 2019 to inquire into and adjudge under section 15A(b) of SEBI Act and section 23D of SCRA, the aforesaid alleged violations against the Noticees. The appointment of the AO was communicated *vide* order dated December 31, 2019.

SHOW CAUSE NOTICE, REPLY AND HEARING

5. Show Cause Notice No. EAD-5/MC/HP/5285/2020 dated February 10, 2020 (hereinafter referred to as '**SCN**'), was issued to the Noticees in terms of 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 not be imposed against the Noticees in terms of Section 15A(b) of the SEBI Act for the aforesaid alleged violations.

6. The allegations levelled against the Noticees in the SCN are summarized as below:
7. It was alleged in the SCN that Noticee 1 made delayed disclosures and also failed to make the required disclosure to the stock exchange, received from the entities namely Shashwat Agarwal, Kamal Kishore Chaurasia and Anand Kumar Chaurasia.
8. It was observed that the disclosures made by Shashwat Agarwal, Kamal Kishore Chaurasia and Anand Kumar Chaurasia to the Noticee 1 under Regulation 13(4A) read with Regulation 13(5) of PIT Regulations, 1992 were required to be disclosed to BSE by Noticee 1 under Regulation 13(6) of PIT Regulations, 1992. Details of disclosures made by Noticee 1 under Regulation 13(6) of PIT Regulations, 1992 are as under:

Sr. No	Date of transaction	Date on which disclosure was made to Noticee 1	Required Date of Disclosure to BSE	Actual date of disclosure to BSE
Shashwat Agarwal				
1	05/12/2013	07/12/2013	10/12/2013	11/12/2013
2	11/12/2013	12/12/2013	16/12/2013	16/12/2013
3	12/12/2013	13/12/2013	17/12/2013	16/12/2013
4	21/02/2014	24/02/2014	24/02/2014	07/04/2014
Kamal Kishore Chaurasia				
1	17/10/2011	18/10/2011	20/10/2011	01/11/2011
2	18/10/2011	19/10/2011	21/10/2011	29/10/2011
3	27/11/2013	29/11/2013	03/12/2013	29/11/2013
4	28/11/2013	29/11/2013	03/12/2013	29/11/2013
5	29/11/2013	30/11/2013	03/12/2013	05/12/2013
6	02/12/2013	04/12/2013	06/12/2013	05/12/2013
7	03/12/2013	04/12/2013	06/12/2013	05/12/2013
8	08/01/2014	10/01/2014	15/01/2014	11/01/2014
9	09/01/2014	10/01/2014	15/01/2014	11/01/2014
10	07/02/2014	10/02/2014	12/02/2014	17/02/2014
Anand Kumar Chaurasia				

1	14/10/2011	15/10/2011	17/10/2011	25/10/2011
2	17/10/2011	17/10/2011	19/10/2011	01/11/2011
3	26/11/2013	27/11/2013	29/11/2013	28/11/2013
4	03/12/2013	04/12/2013	06/12/2013	05/12/2013
5	04/12/2013	05/12/2013	09/12/2013	05/12/2013
6	05/12/2013	07/12/2013	10/12/2013	11/12/2013
7	06/12/2013	07/12/2013	10/12/2013	11/12/2013
8	12/12/2013	14/12/2013	17/12/2013	16/12/2013
9	20/12/2013	21/12/2013	24/12/2013	23/12/2013
10	23/12/2013	24/12/2013	27/12/2013	25/12/2013
11	24/12/2013	26/12/2013	30/12/2013	27/12/2013
12	26/12/2013	26/12/2013	30/12/2013	27/12/2013
13	27/12/2013	28/12/2013	31/12/2013	30/12/2013
14	01/01/2014	03/01/2014	07/01/2014	04/01/2014
15	02/01/2014	03/01/2014	07/01/2014	04/01/2014
16	06/01/2014	08/01/2014	10/01/2014	13/01/2014
17	07/01/2014	08/01/2014	10/01/2014	13/01/2014
18	08/01/2014	10/01/2014	14/01/2014	11/01/2014
19	09/01/2014	10/01/2014	14/01/2014	11/01/2014
20	03/02/2014	05/02/2014	07/02/2014	06/02/2014
21	04/02/2014	05/02/2014	07/02/2014	06/02/2014
22	05/02/2014	07/02/2014	11/02/2014	07/02/2014
23	06/02/2014	07/02/2014	11/02/2014	07/02/2014
24	07/02/2014	10/02/2014	12/02/2014	Not Disclosed
25	14/02/2014	17/02/2014	20/02/2014	18/02/2014
26	20/02/2014	22/02/2014	25/02/2014	24/02/2014
27	21/02/2014	22/02/2014	25/02/2014	24/02/2014

9. On the basis of replies obtained from BSE and the company and also from the disclosures available on BSE website, it was observed that, Noticee 1 made delayed disclosures on two occasions to BSE in respect of transactions of Shashwat Agarwal, on four occasions to BSE in respect of transactions of Kamal Kishore Chaurasia and on six occasions to BSE and did not make any disclosure on one occasion in respect of transactions of Anand Kumar Chaurasia under Regulation 13(6) of PIT Regulations, 1992. Thus, it was alleged that Noticee 1 has violated Regulation 13(6) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015.

10. It was alleged in the SCN that Noticee 2 did not make required disclosures to the Company and BSE for certain transactions executed by the Noticee 2 in the shares of the Company.

11. Details of transactions executed by the Noticee 2 are as under:

Date of transaction	Pre-transaction holding in no. of shares	Pre-transaction holding in %	Debit	Credit	Post-transaction holding in no. of shares	Post-transaction holding in %
09/09/2013	0	0.00	0	170315	170315	4.98
28/11/2013	170315	4.98	0	4500	174815	5.11
29/11/2013	174815	5.11	0	10000	184815	5.40
02/12/2013	184815	5.40	0	1500	186315	5.45
03/12/2013	186315	5.45	0	7500	193815	5.67
04/12/2013	193815	5.67	0	8792	202607	5.92
05/12/2013	202607	5.92	0	3000	205607	6.01
06/12/2013	205607	6.01	0	8002	213609	6.25
06/12/2013	213609	6.25	0	1998	215607	6.30
13/12/2013	215607	6.30	0	1000	216607	6.33
16/12/2013	216607	6.33	0	1600	218207	6.38
05/02/2014	218207	6.38	17000	0	201207	5.88
19/02/2014	201207	5.88	25000	0	176207	5.15
19/02/2014	176207	5.15	25000	0	151207	4.42
21/02/2014	151207	4.42	25000	0	126207	3.69
21/02/2014	126207	3.69	75000	0	51207	1.50
24/02/2014	51207	1.50	3448	0	47759	1.40
24/02/2014	47759	1.40	25000	0	22759	0.67
24/02/2014	22759	0.67	22759	0	0	0.00
03/04/2014	0.000	0	0	8600	8600	0.25

12. It was observed that the shareholding of the Noticee 2 crossed 5% on November 28, 2013 i.e. from 1,70,315 shares (4.98%) to 1,74,815 shares (5.11%). Hence, Noticee 2 was required to disclose the same under Regulation 13(1) of PIT Regulations, 1992 to the Company and Regulation 29(1) of SAST Regulations, 2011 to the Company and BSE within 2 working days i.e. by December 02, 2013. It was further observed that on February 21, 2014 the shareholding of the Noticee 2 changed by more than 2%. Therefore, Noticee 2 was required to disclose the same under Regulation 13(3) read with Regulation 13(5) of PIT Regulations, 1992

to the Company and Regulation 29 (2) of SAST Regulations, 2011 to the Company and BSE within 2 working days i.e. by February 25, 2014.

13. However, it was observed from the replies received from the Company and BSE that Noticee 2 did not make any disclosures to them for the aforementioned transactions. In view of the above, it was alleged that Noticee 2 has violated Regulation 13(1) and 13(3) read with Regulation 13(5) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Regulation 29(1) and Regulation 29(2) read with Regulation 29(3) of SAST Regulations, 2011.

14. It was alleged in the SCN that Noticee 3 did not make required disclosures to the Company and BSE for certain transactions executed by the Noticee 3 in the shares of the Company.

15. Details of transactions executed by the Noticee 3 are as under:

Date of transaction	Pre-transaction holding in no. of shares	Pre-transaction holding in %	Debit	Credit	Post-transaction holding in no. of shares	Post-transaction holding in %
06/02/2010	0	0.00	0	15,000	15,000	0.44
10/02/2010	15,000	0.44	0	2,500	17,500	0.51
23/02/2010	17,500	0.51	7,500	0	10,000	0.29
24/02/2010	10,000	0.29	10,000	0	0	0.00
29/07/2011	0	0.00	0	12,000	12,000	0.35
30/08/2011	12,000	0.35	0	6,000	18,000	0.53
25/10/2011	18,000	0.53	0	4,000	22,000	0.64
03/11/2011	22,000	0.64	22,000	0	0	0.00
13/04/2012	0	0.00	0	298,000	298,000	8.71
04/05/2012	298,000	8.71	5,000	0	293,000	8.57
18/05/2012	293,000	8.57	0	11,000	304,000	8.89
18/05/2012	304,000	8.89	0	11,000	315,000	9.21
22/05/2012	315,000	9.21	0	12,000	327,000	9.56
25/05/2012	327,000	9.56	0	2,000	329,000	9.62
30/05/2012	329,000	9.62	0	6,000	335,000	9.80
30/05/2012	335,000	9.80	0	500	335,500	9.81
01/06/2012	335,500	9.81	0	8,000	343,500	10.04
29/06/2012	343,500	10.04	6,250	0	337,250	9.86
18/01/2013	337,250	9.86	0	6,000	343,250	10.04
13/03/2013	343,250	10.04	85,000	0	258,250	7.55

13/03/2013	258,250	7.55	85,000	0	173,250	5.07
15/03/2013	173,250	5.07	85,000	0	88,250	2.58
15/03/2013	88,250	2.58	85,000	0	3,250	0.10
21/08/2013	3,250	0.10	2,900	0	350	0.01
17/02/2014	350	0.01	50	0	300	0.01
06/03/2014	300	0.01	300	0	0	0.00
12/03/2014	0	0.00	0	3,000	3,000	0.09

16. It was observed that the shareholding of the Noticee 3 crossed 5% on April 13, 2012 i.e. from NIL shares (0.00%) to 2,98,000 shares (8.71%). Hence, Noticee 3 was required to disclose the same under Regulation 13(1) of PIT Regulations, 1992 to the Company and Regulation 29(1) of SAST Regulations, 2011 to the Company and BSE within 2 working days i.e. by April 17, 2012. Further, it was observed that on March 13, 2013 and March 15, 2013 the shareholding of the Noticee 3 changed by more than 2%. Hence, Noticee 3 was required to disclose the same under Regulation 13(3) read with Regulation 13(5) of PIT Regulations, 1992 to the Company and Regulation 29(2) of SAST Regulations, 2011 to the Company and BSE within 2 working days i.e. by March 15, 2013 and March 19, 2013 respectively.

17. However, it was observed from the replies received from BSE and the Company that Noticee 3 did not make any disclosures to them for the aforementioned transactions. In view of the above, it was alleged that Noticee 3 has violated Regulation 13(1) and 13(3) read with Regulation 13(5) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Regulation 29(1) and Regulation 29(2) read with Regulations 29(3) of SAST Regulations, 2011. The aforesaid alleged violations, if established, make the Noticees liable for monetary penalty under Section 15A(b) of the SEBI Act.

18. SCN issued to the Noticees through Speed Post Acknowledgement (SPAD) at their respective addresses returned undelivered. SCN was also served to the Noticees *vide* email dated March 04, 2020 at the email addresses obtained from the depositories where the Noticees have their demat accounts. In response to the same, *vide* email dated March 06, 2020, Noticee 1 requested to provide annexures to the SCN. *Vide* email dated March 06, 2020, Noticee 1 was asked to provide its

current address. The copy of the SCN alongwith annexures was served to the Noticee 1 through SPAD at the address provided by Noticee 1 *vide* its email dated March 07, 2020. Further, *vide* email dated April 02, 2020, Noticee 1 stated that, reply to the SCN could not be submitted within stipulated time due to complete lockdown in India and as soon as conditions are normal it will revert back with reply to the SCN. After sufficient time was provided to the Noticees, an opportunity of personal hearing through video conferencing was given to the Noticees on August 03 and August 04, 2020 *vide* emails dated June 25, 2020. However, Noticees have neither appeared on the scheduled date of personal hearing nor any reply was received from the Noticees.

19. I note that, through the SCN and the hearing notices, the Noticees were advised to furnish their reply, if any, within stipulated time, failing which, it shall be presumed that the Noticees have no reply to submit and the matter will be proceeded on the basis of the material available on record. Further, *vide* emails dated August 07, 2020, Noticees were again informed that, since they have not availed the opportunity of hearing provided to them and they also have not filed the reply to the SCN, the matter would be proceeded further on the basis of evidence available on record in terms of sub-rule (7) of rule (4) of the Adjudication Rules.

20. As sufficient opportunity was given to the Noticees to submit reply and appear for hearing and no response was received from them, the adjudication proceedings against the Noticees are undertaken *ex-parte* on the basis of material available on record.

CONSIDERATION OF ISSUES AND FINDINGS

21. The issues that arise for consideration in the instant matter are:

Issue No. I Whether the Noticees have violated the following SEBI Regulations:

- a) **Noticee 1** - Regulation 13(6) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015.
- b) **Noticee 2 and Noticee 3** - Regulation 13(1) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Regulation 13(3) read with Regulation 13(5) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Regulation 29(1) and 29(2) read with Regulation 29(3) of SAST Regulations, 2011.

Issue No. II If yes, whether the failure, on the part of the Noticees would attract monetary penalty under Section 15A(b) of the SEBI Act.

And

Issue No. III If yes, what would be the monetary penalty that can be imposed upon the Noticees taking into consideration the factors stipulated in Section 15J of the SEBI Act read with Rule 5(2) of the Adjudication Rules?

Issue No. I Whether the Noticees have violated the aforesaid SEBI Regulations:

Noticee 1

- 22. Noticee 1 was required to disclose to BSE under Regulation 13(6) of PIT Regulations, 1992, the disclosures made by Shashwat Agarwal, Kamal Kishore Chaurasia and Anand Kumar Chaurasia to the Noticee 1 under Regulation 13(4A) read with Regulation 13(5) of PIT Regulations, 1992.
- 23. From the data provided in the SCN, I find that Noticee 1 made delayed disclosures on two occasions to BSE in respect of transactions of Shashwat Agarwal. The delay was 1 day in one occasion and 6 weeks on the other occasion. There was delay in four instances to BSE in respect of transactions of Kamal Kishore Chaurasia of 2, 5, 8 and 11 days. There was delay of 1 day in 2 instances, 3 days in 2 instances and 7 and 12 days in 2 other instances in respect of transactions of

Anand Kumar Chaurasia. In addition, one transaction of Anand Kumar Chaurasia was not reported at all. Delays of 7 days or less can be considered purely procedural in nature considering intervening non-working days, holidays etc. The data shows that broadly, the Noticee has been reporting before the reporting date. In 4 instances, there has been a delay of more than 7 days, and in one instance there has been no disclosure at all. In view these instances, I find that Noticee 1 has violated Regulation 13(6) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015.

Noticee 2

24. As per data given in the SCN, the shareholding of the Noticee 2 in the Company crossed 5% on November 28, 2013 i.e. from 1,70,315 shares (4.98%) to 1,74,815 shares (5.11%). Further, on February 21, 2014 the shareholding of the Noticee 2 changed by more than 2%, when it fell to 126207 shares or 1.5%. I find from the replies received from the Company and BSE that Noticee 2 did not make any disclosures to them for the aforementioned transactions. Therefore, I find that Noticee 2 is in violation of Regulation 13(1) and 13(3) read with Regulation 13(5) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and Regulation 29(1) and Regulation 29(2) read with Regulation 29(3) of SAST Regulations, 2011.

Noticee 3

25. As per data given in the SCN, the shareholding of the Noticee 3 in the Company crossed 5% on April 13, 2012 i.e. from NIL shares (0.00%) to 2,98,000 shares (8.71%). Further, on March 13, 2013 shareholding of Noticee 3 fell to 258250 shares (5.07%) and on March 15, 2013 the shareholding of the Noticee 3 fell to 173250 shares (2.58%), thus changing by more than 2%. I find from the replies received from BSE and the Company that Noticee 3 did not make any disclosures in respect of the aforementioned transactions. In view of the above, I find that Noticee 3 has violated Regulation 13(1) & 13(3) read with Regulation 13(5) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015 and

Regulation 29(1) and Regulation 29(2) read with Regulations 29(3) of SAST Regulations, 2011.

26. The text of the aforesaid provisions is reproduced as under:

PIT Regulations, 1992

13.(1) any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form A, the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of:

(a) the receipt of intimation of allotment of shares; or

(b) the acquisition of shares or voting rights, as the case may be.

(3) Any person who holds more than 5% shares for voting rights in any listed company shall disclose to the company 49 [in Form C] the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the company.

(5) The disclosure mentioned in sub-regulations (3), (4) and (4A) shall be made within two working days of:

(a) the receipts of intimation of allotment of shares, or

(b) the acquisition or sale of shares or voting rights, as the case may be.

(6) Every listed company, within two working days of receipt, shall disclose to all stock exchanges on which the company is listed, the information received under sub-regulations (1), (2), (2A), (3), (4) and (4A) [in the respective formats specified in Schedule III].

SAST Regulations, 2011

29.(1) *Any acquirer who acquires shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, aggregating to five per cent or more of the shares of such target company, shall disclose their aggregate shareholding and voting rights in such target company in such form as may be specified.*

(2) Any person, who together with persons acting in concert with him, holds shares or voting rights entitling them to five per cent or more of the shares or voting rights in a target company, shall disclose the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below five per cent, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub regulation; and such change exceeds two per cent of total shareholding or voting rights in the target company, in such form as may be specified.

(3) The disclosures required under sub-regulation (1) and sub-regulation (2) shall be made within two working days of the receipt of intimation of allotment of shares, or the acquisition of shares or voting rights in the target company to,-

(a) every stock exchange where the shares of the target company are listed; and

(b) the target company at its registered office.

27. With regard to lack of any response to the SCN by the Noticees, it is pertinent to mention that Hon'ble Securities Appellate Tribunal, in its the Order dated February 11, 2014 in Appeal no. 68 of 2013 in Sanjay Kumar Tayal and others v SEBI, stated "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.”

**Issue No. II If yes, whether the failure, on the part of the Noticees would attract monetary penalty under Section 15A(b) of the SEBI Act.
and**

Issue No. 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 Adjudication Rules?

28. As it has been established that the Noticees violated specified provisions of PIT Regulations and SAST Regulations, the Noticees are liable for monetary penalty under Section 15A(b) of the SEBI Act. The text of Section 15A(b) of the SEBI Act is as below:

SEBI Act:

Penalty for failure to furnish information, return, etc.

15A. *If any person, who is required under this Act or any rules or regulations made thereunder, -*

(b) *to file any return or furnish any information, books or other documents within the time specified therefor in the regulations, fails to file return or furnish the same within the time specified therefor in the regulations he 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.*

29. While determining the quantum of penalty under Section 15A(b) of the SEBI Act the following factors stipulated in Section 15J of the SEBI Act have to be given due regard:

Factors to be taken into account by the adjudicating officer

15J. While adjudging quantum of penalty under Section 15-I, 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.*

30. In the present matter, no quantifiable figures are available to assess the disproportionate gain or unfair advantage made as a result of such default by the Noticees. Further from the material available on record, it is not possible to ascertain the exact monetary loss to the investors/clients on account of default by the Noticees. I note that Noticee 1 has been largely compliant except in case of 4 transactions where there was significant delay in making disclosures and 1 instance where no disclosure was made. With regard to Noticee 2, I note that Noticee 2 acquired and divested a significant percentage of shares without making required disclosures either at acquisition or divesting stage. Similarly Noticee 3 also made significant acquisition and divestment of shares over a period of one year and failed to make required disclosures. In respect of Noticee 2 there are 2 instances of non-disclosure observed and in respect of Noticee 3, there are 3 instances of non-disclosure.

31. In view of the above, I am of the view that a penalty of ₹5,00,000/- (Rupees Five lakh only) under Section 15A(b) will be commensurate with the violations committed by Noticee 1. A penalty of ₹4,00,000/- (Rupees Four lakh only) and ₹6,00,000/- (Rupees Six lakh only) under Section 15A(b) will be commensurate with the violations committed by Noticee 2 and 3 respectively.

ORDER

32. After taking into consideration all the facts and circumstances of the case, in exercise of the powers conferred upon me under Section 15-I(2) of the SEBI Act read with Rule 5 of the Adjudication Rules, I hereby impose the following penalty on the Noticees:

Name of the Noticee	Penalty Amount	Under the provisions of
Nikki Global Finance Limited (Noticee 1)	₹5,00,000/- (Rupees Five lakh only)	Section 15A(b) of SEBI Act for violation of Regulation 13(6) of PIT Regulations, 1992 read with Regulation 12 of PIT Regulations, 2015
Levia Trading Private Limited (Noticee 2)	₹4,00,000/- (Rupees Four lakh only)	Section 15A(b) of SEBI Act for violation of Regulation 13(1) & 13(3) read with Regulation 13(5) of PIT Regulations, 1992 and Regulations 29(1) and 29(2) read with 29(3) of SAST Regulations, 2011.
Scope Vyapar Private Limited (Now known as Class Commercial Private Limited) (Noticee 3)	₹6,00,000/- (Rupees Six lakh only)	Section 15A(b) of SEBI Act for violation of Regulation 13(1) & 13(3) read with Regulation 13(5) of PIT Regulations, 1992 and Regulations 29(1) and 29(2) read with 29(3) of SAST Regulations, 2011.

33. The Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order either by way of Demand Draft in favour 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

34. The Noticees shall forward said Demand Draft or the details / confirmation of penalty so paid to the Enforcement Department – Division of Regulatory Action – IV of SEBI. The Noticees shall provide the following details while forwarding DD/ payment information:

- a) Name and PAN of the entity (Noticee)
- b) Name of the case / matter
- c) Purpose of Payment – Payment of penalty under AO proceedings
- d) Bank Name and Account Number
- e) Transaction Number

35. Copy of this Adjudication Order is being sent to the Noticees and also to SEBI in terms of Rule 6 of the Adjudication Rules.

DATE: AUGUST 27, 2020

PLACE: MUMBAI

MANINDER CHEEMA

ADJUDICATING OFFICER