

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**  
**[ADJUDICATION ORDER NO. ASK/AO/2/2015-16]**

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**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**  
**Gazala Constructions Pvt. Ltd.**  
**(PAN: AADCG5746K)**

**In the matter of Mahan Industries Limited**

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**BACKGROUND IN BRIEF**

1. Securities and Exchange Board of India (**SEBI**) conducted investigation relating to buying, selling or dealing in the shares of Mahan Industries Limited (hereinafter referred to as "**MIL/company**") to ascertain whether there was any violation of the provisions of the SEBI Act and Regulations thereunder. Investigation revealed that as on December 31, 2009, MIL had issued capital of 71,50,000 shares of ₹ 10/- each. On January 4, 2010 MIL made a preferential allotment of convertible equity warrants for ₹ 30 crores. On January 15, 2010, MIL split its one share of ₹10/- each into 10 equity shares of ₹ 1/- each. Pursuant to that on January 15, 2010, company had issued capital of ₹ 7,15,00,000/- divided into 7,15,00,000 shares of ₹ 1/- each and outstanding convertible equity warrants of ₹ 30 crores. On February 20, 2010, the Board of Directors of the MIL decided that convertible warrants, where full amount of consideration has been received by the company, may be converted into equal number of shares of ₹ 1/- each. Accordingly, on February 20, 2010, MIL made

allotment of 24,85,00,000 shares of ₹ 1/- each to the preferential allottees of the convertible equity warrants. Therefore, on February 20, 2010 MIL had issued capital of 32,00,00,000 shares of ₹ 1/- each and outstanding convertible preferential warrants worth ₹ 5,15,00,000/-

2. The details of the shares allotted to Gazala Constructions Pvt. Ltd. (hereinafter referred to as "**Noticee**") pursuant to conversion of equity warrants into equity share of ₹ 1/- each by MIL on February 20, 2010 and its percentage to the issued capital of MIL as on that date was as under:

Name	No. of shares allotted	% of shares to the issued capital of the company (32,00,00,000 shares of ₹ 1/- each)
Gazala Constructions Pvt. Ltd.	1,72,50,000	5.39

3. It was observed during the investigation that since the acquisition of shares by the noticee on February 20, 2010 entitled them to more than the threshold limits of shares or voting rights of MIL as stipulated under regulations 7(1) and 7(1A) read with regulation 7(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as "**SAST Regulations, 1997**"), they were under obligation to make disclosure about their aggregate shareholding or voting rights in the MIL to MIL as well as to BSE within 2 days of transaction as stipulated by the afore-mentioned regulations. However, it was observed that no disclosures as stipulated by the afore-mentioned regulations, for the said transaction dated February 20, 2010 was made by the Noticee. Therefore, it was alleged that the Noticee violated the provisions of regulations 7(1) and 7(1A) read with regulation 7(2) of SAST Regulations, 1997.

4. It was further observed that since pursuant to conversion of equity warrants into equity share of ₹ 1/- each by MIL on February 20, 2010, noticee held 5% or more shares of MIL, they were under obligation to make disclosure

about their shareholding or voting rights in the MIL to MIL in Form A within 2 days of transaction as stipulated by Regulation 13(1) of SEBI (Prohibition of Insider Trading) Regulations, 1992 (**PIT Regulations, 1992**). However, it was observed that the Noticee did not make the requisite disclosure as stipulated by the afore-mentioned regulation. Therefore, it was alleged that the Noticee violated the provisions of regulation 13(1) of PIT Regulations, 1992.

5. During the course of investigation, Noticee was issued

- i. summons dated February 22, 2013 under section 11C(3) of the SEBI Act to furnish certain information, as mentioned in the Annexure to the summons, before the Investigation Authority (**IA**) and
- ii. summons dated March 08, 2013 under section 11C(5) of the SEBI Act to appear in person before the IA on March 20, 2013 to answer questions in relation to the investigation.

6. It was observed that noticee did not furnish full and complete information as required under the summons dated February 22, 2013 nor did it appear on the scheduled date and time before the IA as required under the summons dated March 08, 2013. Therefore, it was alleged that the noticee violated the provisions of section 11C(3) and 11C(5) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act, 1992**”).

#### **APPOINTMENT OF ADJUDICATING OFFICER**

7. The undersigned was appointed as the Adjudicating Officer to inquire and adjudge under section 15A(a) and 15A(b) of the SEBI Act, 1992, the alleged violations of provisions of regulations 7(1) and 7(1A) read with regulation 7(2) of SAST Regulations, 1997; read with Regulation 35 of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**SAST Regulations,**

2011), Regulation 13(1) of PIT Regulations, 1992 and section 11C(3) and 11C(5) of the SEBI Act, 1992, by the noticee.

**SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING**

8. Show Cause Notice no. EAD-5/ADJ/ASK/AA/OW/28876/2014 dated October 01, 2014 (hereinafter referred to as “SCN”) was issued to the noticee in terms of Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 read with section 15I of SEBI Act, 1992 and penalty be not imposed under section 15A(a) and 15A(b) of SEBI Act, 1992 for the violations specified in the SCN. The copies of the documents relied upon in the SCN were provided to the Noticee along with the SCN.

9. The said SCN was sent by the mode of hand delivery on October 01, 2014 and the same was returned undelivered with the comment "*Consignee shifted*". In terms of rule 7 of the Adjudication Rules, copy of the said SCN was served upon the noticee vide letter dated October 16, 2014 by affixing it on the last known addresses of the noticee available with us on October 18, 2014. However, the Noticee did not submit any reply to the SCN.

10. Thereafter, Noticee was given an opportunity of personal hearing on December 19, 2014 vide notice dated December 04, 2014 by affixing notice on the last known address available with us on December 06, 2014 as well as by sending it to on the email id "*dadheechrmanseta@gmail.com*" of the noticee as mentioned at MCA website. However, Noticee neither replied to the SCN nor attended the personal hearings.

11. Another opportunity of personal hearing was given to the noticee on January 16, 2015 vide notice dated January 02, 2015. However, as the afore-mentioned notice could not be served by hand delivery and hence, the same was duly served by way of affixture on January 06, 2015 at the last known address

of the Noticee available with us in terms of provisions of Rule 4(3) read with Rule 7 of the Adjudication Rules. However, the Noticee failed to avail the opportunity of personal hearing nor did it submit any reply to SCN. For the reasons mentioned above, I observe that the Noticee was provided with ample opportunity of being heard and hence, I am proceeding with the inquiry taking into account the material available on record.

### **CONSIDERATION OF ISSUES AND FINDINGS**

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

- a. Whether Noticee violated the provisions of regulations 7(1) and 7(1A) read with regulation 7(2) of SAST Regulations, 1997 and regulation 13(1) of PIT Regulations, 1992?
- b. Whether Noticee violated the provisions of section 11C(3) and 11C(5) of SEBI Act, 1992?
- c. Does the violation, if any, attract monetary penalty under section 15A (a) and 15A (b) of SEBI Act, 1992?
- d. If so, what would be the monetary penalty that can be imposed taking into consideration the factors mentioned in section 15J of SEBI Act?

***Issue I - Violation of provisions of regulations 7(1) and 7(1A) read with regulation 7(2) of SAST Regulations, 1997 and regulation 13(1) of PIT Regulations, 1992***

13. Before moving forward, it is pertinent to refer to the relevant provisions of SAST Regulations, 1997 and PIT Regulations, 1992 which reads as under:

#### **SAST Regulations, 1997**

***“Acquisition of 5 per cent and more shares or voting rights of a company.***

***7 (1) Any acquirer, who acquires shares or voting rights which (taken together with shares or voting rights, if any, held by him) would entitle him to more than five per cent or ten per cent or fourteen per cent or fifty four per cent or seventy four per cent shares or voting rights in a company, in any manner whatsoever,***

*shall disclose at every stage the aggregate of his shareholding or voting rights in that company to the company and to the stock exchanges where shares of the target company are listed.*

*(1A) Any acquirer who has acquired shares or voting rights of a company under sub-regulation (1) of regulation 11 or under second proviso to sub-regulation (2) of regulation 11, shall disclose purchase or sale aggregating two per cent or more of the share capital of the target company to the target company, and the stock exchanges where shares of the target company are listed within two days of such purchase or sale along with the aggregate shareholding after such acquisition or sale.*

*Explanation. - For the purposes of sub-regulations (1) and (1A), the term 'acquirer' shall include a pledgee, other than a bank or a financial institution and such pledgee shall make disclosure to the target company and the stock exchange within two days of creation of pledge.*

*(2) The disclosures mentioned in sub-regulations (1) and (1A) shall be made within two 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."*

### **PIT Regulations, 1992**

#### ***"Disclosure of interest or holding by directors and officers and substantial shareholders in a listed companies - Initial Disclosure***

**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."*

14. Upon perusal of the material available on record, I note that on February 20, 2010, MIL made allotment of 24,85,00,000 shares of ₹ 1/- each to the preferential allottees of the convertible equity warrants pursuant to the decision of its Board of Directors that convertible warrants, where full amount of consideration has been received by the company, be converted into equal number of shares of ₹ 1/- each. I also note from the material on record as well

as from the material available in public domain that after such conversion MIL had issued capital of 32,00,00,000 shares of ₹ 1/- each as on February 20, 2010 and the noticee was allotted 1,72,50,000 shares of MIL pursuant to conversion of its convertible warrants into equity shares which constituted 5.39% of the issued share capital of MIL at the relevant time. I also note that MIL too vide letter dated March 07, 2013 has informed SEBI that it has not received any disclosure from any other person or entity other than the promoter. I also note that even the announcements at the BSE website does not contain any disclosure made by the noticee for the afore-mentioned acquisition of MIL's equity shares by the noticee on February 20, 2010.

15. Moreover, I note that despite the SCN and hearing notices having been served upon the noticee in terms of provisions of Rule 4(3) read with Rule 7 of the Adjudication Rules, it failed to submit any reply to the SCN and has not refuted the charges. In this context, I would like to rely upon the observations of the Hon'ble Securities Appellate Tribunal (SAT) in the matter of *Classic Credit Ltd. vs. SEBI* (Appeal No. 68 of 2003 decided on December 08, 2006) wherein it, inter alia, observed that - "*..... the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show-cause notice were admitted by them*".

16. Again the Hon'ble SAT in the matter of *Sanjay Kumar Tayal & Others v SEBI* (Appeal No. 68 of 2013 decided on February 11, 2014), inter-alia, observed that – "*.....As rightly contended by Mr. Rustomjee, learned senior counsel for respondents, 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.....”.*

17. On the basis of the aforesaid discussions, I find that the noticee has not made any disclosure under SAST Regulations nor under PIT Regulations for the acquisition of 1,72,50,000 shares of MIL on February 20, 2010 which constituted 5.39% of the issued share capital of MIL at the relevant time.

18. Now going back to the issue of violation of regulation 7(1) of SAST Regulations, 1997, I find that acquisition by the noticee on February 20, 2010 of 1,72,50,000 equity shares of MIL entitled them to 5.39% of the equity share capital of MIL at the relevant time which was more than the threshold limits of shares or voting rights of MIL as stipulated under regulations 7(1) read with regulation 7(2) of SAST Regulations, 1997. That being the case, they were under obligation to make disclosure about their aggregate shareholding or voting rights in the MIL to MIL as well as to BSE within 2 days of transaction as stipulated by the afore-mentioned regulations. However, as found above, the Noticee did not make the requisite disclosure as stipulated by the afore-mentioned regulations. In view of the same, I hold that the noticee has violated regulation 7(1) read with regulation 7(2) of SAST Regulations, 1997.

19. In so far as the obligation to make disclosure regulation 7(1A) of SAST Regulations, 1997 is concerned, I note that the said provision is applicable only in respect of those acquirers whose shareholding together with shareholding of persons acting in concert, if any, falls within the limit of 15% to 55% as stipulated under regulation 11(1) of SAST Regulations, 1997. In the instant matter, I find that it is a matter of record that the noticee's shareholding post conversion of warrants into equity shares was 5.39% only which is much below the limits prescribed under regulation 11(1) of SAST Regulations, 1997.



Therefore, the allegation of violation of regulation 7(1A) of SAST Regulations, 1997 by the noticee does not stand established.

20. As regards the violation of regulation 13(1) of PIT Regulations, 1992, I note that under the said regulation, any person who holds more than 5% shares or voting rights in any listed company, is under an obligation to disclose to the company in the prescribed Form the number of shares or voting rights held by such person on becoming the holder within two working days of the receipt of allotment of shares or acquisition of shares or voting rights. In the instant case, it is a matter of record that the noticee was allotted 5.39% of the equity share capital of MIL on February 20, 2010 for which, as has been found above, no disclosure as stipulated by the afore-mentioned regulation was made by the Noticee. In view of the same, I hold that the noticee has violated regulation 13(1) of PIT Regulations, 1992.

***Issue -II -Violation of the provisions of section 11C(3) and 11C(5) of SEBI Act, 1992***

21. It would be appropriate here to refer to the aforesaid provisions of the SEBI Act, 1992 which reads as under:

**Section 11C(3) and Section 11C(5) of the SEBI Act, 1992**

***Section 11C(3):*** *The Investigating Authority may require any intermediary or any person associated with securities market in any manner to furnish such information to, or produce such books, or registers, or other documents, or record before him or any person authorised by it in this behalf as it may consider necessary if the furnishing of such information or the production of such books, or registers, or other documents, or record is relevant or necessary for the purposes of its investigation.*

***Section 11C(5):*** *Any person, directed to make an investigation under sub-section (1), may examine on oath, any manager, managing director, officer and other employee of any intermediary or any person associated with securities market in any manner, in relation to the affairs of his business and may administer an oath accordingly and for that purpose may require any of those persons to appear before it personally.*

22. I find from the material available on record that the Noticee was issued summons dated February 22, 2013 under section 11C(3) of the SEBI Act to furnish certain information, as mentioned in the Annexure to the summons, before the IA on March 04, 2013. I also note that Noticee vide letter dated March 04, 2013 submitted only part of the information as required by summons dated February 22, 2013 and further stated that other details sought vide the said summons would be submitted in due course of time. However, the same was never provided to SEBI. It is also a matter of record that the Noticee was issued summon dated March 08, 2013 under section 11C(5) of the SEBI Act to appear in person before the IA on March 20, 2013 to answer questions in relation to the investigation which the noticee failed to do.

23. Moreover, since the noticee has not submitted any reply to the SCN nor has refuted the charges despite the SCN and hearing notices having been served upon the noticee in terms of provisions of Rule 4(3) read with Rule 7 of the Adjudication Rules, I, relying upon the observations of Hon'ble SAT in *Classic Credit Ltd. vs. SEBI* and *Sanjay Kumar Tayal & Others v SEBI* as mentioned in previous paragraphs of this order, am of the view that the noticee has failed to comply with the summons dated February 22, 2013 and March 08, 2013. It is pertinent to mention here that it is the prerogative of IA to decide from whom to seek information and any non compliance of the summons of the IA hampers the process of investigation. Even when IA asks a person to appear before him, the sole purpose is to collect information and it is mandatory for a person to appear before the IA and to answer the queries. It is well established that timely submission of information is very important for the purpose of effective investigation proceedings and non-cooperation by an entity can be detrimental to the interest of investors and securities market on account of delay or hindrance in the investigation.

24. The Hon'ble Securities Appellate Tribunal (**SAT**) has also recognized the importance of compliance of summons and personal appearance and in the matter of *DKG Buildcon Pvt. Ltd. v. SEBI* (Appeal No. 106 of 2006, Date of Decision: 07.01.2009), it has held: "...By not responding to the summons, the representative(s) of the appellant did not appear before the investigating officer as a result whereof their statements could not be recorded. This, obviously, hampered the investigations. In the result, the inescapable conclusion is that the appellants were adamant in not furnishing the information sought from them though vital to the investigations and that they stonewalled the investigations as commented by the adjudicating officer. It is of utmost importance that every person from whom information is sought should fully co-operate with the investigating officer and promptly produce all documents, records, information as may be necessary for the investigations. If persons are allowed to flout the summons issued to them during the course of the investigations, the Board as the watchdog of the securities market will not be able to perform its duties in protecting the interests of the investors and safeguarding the integrity of the securities market."

25. In this context, I would like to also refer to the order of the Hon'ble SAT in the matter of *Mr. Jalal Batra vs. SEBI* (Appeal no. 184 of 2010, date of decision dated December 06, 2010) wherein it observed ".....We have observed time and again that it is of utmost importance that market players like the appellant should fully cooperate with the investigations that are carried out by the Board, the watchdog of the securities market. If market players and intermediaries avoid appearing before the investigating officer or furnish the necessary information sought from them, the Board as a market regulator will not be able to carry out its statutory functions and duties of protecting the integrity of the securities market and the investigations would be grossly

*hampered. Non co-operation with the market regulator has to be viewed seriously. We do not know what else would have come to light if the appellant had appeared before the investigating officer or if he had furnished the requisite information that was sought from him."*

26. Since the noticee did not comply with the summonses dated February 22, 2013 and March 08, 2013, I hold that the noticee has violated provisions of sections 11C(3) and 11C(5) of SEBI Act, 1992.

***Issue III - Does the violation, if any, attract monetary penalty under section 15A(a) and 15A (b) of SEBI Act, 1992?***

27. In this context, reliance is placed upon the order of the Hon'ble Supreme Court of India in the matter of *Chairman, SEBI v.. Shriram Mutual Fund* {[2006] 5 SCC 361} wherein it was held that "*In our view, the penalty is attracted as soon as contravention of the statutory obligations as contemplated by the Act is established and, therefore, the intention of the parties committing such violation becomes immaterial. .... Hence, we are of the view that once the contravention is established, then the penalty has to follow and only the quantum of penalty is discretionary.*"

28. As regards the imposition of monetary penalty for non-compliance of summons, I note that the Hon'ble SAT had the occasion to deal with this issue in the matter of *DKG Buildcon Pvt. Ltd.(supra)*, wherein it observed: "*It was then argued on behalf of DKG that section 15A(a) of the Act does not apply as the Act, Rules or Regulations made thereunder do not per se require the production of documents or furnishing of information and that it was only a direction of the Board contained in the summons that the appellant was required to comply with. The argument indeed is that non-compliance with the directions of the Board would not attract section 15A(a) and that the penalty could be levied under the residuary provision contained in section 15HB. The*

*argument is being noticed only to be rejected. Section 11C of the Act was introduced with effect from 29.10.2002 and sub-section (3) thereof provides that the investigating authority may require any person associated with the securities market "to furnish such information, or produce such books, or registers, or other documents, or record before him...". The power to require a person to furnish any information or record or documents includes the power to require such person to make a statement and give clarifications with regard to the information and documents produced by him. In the absence of such a power the purpose of the legislature in introducing section 11C would be frustrated and the Board will not be able to investigate properly the market irregularities and offences. In order to advance the object of Parliament the language used in sub-section (3) of section 11C has to be given a wider meaning. We are, therefore, of the considered opinion that section 11C (3) gives the power to the investigating authority to call upon any person to make a statement while furnishing any information, document or record." Thus, it is clear that if a person fails to comply with the summonses of IA he is liable for penalty under Sec. 15A (a) of SEBI Act. As the violation of provisions of section 11C(3) and 11C(5) of SEBI Act, 1992 by the noticee has been established I hold that Noticees are liable for monetary penalty under section 15A (a) of SEBI Act.*

29. As regards the imposition of monetary penalty for not making disclosure on time under regulation 7(1) read with regulation 7(2) of SAST Regulations, 1997 and regulation 13(1) of PIT Regulations, 1992, I note that the noticee has failed to comply with the statutory obligation. The timely disclosure is mandated for the benefit of the investors at large. There can be no dispute that compliance of regulations is mandatory and it is duty of SEBI to enforce compliance of these regulations. As the violation of the statutory obligation

under regulation 7(1) read with regulation 7(2) of SAST Regulations, 1997 and regulation 13(1) of PIT Regulations, 1992 has been established, I hold that the Noticee is liable for monetary penalty under section 15A(b) of SEBI Act.

30. The aforesaid provisions read as under:

***"15A. Penalty for failure to furnish information, return, etc.- If any person, who is required under this Act or any rules or regulations made thereunder,-***  
*(a) to furnish any document, return or report to the Board, fails to furnish the same, he shall be liable to a penalty of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less;*

*(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 of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less;"*

***Issue IV - What would be the monetary penalty that can be imposed taking into consideration the factors mentioned in section 15J of SEBI Act?***

31. While determining the quantum of penalty under section 15A(a) and 15A(b), it is important to consider the factors stipulated in section 15J of SEBI Act, which reads as under:-

***"15J - Factors to be taken into account by the adjudicating officer***

*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."*

32. I note that the material made available on record has not quantified the amount of disproportionate gain or unfair advantage made by the Noticee and the loss suffered by the investors as a result of the Noticee's default. Also there is no material made available on record to assess the amount of loss caused to investors or the amount of disproportionate gain or unfair advantage made by

the Noticee as a result of default. However, it is pertinent to mention here that our entire securities market stands on disclosure based regime and accurate and timely disclosures are fundamental in maintaining the integrity of the securities market. The Noticee by their failure to make requisite disclosure have deprived investors of the important information at the relevant point of time. I further note that by not submitting complete details to the summons as well as not appearing before the IA for giving evidence despite having received the summonses compromises the regulatory framework and hampers the investigation. Further, any delay or hurdle in investigation due to non cooperation by any entity is detrimental to the interest of investors in securities market and the same deserves to be viewed seriously.

### **ORDER**

33. After taking into consideration all the facts and circumstances of the case, I, in exercise of the powers conferred upon me under Section 15I (2) of the SEBI Act read with Rule 5 of the Adjudication Rules, hereby impose following penalty hereby impose following penalty on the noticee i.e. Gazala Constructions Pvt. Ltd.:

<b>Penalty Amount</b>	<b>Violation</b>
₹ 2,50,000/- (Rupees Two Lakh Fifty Thousand Only)	Under section 15A(b) of SEBI Act for violation of Regulation 7(1) of SAST Regulations, 1997.
₹ 2,50,000/- (Rupees Two Lakh Fifty Thousand Only)	Under section 15A(b) of SEBI Act for violation of regulation 13(1) of PIT Regulations, 1992.
₹ 2,00,000/- (Rupees Two Lakh Only)	Under section 15A(a) of SEBI Act for violation of section 11C(3) of SEBI Act, 1992.
₹ 2,00,000/- (Rupees Two Lakh Only)	Under section 15A(a) of SEBI Act for violation of section 11C(5) of SEBI Act, 1992.
<b>Total</b>	<b>₹ 9,00,000/- (Rupees Nine Lakh Only)</b>

34. I am of the view that the penalty imposed is commensurate with the violations committed by the Noticee. The penalty shall be paid by way of

demand draft drawn in favour of “SEBI – Penalties Remittable to Government of India” payable at Mumbai within 45 days of receipt of this Order. The said demand draft shall be forwarded to the Regional Director, Western Regional Office – II, Securities and Exchange Board of India, Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opp. Nehru Bridge, Ashram Road, Ahmedabad – 380009.

35. In terms of rule 6 of the Rules, copies of this order are sent to the Noticee and also to the Securities and Exchange Board of India.

**Date: April 24, 2015**

**Place: Mumbai**

**A. Sunil Kumar**

**Adjudicating Officer**