

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**

[ADJUDICATION ORDER NO. Order/AK/DS/2025-26/ 31566-31571]  
UNDER SECTION 15-I OF THE 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;

S.No.	Noticee Name	PAN
1	GoldenPi Securities Private Limited	AAJCG9823H
2	Samir Baran Pratihari	ALOPP1307Q
3	Abhijit Roy	ADIPR6408A
4	Vishal Sharma	FWJPS6375E
5	Sai Prasad	FOHPS7030L
6	Naveen Subbarao	AEGPN8437E

**In the matter of GoldenPi Securities Private Limited**

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) had conducted inspection of GoldenPi Securities Private Limited (hereinafter referred to as “**Noticee 1**” / “**GSPL**” / “**the Company**”) at its registered office to examine whether Noticee 1 was in compliance of the Online Bond Platform Provider (OBPP) regulatory framework and with the provisions of SEBI (Stock Brokers) Regulations, 1992 (hereinafter referred to as “**Stock Brokers Regulations**”), SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (hereinafter referred to as “**NCS Regulations**”) and guidelines/circulars issued thereunder. The inspection was conducted for the period beginning November 09, 2022 to June 30, 2024 (hereinafter referred to as “**inspection period**”). Noticee 1 is a SEBI-registered Stock Broker having registration number INZ000310732. It is registered with Bombay Stock Exchange (BSE), National Stock Exchange (NSE) as a member. GSPL has obtained approval from BSE and NSE to act as Online

Bond Platform Provider (OBPP) since April 19, 2023 and May 02, 2023 respectively

2. Based on the findings of the inspection communicated to Noticee 1, vide email dated October 24, 2024 and Noticee 1's reply dated November 21, 2024, November 22, 2024 and November 26, 2024, certain violations of Stock Brokers Regulations, SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations**") and applicable SEBI Circulars by the below-listed Noticees were observed.

- GoldenPi Securities Private Limited (Noticee 1)
  - Mr. Samir Baran Pratihari (Director) (hereinafter referred to as "**Noticee 2**")
  - Mr. Abhijit Roy (Director) (hereinafter referred to as "**Noticee 3**")
  - Mr. Vishal Sharma (Director) (hereinafter referred to as "**Noticee 4**")
  - Mr. Sai Prasad (Director) (hereinafter referred to as "**Noticee 5**")
  - Mr. Naveen Subbarao (Director) (hereinafter referred to as "**Noticee 6**")
- (Noticees 1 to 6 shall be hereinafter collectively referred to as "**the Noticees**")

### **APPOINTMENT OF ADJUDICATING OFFICER**

3. Upon being satisfied that the Noticees have violated the provisions of Stock Brokers Regulations, PFUTP Regulations and applicable SEBI Circulars, SEBI approved initiation of adjudication proceedings on December 18, 2024 and vide Order dated February 10, 2025, the undersigned was appointed as the Adjudicating Officer u/s 15-I(1) of SEBI Act, 1992 (hereinafter referred to as "**SEBI Act**") and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "**SEBI Adjudication Rules**") to inquire into and adjudge under the provisions of Section 15HB of the SEBI Act, 1992 read with Section 27 of the SEBI Act, 1992, the alleged violations.

### **SHOW CAUSE NOTICE, REPLY OF THE NOTICEE AND HEARING**

4. Show Cause Notice No. SEBI/EAD/EAD-06/AK/DS/7326/1/2025 dated March 06, 2025 (hereinafter referred to as “**SCN**”) was issued to the Noticees in terms of rule 4 of SEBI Adjudication Rules r/w Section 15-I of the SEBI Act, 1992, to show cause as to why an inquiry should not be held against them and why penalty, if any, be not imposed on them under applicable provisions.
5. Noticee 1 submitted its reply vide letter dated March 20, 2025. Noticees 2 to 6, vide separate emails dated March 20, 2025, requested that Noticee 1’s reply to the SCN may be considered as their submissions to the SCN. The submissions are summarized hereunder:
  - 5.1 Failure to ensure that all orders are routed through RFQ platform of a recognized stock exchange –
    - 5.1.1 *The transactions not entered through RFQ mechanism are extracted from submissions made towards Table 16 (GSPL) Pre-Inspection Questionnaire. The table mentions all the trades executed on the online bond platform by GSPL from December 2023 to May 2024. During this period, as reported in Table 16, GSPL had entered into 4910 trades amounting to approx. Rs.152 crores on the platform, however out of which 102 trades (2.1% of total trades by number) amounting to approx. Rs.7 crores (4.6% of total trades by value) were transacted by means other than RFQ. The aforementioned numbers which are very minimal to show that the intention and effort of the company was always to comply with extant regulations. The transition was happening in a phased manner and could not be made live for all users at one go understanding the hardship that an investor could face in case of settlement failure because of glitch in RFQ based settlement which was earlier through an OTC mode.*
    - 5.1.2 *During this transition phase, the following are some of the reasons because of which RFQ platform was not fully operational:*
      - 5.1.2.1 *Stock Exchanges developing RFQ platform to facilitate OBPPs to transact on the same.*

- 5.1.2.2 *Setting up system for managing payments and Integrating payment gateway.*
- 5.1.2.3 *Considering the transaction flow is automated, the integration of systems of OBPP with Stock Exchange.*
- 5.1.2.4 *User Acceptance testing (UAT) and Closed User Group (CUG) Testing of the platform before rolling it out in the live environment.*
- 5.1.2.5 *Lack of clarity on RFQ Broking Trades to be executed with other Debt Brokers*
- 5.1.3 *The detailed time line of events under during the intervening period between the integration of RFQ Systems and RFQ enablement in the live environment with GSPL are as under:*
  - 5.1.3.1 *GSPL executed a trade on 24th August 2023 in order to test the system. However, the BSE UCC creation via API had some glitches on account of which GSPL could not initiate CUG testing.*
  - 5.1.3.2 *Once the BSE UCC creation process was streamlined, GSPL started with CUG Testing for RFQ direct trades with limited clients. Although, GSPL started with CUG testing for RFQ direct trades however in respect of RFQ broking trades, necessary clarifications were awaited from the stock exchange for which the Company had sought clarification from exchanges.*
  - 5.1.3.3 *The first test trade for RFQ Broking Trade for GSPL was conducted via Razorpay on November 29, 2023. After receiving the GSPL Machine ID (MID) from Razorpay, GSPL took approximately two more months to thoroughly test the infrastructure, ensuring seamless trade execution. This was critical as the transactions involved retail investors and required integration with major banks for net banking payments.*
  - 5.1.3.4 *Following the receipt and implementation of the GSPL MID, an additional two months were spent fine-tuning the system to guarantee that client trades would be successfully executed without any complaints on account system downtime/issues for successful settlement.*

- 5.1.3.5 *The Company's primary motive was to ensure customer investment journey has no disruption and they are not put at any undue disadvantage because of the transition process.*
- 5.1.3.6 *Additionally, Razorpay being the only payment aggregator supported by BSE, GSPL-Razorpay MID could not be implemented as RBI had imposed certain restrictions on Razorpay to onboard new customers till Dec 23 and once the ban was lifted, the new MID's were issued in January 2024, but it took a couple of months to become fully activated.*
- 5.1.3.7 *Also, Stock Exchanges were lacking clarity on how to enable RFQ brokered trades. The Company was amongst the first entity in the market to enable this in accordance with the SEBI circular on OBPP dated November 19, 2022.*
- 5.1.4 *The Company's intention was always to ensure compliance with the regulations, hence GSPL was coordinating the aforesaid process with BSE on continuous basis to ensure RFQ platform is made available for seamless integration in live environment (communications with BSE to substantiate the delay were submitted by Noticee 1 in support of its reply). Also, GSPL had brought the same to SEBI's attention vide email dated 21st July 2023. However, once the RFQ was integrated seamlessly in the live environment, all transactions were executed through RFQ mechanism of stock exchange.*
- 5.1.5 *In the SEBI SCN, it is mentioned that "it was observed that Noticee 1's RFQ platform was functional and substantial percentage of trades were carried out through RFQ platform". During the initial phase of transition, RFQ was made live for trades wherein OBPP was acting as counter party and not for broking trades where OBP only acts as a broker with identified buyer and seller of security.*
- 5.1.6 *Considering the scale at which GoldenPi was operating prior to regulations coming into force, it would not have been feasible for GoldenPi to act as counter party for all the trades, which would involve buying the inventory in the books of GoldenPi and selling to each client which means large amount of funds being tied up in the working capital of the company.*

5.1.7 The Company was following up with the stock exchange and SEBI to integrate its systems with RFQ platform of the exchange to execute RFQ broking trades. However, as understood, exchanges were developing systems to ensure brokered deals can be executed through the RFQ platform.

5.1.8 After complete integration of systems with effect from June 21, 2024, 100% of trades were executed by RFQ mechanism only. The same was also communicated to the inspection team and in the company's correspondences in the inspection findings.

5.1.9 Noticee 1 requested to condone this observation which was unintentional and which resulted on account of development of systems during the transition phase and further there were no intent of the Company to violate compliance standards set by the Regulators.

5.2 Advertising without obtaining proper approval from stock exchange -

5.2.1 The Company referred to its response to SEBI letter dated 24 October, 2024 that GoldenPi had applied for approval of all the marketing material from the stock exchange considering the regulations applicable to Stock Brokers as well as OBPPs. However, due to a lack of regulatory clarity regarding the advertisement code applicable to OBPPs, as verbally confirmed by BSE, approval could not be granted.

5.2.2 The communication with the exchange on submission of Advertisement (BSE) is provided below:

Application ID no. 68090407202327294 (Dated 04/07/2023)- Reason for Rejection: -  
"Rejecting as per today's discussion."

5.2.3 In the above application ID, the exchange refused to accept Noticee 1's submission for approval, citing lack of clarity from SEBI for approval norms of advertisement for OBPP and citing the reason for rejection as "Rejected as per Today's Discussion"

5.2.4 This indicates that clarity regarding the advertisement code specifically for OBPPs was not yet established. In light of the reasons for rejection, Noticee 1 revised its advertising materials to ensure compliance with the advertisement code, had it been in place, and incorporated all feedback provided by BSE into the updated advertisements. Hence, the Company has complied with the advertisement code for OBPPs issued in SEBI circular

*"Registration and regulatory framework for Online Bond Platform Providers" dated 14 November 2022.*

*5.2.5 The approval was not granted by the exchange on account of lack of clarity on the advertisement code applicable to OBPP. The Company's intention was to always comply with the same. Hence, Noticee 1 had made application for approval of advertisement templates, even though a specific approval was not granted on account of lack of regulatory clarity by the stock exchange.*

*5.2.6 Stock exchange started approving advertisement templates post Issuance of advertisement code by stock exchange on 8 November 2024.*

### *5.3 Mis-selling of Securities*

*5.3.1 The securities which were referred to as wrongly classified under a different category, were removed from the platform from 5th June 2024 and same was confirmed to SEBI vide email dated 9th August 2024.*

*5.3.2 The wrong classification of the bonds, as highlighted, was purely an unintentional error, with no intent to deceive or misguide investors, nor to influence their investment decisions in any way. The Company were following other parameters which the investor was informed at each level before continuing to purchase the bonds, which are as under:*

*5.3.2.1 Before executing any transaction, investors are required to acknowledge a mandatory pop-up/Nudge notification that outlines the inherent risks associated with these instruments, in addition to the detailed risk factors provided in the deal note. The investors need to provide an explicit consent to this pop-up before proceeding.*

*5.3.2.2 A comprehensive information memorandum (Screenshot of display of information memorandum attached as Annexure 9) detailing the investment and associated risks is made available to all clients before they make an investment decision.*

*5.3.2.3 The nature and characteristics of Basel III Additional Tier 1 and Tier 2 bonds, including their classification as subordinated debt instruments under the Basel III framework, were clearly displayed on our platform.*

- 5.3.2.4 *The wrong classification of the product occurred due to inadvertent error under the wrong tab. However, the investor needs to visit the product page separately they decide to invest in such a product where full disclosures of the product is given. This shows that The Company has no intention of misleading the client or if Influencing investment decisions in relation to this product.*
- 5.3.3 *GSPL never had an intention of mis-selling or push selling of such security, however by an unintentional error in the underlying algorithm such security was appearing under a wrong head which was immediately corrected on the same being noticed. Therefore, the Company requested that the incorrect classification of certain categories of bonds be not considered as mis-selling of products.*
- 5.3.4 *Further, to ensure such situation does not arise in the future, necessary corrective actions are already taken by making modifications to the system which are as follows:*
- 5.3.4.1 *Under the GSPL system, the default value of this validation rule is turned off i.e the transaction in high-risk securities cannot be processed. Even if such securities are tried to be pushed on the platform by the operations team, the same will be rejected.*
- 5.3.4.2 *Further in order to address correct classification the security, GSPL has upgraded its back-office software (deal desk) through which the quotes are pushed to the OBPP platform. As a part of this upgrade, GSPL, has added new validation rule in order to display high risk securities to the OBP. As a part of this update, this validation rule can only be updated by System Admin upon specific approval Compliance Officer / Management Team.*
- 5.3.4.3 *If the rule is turned on by system admin and if the operations team erroneously tries to display such security on platform, the same will be rejected from offering.*
- 5.3.5 *At no point of time, GSPL ever had an intention to mis-sell a particular security. Further, Basel III Additional Tier I bonds accounted for 0.13% of total trades and Additional Tier II bonds accounted for 2.59% of total trades during the period from November 28, 2023 and June 28, 2024. This represents the fact that the Company had never actively pursued to sell these kinds of bonds hence the question of mis-selling or*



*push selling may not hold true in this context. The Company had proactively and immediately removed the offering of Basel III Additional Tier 1 and Tier 2 bonds from the platform and not offered till date, after removing such offering from the platform to additionally safeguard the interest of retail investors.*

*5.3.6 Based on the above explanation and the series of events and efforts taken by the company, Noticee 1 requested to condone the lapses if any, on account of operational aspect, considering the fact that the Company took immediate corrective action as there were no intention of mis-selling the products to client to deceive or misguide Investors, nor to influence their investment decisions in any way.*

- 6 In the interest of natural justice, vide notice dated March 28, 2025, the Noticees were granted personal hearing on April 15, 2025. On the scheduled date, Noticees 2, 3 and 6 appeared for the hearing on their own behalf and also on behalf of other Noticees, i.e. Noticees 1, 4 and 5. They reiterated the submissions already made vide letter dated March 20, 2025.

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

- 7 Considering the allegations made out in the SCN and the submissions made by the Noticee, the following issues require consideration in the present case:

**ISSUE I** - Whether the Noticees have violated provisions of Stock Broker Regulations, PFUTP Regulations, and applicable SEBI circulars issued thereunder, as given in SCN?

**ISSUE II** - Do the violations, if any, attract penalty under Section 15HB of SEBI Act, 1992 r/w Section 27 of the SEBI Act, 1992?

**ISSUE III** - If so, what should be the monetary penalty that can be imposed taking into consideration the factors mentioned in Section 15J of SEBI Act, 1992?

- 8 The said provisions under which violations have been alleged against the Noticees are reproduced below –

**Securities and Exchange Board of India (Stock Brokers) Regulations 1992**

**Conditions of registration.**

9. Any registration granted by the Board under regulation 6 shall be subject to the following conditions, namely,-

- (a) the stockbroker holds the membership of any stock exchange;
- (b) he shall abide by the rules, regulations and bye-laws of the stock exchange which are applicable to him;
- (c) where the stock broker proposes change in control, he shall obtain prior approval of the Board for continuing to act as such after the change;
- (d) he shall pay fees charged by the Board in the manner provided in these regulations;
- (e) he shall take adequate steps for redressal of grievances, of the investors within <sup>1</sup>[twenty-one calendar days] of the date of receipt of the complaint and inform the Board as and when required by the Board;
- (f) he shall at all times abide by the Code of Conduct as specified in Schedule II; and
- (g) he shall at all times maintain the minimum networth as specified in Schedule VI.
- (h) Every stock broker who act as an underwriter shall enter into a valid agreement with the body corporate on whose behalf it is acting as underwriter and shall abide by the regulations made under the Act in respect of the activities carried on by it as underwriter.
- (i) Every Stock Broker shall be entitled to act as an underwriter only out of its own net worth/funds as may be prescribed from time to time.

**SCHEDULE II - CODE OF CONDUCT FOR STOCK BROKERS**

**C. Stock-Brokers vis-a-vis Other Stock-Brokers**

(4) Advertisement and Publicity: A stock-broker shall not advertise his business publicly unless permitted by the stock exchange.

**SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003**

4. Prohibition of manipulative, fraudulent and unfair trade practices

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<sup>1</sup> Substituted for “one month” by the Securities and Exchange Board of India (Facilitation of Grievance Redressal Mechanism) (Amendment) Regulations, 2023 w.e.f. 18-08-2023.

*(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a manipulative, fraudulent or an unfair trade practice in securities markets.*

*Explanation.—For the removal of doubts, it is clarified that any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company shall be and shall always be deemed to have been considered as manipulative, fraudulent and an unfair trade practice in the securities market.*

*(2) Dealing in securities shall be deemed to be a manipulative fraudulent or an unfair trade practice if it involves any of the following:—*

*(a) knowingly indulging in an act which creates false or misleading appearance of trading in the securities market;*

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

*(c) inducing any person to subscribe to an issue of the securities for fraudulently securing the minimum subscription to such issue of securities, by advancing or agreeing to advance any money to any other person or through any other means;*

*(d) inducing any person for dealing in any securities for artificially inflating, depressing, maintaining or causing fluctuation in the price of securities through any means including by paying, offering or agreeing to pay or offer any money or money's worth, directly or indirectly, to any person;*

*(e) any act or omission amounting to manipulation of the price of a security including, influencing or manipulating the reference price or bench mark price of any securities;*

*(f) knowingly publishing or causing to publish or reporting or causing to report by a person dealing in securities any information relating to securities, including financial results, financial statements, mergers and acquisitions, regulatory approvals, which is not true or which he does not believe to be true prior to or in the course of dealing in securities;*

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

*(h) selling, dealing or pledging of stolen, counterfeit or fraudulently issued securities whether in physical or dematerialized form:*

*Provided that if:-*

- (i) the person selling, dealing in or pledging stolen, counterfeit or fraudulently issued securities was a holder in due course; or*
- (ii) the stolen, counterfeit or fraudulently issued securities were previously traded on the market through a bonafide transaction,*
- (iii) such selling, dealing or pledging of stolen, counterfeit or fraudulently issued securities shall not be considered as a manipulative, fraudulent, or unfair trade practice;*
- (k) disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading in a reckless or careless manner and which is designed to, or likely to influence the decision of investors dealing in securities*
- (m) a market participant entering into transactions on behalf of client without the knowledge of or instructions from client or misutilizing or diverting the funds or securities of the client held in fiduciary capacity";*
- (n) circular transactions in respect of a security entered into between persons including intermediaries to artificially provide a false appearance of trading in such security or to inflate, depress or cause fluctuations in the price of such security;*
- (o) fraudulent inducement of any person by a market participant to deal in securities with the objective of enhancing his brokerage or commission or income;*
- (p) an intermediary predating or otherwise falsifying records including contract notes, client instructions, balance of securities statement, client account statements;*
- (q) any order in securities placed by a person, while directly or indirectly in possession of information that is not publically available, regarding a substantial impending transaction in that securities, its underlying securities or its derivative;*
- (r) knowingly planting false or misleading news which may induce sale or purchase of securities.*
- (s) mis-selling of securities or services relating to securities market;*

*Explanation - For the purpose of this clause, "mis-selling" means sale of securities or services relating to securities market by any person, directly or indirectly, by—*

- (i) knowingly making a false or misleading statement, or*
- (ii) knowingly concealing or omitting material facts, or*

- (iii) knowingly concealing the associated risk, or
- (iv) not taking reasonable care to ensure suitability of the securities or service to the buyer;
- (t) illegal mobilization of funds by sponsoring or causing to be sponsored or carrying on or causing to be carried on any collective investment scheme by any person.

*Explanation –1* For the purposes of this sub-regulation, for the removal of doubts, it is clarified that the acts or omissions listed in this sub-regulation are not exhaustive and that an act or omission is prohibited if it falls within the purview of regulation 3, notwithstanding that it is not included in this sub-regulation or is described as being committed only by a certain category of persons in this sub-regulation.

*Explanation–2* Market Participant shall include any person or entity registered under Section 12 of the Act and its employees and agents.

**SEBI Circular No. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 (updated as on July 07, 2023) - Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper**

**Chapter XXI - Registration and regulatory framework for Online Bond Platform Providers (OBPPs)**

5. Pursuant to discussions with market participants and stakeholders, vide notification dated November 09, 2022, a framework has been prescribed for entities operating/ desirous of operating as OBPPs under regulation 51A of the SEBI NCS Regulations, 2021:

5.1 ...

5.2 An entity acting as an Online Bond Platform Provider on or prior to November 14, 2022, shall divest itself of offerings of products or services or securities on its Online Bond Platform or any other website/ platform other than the following:

5.2.1 Listed debt securities, listed municipal debt securities and listed securitised debt instruments

**Annex - XXI – A**

3.4. Execution of orders: The entity shall ensure that:

3.4.1. All Orders placed on an Online Bond Platform with respect to securities, as specified in clause 5.2.1 of this circular shall be mandatorily routed through the RFQ platform of a recognised Stock Exchange and settled through the respective Clearing Corporation.

**SEBI Circular No. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024**

**Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper**

**Chapter XXI –Registration and regulatory framework for Online Bond Platform Providers (OBPPs)**

5. Pursuant to discussions with market participants and stakeholders, vide notification dated November 09, 2022, a framework has been prescribed for entities operating/ desirous of operating as OBPPs under regulation 51A of the SEBI NCS Regulations, 2021:

5.1 ...

5.2 An entity acting as an Online Bond Platform Provider, shall offer only the following products or securities or services on its Online Bond Platform:

5.2.1. Listed debt securities, listed municipal debt securities and listed securitised debt instruments

**Annex - XXI – A**

3.4. Execution of orders: The entity shall ensure that:

3.4.1. All Orders placed on an Online Bond Platform with respect to securities, as specified in clause 5.2.1 of this circular shall be mandatorily routed through the RFQ platform of a recognised Stock Exchange and settled through the respective Clearing Corporation.

9 I now proceed to deal with the issues as under;

**ISSUE I - Whether the Noticees have violated provisions of Stock Broker Regulations, PFUTP Regulations, and applicable SEBI circulars issued thereunder, as given in SCN?**

10 Failure to ensure that all orders are routed through RFQ platform of a recognized Stock Exchange.

10.1 It was observed from the Noticee 1's response to the Pre-Inspection Questionnaire (PIQ) that all the orders with respect to products listed in clause 5.2.1 of Chapter XXI of SEBI NCS Master Circular SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 (updated as on July 07, 2023), i.e. listed debt securities, listed municipal debt securities and listed securitized debt instruments, placed on the online bond platform of the Noticee, were not routed through the Request for Quote (RFQ) Platform of the recognised Stock

Exchange(s) and settled through the respective Clearing Corporations. Instead, the securities were transferred to the client as OTC trade. It was further observed that the Noticee had facilitated 102 Trades worth ₹7 Cr (Approx.) with a mechanism other than RFQ. Below is the summary for the same –

	2023		2024	
Particulars	No. of Trades	Trade Value	No. of Trades	Trade Value
<b>OTC</b>				
PRO		-	31	2
PROP	2	0	69	5
<b>Total</b>	<b>2</b>	<b>0</b>	<b>100</b>	<b>7</b>
<b>RFQ</b>				
CLIENT	54	2	3,077	101
PRO		-	317	10
PROP	146	2	1,214	31
<b>Total</b>	<b>200</b>	<b>4</b>	<b>4,608</b>	<b>141</b>
Grand Total	200	4	4,608	141

10.2 Further, Noticee 1, vide email dated September 24, 2024, had submitted the details of trades on OBPP Platform. On perusal of the same, it was observed that the OBPP Platform has facilitated more than 14000 Trades worth ₹755 Cr. (Approx.) with a mechanism other than RFQ. The summary of these trades is provided below:

	2022		2023		2024	
Particulars	No. of Trades	Trade Value	No. of Trades	Trade Value	No. of Trades	Trade Value
<b>OTC</b>						
CLIENT	1,467	92	7,703	406	1,598	73
PROP			1,825	88	855	38
(blank)			894	48	145	10
<b>Total</b>	<b>1,467</b>	<b>92</b>	<b>10,422</b>	<b>542</b>	<b>2,598</b>	<b>121</b>

10.3 Thus, it was observed that Noticee 1's RFQ platform was functional and substantial percentage of trades were carried out through the RFQ platform. However, Noticee 1 had facilitated 102 Trades worth ₹7 Cr (approx) through OTC, and not through RFQ platform.

- 10.4 As per the provisions of NCS Master Circular dated August 10, 2021 (updated as on July 07, 2023), OBPPs shall route all orders with respect to Listed debt securities, listed municipal debt securities and listed securitised debt instruments through RFQ platform of a recognised Stock Exchange and settled through the respective Clearing Corporation.
- 10.5 Thus, it was alleged that Noticee 1 violated the provisions of Clause 3.4.1 of Annex-XXI-A read with Clause 5.2.1 of Chapter XXI of SEBI NCS Master Circular SEBI/HO/DDHS/PoD1/ P/CIR/2023/119 dated August 10, 2021 (updated as on July 07, 2023) and Clause 3.4.1 of Annex-XXI-A read with Clause 5.2.1 of Chapter XXI of SEBI Master circular SEBI/HO/DDHS/PoD1/P/ CIR/2024/54 dated May 22, 2024, by failing to ensure that all orders are routed through RFQ platform of a recognized Stock Exchange and are settled through the respective Clearing Corporation.
- 10.6 In this regard, the Noticees have submitted that the RFQ platform was not fully operational, so the trades were not transacted through RFQ platform. After complete integration of systems on June 21, 2024, 100% of the trades were executed through RFQ platform. The transition to RFQ platform was in a phased manner. Initially, RFQ was made live for trades wherein Noticee 1 was acting as a counterparty. However, the brokered trades were not made live during the initial phase. Noticees have submitted the email communications of Noticee1 with the Exchange officials with respect to RFQ platform, and have further submitted that RFQ was not made live as the systems were not integrated with the Exchange RFQ Platform, lack of clarity on RFQ Broking Trades to be executed with other Debt Brokers, UAT and CUG testing was not completed and there was delay in implementing payment aggregator machine IDs. Also, it was not possible to act as counterparty for all the trades, as large amount of funds would get tied up for working capital,
- 10.7 I note from the findings of inspection that Noticee 1 had facilitated 102 Trades worth ₹7 Cr (approx) through OTC, and not through RFQ platform. Further,



Noticee 1 had executed more than 14000 Trades worth ₹755 Cr. (Approx.) with a mechanism other than RFQ.

10.8 Noticees have further submitted that as GSPL was not ready with the systems to route all the trades through RFQ and there were issues from the stock exchange's end also, it continued to facilitate trades through other than RFQ mode. In this regard, I note that Noticee 1 had not taken any exemption from SEBI with respect to the compliance requirement of mandatory routing of trades through RFQ and it continued to route trades through OTC.

10.9 With respect to Noticees' submissions that it was not possible to act as counterparty for all the trades, given the scale of their business, I note that in absence of any explicit permission/ exemption with respect to RFQ requirements, GSPL/ Noticee 1 should have suspended its services if it was not feasible to engage large amounts of funds into working capital. It is not acceptable that Noticee 1 did not comply with SEBI NCS Master Circular because the other options were not feasible. Therefore, Noticees' contentions in this regard are not tenable.

10.10 GSPL demonstrated consistent communication with the Exchange regarding RFQ implementation for all trades. The Noticees also explained that they did not make the RFQ live for all users due to the need for proper testing to prevent service disruptions. However, despite these justifications, GSPL violated the NCS Master Circular because not all trades were routed through RFQ. Furthermore, GSPL did not request an exemption to continue operating as an OBPP without complying with the mandatory RFQ routing for all trades.

10.11 In view of the foregoing, I find that the allegation of violation of provisions of Clause 3.4.1 of Annex-XXI-A read with Clause 5.2.1 of Chapter XXI of SEBI NCS Master Circular SEBI/HO/DDHS/PoD1/ P/CIR/2023/119 dated August 10, 2021 (updated as on July 07, 2023) and Clause 3.4.1 of Annex-XXI-A read with Clause 5.2.1 of Chapter XXI of SEBI Master circular SEBI/HO/DDHS/PoD1/P/ CIR/2024/54 dated May 22, 2024 against Noticee 1 stands established.

## 11 Advertising without obtaining proper approval from Stock Exchange

- 11.1 Noticee 1, in its response to the PIQ, had submitted the sample screenshots of the copies of advertisement in forms of message, email samples and web ads etc. It had also submitted that *“The company had applied with the exchange for approval of master template for advertisement with the stock exchange on 04/07/2023. Based on understanding of stock exchange, they had not taken the same on record as they were seeking clarity on the process to be followed for approval of advertisement by Online Bond Provider Platform (OBPP).”*
- 11.2 It was also noted that Noticee 1 was engaged in advertising its business in form of sponsored ads on Google. The same can be verified with the below link - <https://adstransparency.google.com/?region=IN&domain=goldenpi.com>
- 11.3 On perusal of the submissions by Noticee 1, it was observed that the application for advertisements were rejected by Bombay Stock Exchange (BSE) and no approval was granted regarding the same. Further, BSE had also confirmed the same.
- 11.4 As per the provisions of Regulation 9 read with clause C(4) of Schedule II (Code of Conduct for Stock Brokers) of Stock Broker Regulations, a stock-broker shall not advertise his business publicly unless permitted by the stock exchange.
- 11.5 As Noticee 1, acting as OBPP, is a SEBI registered Debt Broker, it is permitted to advertise its business, only after receiving approval from the stock exchanges.
- 11.6 Thus, it was alleged that Noticee 1 violated the provisions of Regulation 9 read with Clause C(4) of Schedule II of Stock Brokers Regulations.
- 11.7 Noticees have submitted that the advertisements approval requests were rejected owing to lack of clarity by the stock exchange, and the stock exchanges started approving advertisements after issuing the advertisement code on November 08, 2024. So, Noticee 1 revised its advertising materials to ensure compliance with the advertisement code, had it been in place, and incorporated all feedback received from the BSE into the updated advertisements.

- 11.8 I note that Noticee 1, being an OBPP, was required to take prior approval from the stock exchanges with respect to the advertisements. I also note that Noticee 1 had applied to the BSE for approval for its advertisements, which was finally rejected without explicitly specifying the reasons. Even after the advertisements being rejected by the BSE, Noticee 1 proceeded with the advertisements. Further, Noticee 1 also advertised its business through Google sponsored ads.
- 11.9 The Noticees have submitted that they had corrected all the deficiencies highlighted by the BSE and applied all precautions to ensure that the advertisements do not result in presenting incorrect details / misrepresentation. However, the Stock Brokers Regulations mandate the stock brokers to take approval from the stock exchanges before advertising their business. Therefore, Noticee 1, being a stock broker and OBPP, was required to adhere to the regulatory provisions. As its request for advertisements was rejected by the stock exchanges, it should have refrained from launching and publicising the same.
- 11.10 However, Noticee 1 published the advertisements in forms of message, email Samples and web ads etc.
- 11.11 In view of the above, the allegation of violation of provisions of Regulation 9 read with Clause C(4) of Schedule II of Stock Brokers Regulations against Noticee 1 stands established.

## 12 Mis-selling of securities

- 12.1 Upon perusal of the website of the online bond platform of Noticee 1, it was observed that collections of bonds were disclosed in following categories:
- 12.1.1 Ultra short Term Bonds
  - 12.1.2 Highly Safe Bonds
  - 12.1.3 Tax Free Bonds
  - 12.1.4 Bonds for Senior Citizens
  - 12.1.5 Public Sector Bank Bonds
  - 12.1.6 State Government Guaranteed Bonds

12.1.7 Private Sector Bank Bonds

12.1.8 Bonds to Earn Quarterly Fixed Income

12.1.9 NBFC Bonds

12.1.10 Public Sector Undertaking Bonds

12.1.11 Bonds for Long Term Investment

12.1.12 Bonds for Short Term Investment

12.1.13 NRI Eligible Bonds

12.1.14 Bonds at Discounted Price

12.2 For Ultra Short Term Bonds, following was provided as description on the website

–

- *“Suitable for individuals, SMEs and corporates looking for short term capital parking with fixed returns.”*
- *“Return from these bonds are better than bank FD or liquid funds of similar duration.”*
- *“Ultra short term bonds are considered low risk investments due to their short maturity periods, making them attractive option for risk averse investors.”*

12.3 For Highly Safe Bonds following was provided as description on the website –

- *“The Perceived levels of risk in these bonds are very Low.”*
- *“Ideal for Senior citizens seeking higher regular income than the bank FD.”*
- *“Ideal for Risk Averse Investors - Highly Safe Bonds are ideal for investors who wish to enjoy better returns than fixed deposits, that too with comparatively lower risk.”*

12.4 For Bonds for Senior Citizens following was provided as description on the website –

- *“Perceived Level of Risk are very low”*
- *“Ideal for Low Risk Investors”*

12.5 For Bonds for Short Term Investment, following was provided as description on the website –

- *“Suitable to park funds for short term and get better returns than liquid funds or bank short term deposits.”*

- *“Ideal for Investors with Low-Risk Tolerance – Investing in short term bonds is suitable for risk-averse investors as it promises fixed returns.”*
- *“Bonds with maturity of less than 3 years are termed as short term Bonds”*

12.6 Further, following are the excerpts from the articles published by Noticee 1 on its website:

*“AT1 Bonds have clauses that sometimes make them riskier than equity”*

*(Article dated September 27, 2018 - <https://goldenpi.com/blog/essentials/bond-market/understanding-the-perks-of-investing-in-bonds-debentures/>)*

*“Tier Bonds also called perpetual bonds. It is popular option among banks to raise capital to meet their core capital (Tier 1 Capital) needs as instructed by RBI. This category carries considerable risk and hence pays high interest rate to the investors.*

*(Article dated July 01, 2020 -*

*<https://www.google.com/url?sa=D&q=https://goldenpi.com/blog/essentials/bond-market/why-you-should-consider-investing-in-bank-bonds/&ust=1719556560000000&usg=AOvVaw0TRm12erdmLop--YJzPKkB&hl=en&source=gmail>)*

*“They carry considerable risk and hence pay high interest to the investors. The issuer can escape interest payments if the current year's business. In Dire conditions, it can get converted to equity with approval from RBI and hence they are called “quasi equity”. If RBI approves, then it can be written up to the full value as well.*

*(Article dated July 08, 2022 - <https://goldenpi.com/blog/essentials/bond-market/webinar-on-why-should-you-invest-in-fixed-income-in-the-volatile-market-response-to-q-a/>)*

*“At-1 Bonds are called CoCo because it can be converted into equity and perpetual as there isn't any maturity date, meaning the principal is not returned, but the investor would keep on receiving interest until it has broken the threshold of the capital ratio, the failure event caused, or the bank calls it off. Because of their perpetual nature, they are*

*high risk and high return bonds where the bank, if under financial stress, may skip the interest payout.”*

*(Article dated February 10, 2024 <https://goldenpi.com/blog/essentials/at1-bonds-a-kind-of-contingent-convertible-bonds/>)*

12.7 However, on perusal of the website of Noticee 1, it was observed that certain AT1 and Tier 2 instruments were being offered on the platform as bonds with fixed maturity and lower risk under the category of Ultra Short Term Bonds or Highly Safe Bonds or Bonds for Senior Citizen Bonds or Bonds for Short Term Investment. Details of some of the instruments are specified as below:

12.7.1 South Indian Bank Unsecured, Non-Convertible, Perpetual, Basel III Compliant Tier 1 Bonds (ISIN- INE683A08051)

12.7.2 TATA Capital Financial Services Limited Unsecured, Redeemable Non-Convertible Subordinated Debentures as Tier II Capital – (ISIN – INE306N08516)

12.7.3 8.50% Punjab National Bank Basel III AT1 Bonds (ISIN – INE160A08217)

12.7.4 State Bank of India Non-Convertible, Taxable, Perpetual, Subordinated. Unsecured, Fully Paid Up BASEL-III Compliant Additional Tier 1 Bonds – (ISIN – INE062A08249)

12.8 During the course of inspection, Noticee 1 had provided the details pertaining to the trade transaction for securities that took place on its OBPP. The details included the date of transaction, name as well as PAN of client etc. On analyzing these details, it was observed that investors had purchased AT-1 instrument Tier II instruments through Noticee 1's OBPP platform.

12.9 Noticee 1 was offering both AT-1 and Tier II instruments under a tab specifically targeting senior citizens and short term low risk tolerance investors as investor. Due to the complete write-off feature of these bonds at the discretion of the issuer, perpetual nature of the said bonds and discretion of the issuer with respect to the call of these bonds prematurely, the risk levels associated with these instruments are much higher than the debt securities and bond duration

may also be long term or perpetual. Further, Noticee 1 was also offering such instruments labelling as Ultra Short Term Bonds and Bonds for Short Term Investment even though these instruments are perpetual in nature.

12.10 In view of the foregoing, it was observed that Noticee 1 was well aware of the nature and risk associated with these instruments and yet offering such instruments as -

12.10.1 Ideal for senior citizens and labeling them as Highly safe bonds/ Bonds for Senior Citizens appears to target specific group of investors seeking higher regular income and perceiving the levels of risk as low or

12.10.2 Ideal for Investors with Low-Risk Tolerance and labeling them as Ultra short term bonds/Bonds for short term investment appears to target specific group of investors seeking for bonds with shorter duration and low risk.

12.11 Regulation 4 of PFUTP Regulations inter-alia prohibits mis-selling of securities or services relating to securities market by any person directly or indirectly either by

- knowingly making a false or misleading statement,
- knowingly concealing or omitting material facts,
- knowingly concealing the associated risk,
- not taking reasonable care to ensure suitability of the securities or service to the buyer.

12.12 Thus, it was observed that offering such instruments as bonds with fixed maturity and lower risk under the category of Ultra Short Term Bonds or Highly Safe Bonds or Bonds for Senior Citizen Bonds or Bonds for Short Term Investment tantamounts to mis-selling.

12.13 Thus, it was alleged that Noticee 1 violated the provisions of Regulation 4 of PFUTP Regulations as the Noticee was mis-selling the AT-1 and Tier II instruments to the retail individual investors.

- 12.14 In this regard, Noticees have submitted that there are several other ways by which the investors are informed regarding the inherent risks of securities and instruments, viz. mandatory pop-ups highlighting risks associated with these instruments, comprehensive information memorandum detailing investment and associated risks, display of nature and characteristics of Basel III AT 1 and AT2 bonds on Noticee 1's platform, and the product page where all the details of the specific instruments are provided. I note that the contention is not acceptable, as these instruments were wrongly categorized Ultra Short Term Bonds or Highly Safe Bonds or Bonds for Senior Citizen Bonds or Bonds for Short Term Investment. The category of a financial instrument is the primary factor investors use to find suitable investments. While pop-ups and product page information are helpful, they are secondary to proper categorization.
- 12.15 I note the following from the findings of inspection and submissions of the Noticees:
- 12.15.1 Noticee 1 had removed these securities from its platform upon being informed of the incorrect categorization of securities.
- 12.15.2 It has submitted that it has also taken preventive steps in the form of applying proper validation rules for displaying high risk securities on its platform, by adding multiple layers of approval, to ensure that such errors are not repeated.
- 12.15.3 The AT1 Bonds accounted for only 0.1% of total trades and AT2 bonds accounted for only 2.59% of total trades between November 28, 2023 and June 28, 2024, which is a small percentage of total trades routed through the Noticee 1's platform, and the offering of these bonds was immediately removed from the platform and the same were not offered till date.
- 12.16 In view of the above, I am inclined to take a lenient view on this allegation.



### 13 Role of Noticees 2, 3, 4, 5 and 6

- 13.1 Noticees 2, 3, 4, 5 and 6 were directors of Noticee 1 during the inspection period. Thus, it was noted that they were in charge of, and were responsible for the conduct of the business of Noticee 1.
- 13.2 Section 27 of SEBI Act, 1992 states that where a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder has been committed by a company, every person who at the time the contravention was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly.
- 13.3 Based on the above, it was alleged that Noticees 2 to 6 have violated the following provisions:
- Clause 3.4.1 of Annex-XXI-A read with Clause 5.2.1 of Chapter XXI of SEBI NCS Master Circular SEBI/HO/DDHS/PoD1/ P/CIR/2023/119 dated August 10, 2021 (updated as on July 07, 2023);
  - Clause 3.4.1 of Annex-XXI-A read with Clause 5.2.1 of Chapter XXI of SEBI Master circular SEBI/HO/DDHS/PoD1/P/ CIR/2024/54 dated May 22, 2024;
  - Regulation 9 read with Clause C(4) of Schedule II of SEBI (Stock Brokers) Regulations, 1992; and
  - Regulation 4 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
- 13.4 I note that Noticees 2 to 6 were directors of Noticee 1 and were responsible for the acts of Noticee 1 during the inspection period. There is no submission by Noticees 2 to 6 that they were not involved in the day to day activities of Noticee 1. There are no submissions by Noticees 2 to 6 that they were not aware of the trades being not routed through RFQ or publishing of advertisements even after the same was rejected by the stock exchange. Therefore, I find that Noticees 2

to 6 were responsible for the conduct of business of Noticee 1. Thus, the allegation of violation of following provisions against Noticees 2 to 6 stands established.

- Clause 3.4.1 of Annex-XXI-A read with Clause 5.2.1 of Chapter XXI of SEBI NCS Master Circular SEBI/HO/DDHS/PoD1/ P/CIR/2023/119 dated August 10, 2021 (updated as on July 07, 2023);
- Clause 3.4.1 of Annex-XXI-A read with Clause 5.2.1 of Chapter XXI of SEBI Master circular SEBI/HO/DDHS/PoD1/P/ CIR/2024/54 dated May 22, 2024;
- Regulation 9 read with Clause C(4) of Schedule II of SEBI (Stock Brokers) Regulations, 1992;

**ISSUE II - Do the violations, if any, attract penalty under Section 15HB of SEBI Act, 1992 read with Section 27 of the SEBI Act, 1992?**

14 I note that since the violations are established, the Noticees are liable for monetary penalty under Section 15HB of SEBI Act, 1992 read with Section 27 of the SEBI Act, 1992, the text of which is reproduced hereunder:

**SEBI Act, 1992**

*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.*

**Contravention by companies.**

*27. (1) Where a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder has been committed by a company, every person who at the time the contravention was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly:*

*Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the contravention was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such contravention.*

*(2) Notwithstanding anything contained in sub-section (1), where an contravention under this Act has been committed by a company and it is proved that the contravention has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly.*

*Explanation : For the purposes of this section,—*

*(a) “company” means any body corporate and includes a firm or other association of individuals; and*

*(b) “director”, in relation to a firm, means a partner in the firm.*

**ISSUE III - If so, what would be the monetary penalty that can be imposed taking into consideration the factors mentioned in Section 15J of SEBI Act, 1992?**

15 While determining the quantum of penalty u/s 15HB of SEBI Act, 1992 read with Section 27 of SEBI Act, 1992, it is important to consider the factors stipulated in Section 15J of the SEBI Act, 1992, which read as under:

**SEBI Act, 1992**

*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.*

16 In the present matter, I note that no quantifiable figures are available to assess the disproportionate gain or unfair advantage made as a result of the violations

committed 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 violations of the Noticees. As per the available records, I note that the Noticees have not been penalised earlier for the violations of provisions of Stock Brokers Regulations and applicable SEBI Circulars. Thus, the violations are not repetitive in nature. However, the fact that as a SEBI registered intermediary, Noticees are under statutory obligation to comply with the applicable circulars, rules and regulations, cannot be ignored. The very purpose of the said regulations is to deter wrong doing and promote ethical conduct in the securities market. Therefore, suitable penalty must be imposed for non-compliance in order to ensure that the Noticees are more careful in conducting their operations.

### **ORDER**

17 Having considered all the facts and circumstances of the case, the material available on record, the submissions made by Noticees and also the factors mentioned in Section 15J of the SEBI Act, 1992, in light of judgment of the Hon'ble Supreme Court in SEBI vs. Bhavesh Pabari (2019) 5 SCC 90, in exercise of power conferred u/s 15-I of the SEBI Act, 1992 r/w Rule 5 of the SEBI Adjudication Rules, I impose the following penalty upon the Noticees for the violations committed by them;

<b>Sr. No.</b>	<b>Name of Noticees</b>	<b>Penalty u/s</b>	<b>Penalty Amount</b>
1	GoldenPi Securities Private Limited	15HB of SEBI Act	Noticee No. 1: Rs. 2,00,000/- (Rupees Two Lakh only)
2	Samir Baran Pratihar	15HB r/w 27 of SEBI Act	Noticees No 2 - 6: Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only), to be paid jointly and severally
3	Abhijit Roy		
4	Vishal Sharma		
5	Sai Prasad		
6	Naveen Subbarao		

I find the above penalty to be commensurate with the violations committed by the Noticees.

- 18 The Noticees 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](http://www.sebi.gov.in) on the following path, by clicking on the payment link:

**ENFORCEMENT → Orders → Orders of AO → PAY NOW.**

In case of any difficulties in payment of penalties, Noticees may contact the support at [portalhelp@sebi.gov.in](mailto:portalhelp@sebi.gov.in)

- 19 In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, SEBI may initiate consequential actions including but not limited to recovery proceedings u/s 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.
- 20 In terms of Rule 6 of the SEBI Adjudication Rules, copy of this order is sent to the Noticees and also to the SEBI.

**DATE: JULY 31, 2025**

**PLACE: MUMBAI**

**AMIT KAPOOR  
ADJUDICATING OFFICER**