

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/SR/SM/2019-20/6065/139]**

**UNDER SECTION 23-I OF SECURITIES CONTRACTS (REGULATION) ACT, 1956
READ WITH RULE 5 OF SECURITIES CONTRACTS (REGULATION)
(PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES BY
ADJUDICATING OFFICER) RULES, 2005.**

**In respect of:
Achintya Commodities Private Limited**

(Address: 7/118-E, First Floor,
Swaroop Nagar, Kanpur – 208002)

(SEBI Registration No.: INZ000015535)

In the matter of Achintya Commodities Private Ltd.

BACKGROUND

1. A department (in short **OD**) of Securities and Exchange Board of India (in short **SEBI**) conducted an inspection of books of accounts and other records of the Achintya Commodities Private Limited (in short **Noticee/broker**), a commodity derivative broker of Multi Commodity Exchange of India Ltd (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) having SEBI registration no. INZ000015535. An inspection of the Noticee was carried out to examine whether the Noticee has complied with the provisions of various SEBI circulars, rules and regulations. The period covered under inspection was from October 01, 2015 to March 28, 2018 (in short **Inspection Period**). During inspection, inspection team of SEBI observed certain non-compliances on part of the Noticee and alleged that the Noticee violated the provisions of section 23D of The Securities Contracts (Regulations) Act, 1956 (in short the **SCRA, 1956**) and SEBI circular no. SMD/SED/CIR/93/23321 dated November 18, 1993. A copy of inspection report along with the annexures was forwarded to Noticee for its comments/explanation. Based on the said inspection and after examination of Noticee's explanations on observation in inspection report, OD initiated adjudication proceedings against the Noticee.

APPOINTMENT OF ADJUDICATING OFFICER

2. SEBI appointed the undersigned as an Adjudicating Officer, under section 23-I of The SCRA, 1956 read with (r/w) rule 3 of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005 in short **Adjudication Rules, 2005**) to inquire into and adjudge under section 23D of the SCRA, 1956 for the alleged violations of section 23D of the SCRA, 1956 and SEBI circular No. SMD/SED/CIR/93/23321 dated November 18, 1993. The same was conveyed to me vide communique dated May 24, 2019.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

3. Show Cause Notice no. SEBI/HO/EAD-10/E&AO/SRSM/OW/24636/1 dated September 19, 2019 (in short SCN) was issued to the Noticee along with annexures. The said SCN was sent through Speed Post Acknowledgement due (SPAD) and the same was delivered to the Noticee. Proof of service of delivery of SCN is on record. Following is alleged in the SCN:
 - a) *The inspection findings are based on analysis of samples and test checking of related books of accounts and other records as well as written / oral submissions of the stock broker and its officials to the inspection team. During inspection, inspection team observed that the broker failed to segregate securities and monies of the clients or there was irregularities in use of client's funds and client's securities. To check whether the broker has utilized client funds for other purposes, the following data was sought from the broker for 50 dates on random basis during the inspection period.*
 - A. *Total fund balance available in all Client and Settlement Bank Accounts maintained by the stock broker*
 - B: *Aggregate value of collateral deposited with clearing corporations and/or clearing broker (in cases where the trades are settled through clearing broker) in form of Cash and Cash Equivalents (FD, BG, etc.). Only funded portion of the BG shall be considered as part of B.*
 - C: *Aggregate value of Credit Balances of all clients as obtained from trial balance across stock exchanges (after adjusting for open bills of clients, uncleared cheques deposited by clients and uncleared cheques issued to clients)*

D: Aggregate value of Debit Balances of all clients as obtained from trial balance across stock exchanges (after adjusting for open bills of clients, uncleared cheques deposited by clients, uncleared cheques issued to clients)

G: (A+B)-C: Negative value depicts extent of misuse of client funds by broker for debit balance client or for own purpose.

- b) The total available funds i.e. cash and cash equivalents with the stock broker and with the clearing corporation/ clearing broker, i.e. A + B should always be equal to or greater than clients' funds as per ledger balance (C) and if it is not, then it indicates that the credit balance client fund has been misused by the broker for its own purposes and to fund the debit balance clients.*
- c) As per Regulation 7.1 of NCDEX and SEBI circular SMD/SED/CIR/93/23321 dated Nov 18, 1993, no money shall be drawn from client's account other than - money properly required for payment to or on behalf of clients or for or towards payment of a debt due to the Broker from clients or money drawn on client's authority, or money in respect of which there is a liability of clients to the Broker, **provided that money so drawn shall not in any case exceed the total of the money so held for the time being for such each client.** Consequently money given by clients has to be available with broker all the time.*
- d) Out of 50 sample dates, it is observed by OD that there is misutilization of credit balance client's funds for debit balance of clients and its own purposes on 39 sample dates and the details of analysis for the 39 dates are provided to the Noticee as Annexure B to the SCN. Further, the list of alleged instances by OD for misutilization of client's funds provided to the Noticee as Annexure C to the SCN. As seen from the said instances, Noticee is alleged to have violated the provisions of section 23D of SCRA, 1956 and SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993 by misusing the client's fund.*

4. The Noticee vide letter dated October 11, 2019 replied to the SCN. An opportunity of personal hearing was granted to the Noticee on November 21, 2019 vide hearing notice dated November 06, 2019. The said hearing notice was sent through SPAD and the same was delivered to the Noticee. The delivery proof is on record. The Authorized Representative (AR) of the Noticee appeared before the undersigned on November 21, 2019 as scheduled. The AR on the said date reiterated the submissions made in the reply dated October 11, 2019. AR requested for additional time to submit additional information and acceding the request of AR, time given to submit the additional information by

November 28, 2019. Hearing minutes are on record. Noticee vide letter dated November 28, 2019 submitted additional information.

5. The replies of the Noticee are summarized as under:

- a) Noticee replied that it maintains highest level of integrity and professionalism as far as safe keeping/ timely payments of client's funds/ securities is concerned. The same can be verified by the fact we don't have even a single client complaint during the audit period.
- b) All dates clients fund (C) was either in the bank accounts of Achintya Commodities private Limited (A) or in the form of funded collateral with the exchange or Clearing Member (B). Noticee has not misutilised client's funds on even a single date in the audit period.
- c) Noticee replied that it we used to maintain a FD Account (Account Number: 01270340007709) with HDFC Bank, Kanpur. It had booked FDs from client funds in this account. In all the 39 instances pointed out by the inspection team, if the free balance of this account would be considered then there would be no such shortage as observed by the inspection team. Thus, if overall balances of our FD account and Client bank Account are considered, the entire money belonging to the client is within the bank accounts of Achintya Commodities Pvt. Ltd. and Exchange/ Clearing Member only. Therefore correct calculation for the value of G (inclusive of all FDR's) is positive in all dates. Noticee provided the details of balance/FDRs in a tabular format. The same was also submitted to the inspection team at the time of inspection. Inspite of repeated submissions made to inspection team they did not consider this fund in calculation of (A), Due to lack of knowledge we had made certain mistakes in segregation of Client funds and OWN funds due to which Inspection team had considered entire fund lying in this FD account as OWN funds whereas these were client funds.

- d) The funds lying in this account were client's funds, just due to lack of knowledge of proper routing mechanism between client and FD-OD accounts, inspection team considered the entire balance in FD account as OWN Funds. Being the first SEBI audit, Noticee enlightened about the mechanism of routing of funds. Noticee immediately had put systems in place post audit regarding the same.
- e) Further, the balance of two FDR'S as mentioned below which were in transit is not considered by the inspection team. Noticee made submissions twice for the same but still these two FDR'S have not been considered in the calculation of (B). This can be verified from our bank statements that the funds were not received by Achintya commodities private limited. FDR's were in transit on the sample dates:

A)

DATES	FD WITH GLOBE TAKEN BY SEBI	ACTUAL FD WITH GLOBE
09-MAR-2016	94100000.00	104100000.00

SR NO.	FDR NUMBER	AMOUNT	ISSUE DATE	MATURITY DATE	Date of Balance Realisation in A/C
1	50300109533176	5000000.00	09.09.2015	09.09.2016	14-03-2016
2	50300109795891	5000000.00	11.09.2015	16.09.2016	14-03-2016

B)

DATES	FD WITH GLOBE TAKEN BY SEBI	ACTUAL FD WITH GLOBE
27-DEC-2016	84200000.00	94100000.00

SR NO.	FDR NUMBER	AMOUNT	ISSUE DATE	MATURITY DATE	Date of Balance Realisation in A/C
3	50300123652990	9900000.00	28.12.2015	28.12.2016	05-01-2016

Noticee provided a copy of letter from its Clearing Member Globe Commodities Limited confirming that the above three instances have been dispatched after releasing from MCX. Noticee provided the calculation of G after considering the FDs

Account and analyzing the overall picture of the Client Funds in a tabular format. Noticee replied that it is clearly evident from the calculation that there is no single instance of misutilisation of client's funds. Besides there were adequate funds available on each sample date to meet clients' contingent obligation.

- f) Noticee submitted that it has always made timely pay-in and payments to all the exchanges and there is not even a single non-compliance in this regards since 2004. Noticee had surplus funds in the form of unutilized limit of around 10 crores with Non-Banking Finance Companies which we could have used at any time as and when required.
- g) Noticee submitted that it is a member of all stock /commodity exchanges and have been working with clean and flawless track record from last 15 years. Regular inspections were carried out by stock exchanges and no such compliance of this nature is ever observed.
- h) Noticee submitted that it has not utilised client's fund and it has sufficient funds for the requirements of clients. Noticee provided the details of funds balance lying in its capital plus reserve account and loan from shareholders on the relevant dates as per Annexure-C to the SCN and the same was certified by Chartered Accountant (CA).
- i) Noticee cited some case laws w.r.t. the inspection of books of accounts /documents carried out by SEBI such as the Hon'ble SAT order in the matter of Religare Securities Limited (Appeal no. 23 of 11), UPSE Securities Limited (Appeal No. 109 of 2011), DSE Financial Services Limited (Appeal No. 153 of 2012) and Piramal Enterprises Limited (Appeal No. 466 of 2016). Also Noticee cited some adjudication orders passed by the adjudicating officers in the matter of Manibhadra Commodities Limited and Paterson Securities Private Limited in the similar matters.

- j) Noticee denied the alleged violations and requested to drop the SCN without imposing any monetary penalty.
6. After taking into account, the allegations levelled in the SCN, replies of the Noticee and other material available on record, I hereby, proceed to decide the case on merit.

CONSIDERATION OF ISSUES

7. The issues that arise for consideration in the present case are:
- (a) Whether the Noticee has failed to segregate money of clients and used the money of credit balance clients for debit balance clients, and for own purpose? If yes, whether the same is in violation of section 23D of the SCRA, 1956 r/w the provisions of SEBI Circular no. SMD/SED/CIR/93/23321 dated November 18, 1993?**
 - (b) If yes, then do the violations, if any, on the part of the Noticee attract any monetary penalty under section 23D of the SCRA, 1956?**
 - (c) If yes, then what would be the monetary penalty that can be imposed upon the Noticee, taking into consideration the factors mentioned in section 23J of the SCRA, 1956?**
8. Before proceeding further, I would like to refer to the relevant provisions of section 23D of the SCRA, 1956 and SEBI circular No. SMD/SED/CIR/93/23321 dated November 18, 1993 which are reproduced hereunder:

The SCRA, 1956

Penalty for failure to segregate securities or moneys of client or clients.

23D. *If any person, who is registered under section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) as a stock broker or sub-broker, fails to segregate securities or moneys of the client or clients or uses the securities or moneys of a client or clients for self or for any other client, he shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees.*

SEBI circular No. SMD/SED/CIR/93/23321 dated November 18, 1993 is available on SEBI website.

FINDINGS:

9. On perusal of the material available on record and giving regard to the facts and circumstances of the case, I hereby record my findings as under:

Issue (a) Whether the Noticee has failed to segregate money of clients and used the money of credit balance clients for debit balance clients, and for own purpose? If yes, whether the same is in violation of section 23D of the SCRA, 1956 r/w the provisions of SEBI Circular no. SMD/SED/CIR/93/23321 dated November 18, 1993?

- (a) It is alleged in the SCN that Noticee has misutilised credit balance client's funds for debit balance of clients and its own purposes on 20 dates and has violated the provisions of section 23D of the SCRA, 1956 and SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993.
- (b) From the allegations in the SCN, I observe that in 20 instances total cash and cash equivalents (i.e. A + B) lying in the client and settlement bank accounts (i.e. A) and with the stock exchange at the end of the day (i.e. B) were less than gross creditors, indicating mis-utilization of such funds and alleged that Noticee has failed to segregate money of clients and used the money of credit balance clients for debit balance clients, and for own purpose. The details of such instances are tabulated below:

Sr No .	Date	Aggregate fund balance (including settlement a/c)	Aggregate value of collaterals (cash/FD/BG/2)	Aggregate value of Credit balance of all clients (as per trial balance after adjustments)	Aggregate value of Debit balance of all clients (as per trial balance after adjustments)	A+B-C
		A	B	C	D	G
1	04-Oct-2017	4,540,414.82	428,643,738.61	463,181,554.11	47,287,687.01	(29,997,400.68)
2	05-Oct-2016	6,658,202.74	193,572,247.98	256,091,661.70	50,397,200.12	(55,861,210.98)
3	13-Oct-2016	1,292,452.90	186,646,629.36	222,910,042.63	50,844,261.24	(34,970,960.37)

Sr No .	Date	Aggregate fund balance (including settlement a/c)	Aggregate value of collaterals (cash/FD/BG/2)	Aggregate value of Credit balance of all clients (as per trial balance after adjustments)	Aggregate value of Debit balance of all clients (as per trial balance after adjustments)	A+B-C
4	01-Dec-2016	165,470.40	194,067.178.29	290,638,307.72	216,619,252.90	(96,405,659.03)
5	27-Dec-2016	2,061,457.89	184,199,179.52	266,026,568.04	46,456,088.04	(79,765,930.63)
6	30-Jan-2017	1,740,577.95	197,226,010.26	309,632,340.48	41,756,582.18	(110,665,752.27)
7	02-Feb-2017	13,991,787.63	174,322,520.23	287,173,150.27	41,872,891.54	(98,858,842.41)
8	20-Feb-2017	5,631,058.10	232,996,522.44	310,981,305.70	40,398,934.11	(72,353,725.16)
9	29-Mar-2017	6,809,094.30	222,326,784.88	283,575,192.57	25,366,686.56	(54,439,313.39)
10	03-Apr-2017	140,685.54	202,273,372.38	204,507,182.15	25,294,457.32	(2,093,124.23)
11	22-May-2017	837,836.81	194,054,364.15	212,736,831.37	38,467,256.69	(17,844,630.41)
12	05-Jun-2017	1,328,332.02	201,219,739.32	209,205,616.93	38,320,061.67	(6,657,545.59)
13	12-Jul-2017	19,694,755.93	286,686,430.74	335,393,714.41	42,269,229.52	(29,082,527.74)
14	17-Jul-2017	342,378.83	266,543,199.60	297,134,293.55	55,158,560.20	(30,248,715.12)
15	13-Sep-2017	147,957.59	288,532,094.21	309,543,717.56	81,760,629.38	(29,863,665.76)
16	18-Sep-2017	134,250.25	286,531.045.87	299,453,910.20	90,388,263.29	(12,788,614.08)
17	16-Nov-2017	3,018,074.44	267,385,134.94	304,877,335.82	47,985,479.69	(34,474,126.44)
18	20-Nov-2017	393,509.54	266,655,093.99	301,407,130.65	52,738,821.73	(34,358,527.12)
19	22-Jan-2018	100,276.65	342,718,227.38	350,126,154.16	46,143.708.76	(7,307,650.13)
20	06-Feb-2018	2,505,016.32	335,553,866.93	412,995,957.94	27,381,204.13	(74,937,074.69)

(c) In this regard, Noticee contended that it maintained a FD Account (Account Number: 01270340007709) with HDFC Bank, Kanpur in its name, wherein FDs are made from client funds. Also, Noticee replied that by considering the amount of FDs from the said

account, the value of G is positive. Revised calculations after including the funds lying in the said FD account as own funds as contended by Noticee are tabulated below:

Sr No.	Date	Client Fund Misutilized (G)-As mentioned by Inspection Team-SEBI	Excess Free Balance lying in our FD Account	FDR in transit which were not liquidated in our bank account	Value of G after considering the FD Balance
1	05-Oct-2016	55861210.98	76749085.92		20887874.94
2	13-Oct-2016	34970960.37	35229085.92		258125.55
3	01-Dec-2016	96405659.03	96699965.91		294306.88
4	27-Dec-2016	79765930.63	70916700.1	9900000.00	1050769.47
5	30-Jan-2017	110665752.3	114604650		3938897.74
6	02-Feb-2017	98858842.41	112460096.2		13601253.83
7	04-Oct-2017	29997400.68	69604029.87		39606629.19
8	20-Feb-2017	72353725.16	105130514.4		32776789.28
9	29-Mar-2017	54439313.39	55182070.67		742757.28
10	03-Apr-2017	2093124.23	73732476.27		71639352.04
11	22-May-2017	17844630.41	42048828.87		24204198.46
12	05-Jun-2017	6657545.59	32040039.87		25382494.28
13	12-Jul-2017	29082527.74	90026340.47		60943812.73
14	17-Jul-2017	30248715.12	30778340.47		529625.35
15	13-Sep-2017	20863665.76	25456263.27		4592597.51
16	18-Sep-2017	12788614.08	13634263.27		845649.19
17	16-Nov-2017	34474126.44	41576549.89		7102423.45
18	20-Nov-2017	34358527.12	35712549.89		1354022.77
19	22-Jan-2018	7307650.13	45768152.3		38460502.17
20	06-Feb-2018	74937074.69	77452505.44		2515430.75

- (d) In this regard, I note that Noticee admitted that it has made an FD account in its name from the client's fund and it was due to its lack of knowledge regarding segregation of Client funds and OWN funds. Noticee has contended that the FDs made from the clients funds were maintained in the account maintained in the name of the Noticee.
- (e) Further, as per Noticee's submission on March 09, 2016 and December 27, 2016, the balance of two FDR'S which were in transit are not considered by the inspection team in the calculation of (B). In this regard, I am of the view that there is no allegation against the Noticee for March 09, 2016 as explained in the above table. Further, with regard to December 27, 2016, Noticee submitted that FDR no. 50300123652990 having an amount of 99,000,00/- was with the clearing member namely Globe Commodities Limited which matured on December 28, 2016. As seen from the letter of the said the said FDR was released on December 30, 2016 and dispatched on January 01, 2017. By considering the said amount of FDR on the said date, the value of G will be still negative i.e. (69865930.63) for the said dates.
- (f) It is an admitted fact that the FDs were opened in the name of the Noticee, while they are claimed to be made out of funds received from clients. In this regard, I note that Para 1 (B) of SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993 states that *"Every member broker who holds or receives money on account of a client shall forthwith pay such money to current or deposit account at bank to be kept in the name of the member in the title of which the word 'clients' shall appear (hereinafter referred to as 'clients account')"*. In the instant matter, it is observed that the said FDs made from client funds are in Noticee's account instead of client account, which is in violation of aforesaid SEBI circular dated November 18, 1993.
- (g) I also note that in the circular dated September 26, 2016 regarding Enhanced Supervision of Brokers, it is stated that the column A as calculated in the table above comprises of aggregate of fund balances available in all Client Bank Accounts. Thus, FDs held in the name of the broker cannot be considered as part of client funds in terms of this circular. As such, contention of the Noticee regarding lack of knowledge is not

acceptable me as it is a settled principle of law that ignorance of law is no excuse. In this regard, it would be appropriate to refer to the observations made by the Hon'ble SAT in the matter of Mega Resources Limited, Hooghly Mills Project Ltd. and Hooghly Stocks and Bonds Project Ltd vs, SEBI, vide order dated September 07, 2017 *"It is admitted by the appellant that the non compliance with the disclosure requirements in respect of acquisition of shares and failure to make an open offer to the shareholders of the Company was due to lack of awareness of the erstwhile regulations on the part of the Appellant and purely unintentional and without any malafide intentions. It is trite law that ignorance of law will not excuse the appellant to escape the liability of violating the law nor this argument of the appellant, therefore, fails in our opinion."* Further, the observations made by the Hon'ble SAT in the matter of Madanchand Prasan Chand Chordia vs. SEBI, vide order dated June 16, 2014 that *"The main contention of the appellant, who has appeared in person before us, is that he was not aware about the requirement of law in making disclosure as a part of SAST Regulations, 2011 and PIT Regulations, 1992. We note that ignorance of law is not an excuse."*

- (h) Additionally, Noticee vide letter dated November 28, 2019 submitted that it has not utilised client's fund and it has sufficient funds for the requirements of clients. Noticee provided the details of funds balance lying in its capital plus reserve account and loan from shareholders on the relevant dates as per Annexure-C to the SCN and the same was certified by Chartered Accountant. As against the evidentiary proof submitted by the Noticee regarding availability of funds with Noticee, there is nothing on record to counter the said contention of Noticee, hence it is evident that Noticee had sufficient funds and has not used client funds, however I conclude that failed to maintain the said client funds in the manner as specified in the said 1993 circular.
- (i) In view of the findings at para 9(d) to (h) above, it is observed that the Noticee had excess client funds largely covering the aggregate value of credit balance clients, based on material produced by the Noticee, however, the said client funds were not maintained in the manner specified in the 1993 circular. Hence, I am of the view that the Noticee violated provisions of section 23D of the SCRA, 1956 and SEBI Circular

SMD/SED/CIR/93/23321 dated November 18, 1993 and the allegations against the Noticee stands established.

10. **Issue (b): If yes, then do the violations, if any, on the part of the Noticee attract any monetary penalty under section 23D of the SCRA, 1956?**

&

Issue (c): If yes, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in section 23J of the SCRA read with rule 5 (2) of the Adjudication Rules, 2005?

- (a) After taking into account the aforesaid entire facts / circumstance of the case, and other material available on record, I am of the view that the said failure to segregate client and broker's funds as prescribed in the said circular and section 23 of the SCRA, 1956 on the part of the Noticee attracts the imposition of monetary penalty under section 23D of the SCRA, 1956 which is reproduced below:

The SCRA, 1956

Penalty for failure to segregate securities or moneys of client or clients.

23D. *If any person, who is registered under section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) as a stock broker or sub-broker, fails to segregate securities or moneys of the client or clients or uses the securities or moneys of a client or clients for self or for any other client, he shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees.*

- (b) While determining the quantum of penalty under section 23D of the SCRA, 1956 the following factors stipulated in section 23J of the SCRA, 1956 r/w rule 5(2) of the Adjudication Rules, 2005 , which reads as under

The SCRA, 1956

23J: *"Factors to be taken into account by the adjudicating officer-*

While adjudging quantum of penalty under section 23 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.”

(c) Inspection did not reveal any specific disproportionate gains or unfair advantage made by the Noticee or specific loss suffered by the investors. No past default against the Noticee was revealed in the inspection report. I also observe that no complaints against the Noticee in relation to mis-use of client are available on record. Therefore, taking into account aforesaid factors, and considering the facts and circumstances of the case, I am of the view that a penalty of Rs.1,00,000/- will be commensurate with the violations committed by the Noticee.

ORDER

11. In exercise of the powers conferred under section 23-I of the SCRA, 1956 and rule 5(2) of the Adjudication Rules, 2005, I hereby impose a penalty of Rs. 1,00,000/- (Rupees One Lakh only) on the Noticee i.e. Achintya Commodities Private Limited under section 23D of the SCRA, 1956 for the violations of section 23D of SCRA, 1956 and SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993.
12. The Noticee shall remit / pay the said amount of penalty within 45 days of receipt of this order by one of following two modes:
 - a. By using the web link <https://siportal.sebi.gov.in/intermediary/AOPaymentGateway.html>
 - b. By way of Demand Draft in favour of “SEBI - Penalties Remittable to Government of India”, payable at Mumbai
13. Details of Demand Draft made as given in format below shall be sent to "The Division Chief, EFD-DRA-II, Securities and Exchange Board of India, SEBI Bhavan, Plot no. C- 4 A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051." and also to e-mail id :- tad@sebi.gov.in
 - a) Case Name
 - b) Name of the 'Payer/Noticee'
 - c) Date of Payment
 - d) Amount Paid
 - e) Transaction No.
 - f) Bank Details in which payment is made

g) Payment is made for (like penalties/disgorgement / recovery/ settlement amount and legal charges along with order details)

14. 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, 1992 for realization of the said amount of penalty along with interest thereon, inter alia, by attachment and sale of movable and immovable properties.
15. Copy of this Adjudication Order is being sent to the Noticee and also to SEBI in terms of rule 6 of the Adjudication Rules, 2005.

Date: December 13, 2019

Place: Mumbai

SANGEETA RATHOD

ADJUDICATING OFFICER