

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

**SETTLEMENT ORDER**  
**(Application No. 7001/2022)**

**[SETTLEMENT ORDER No. - SO/VV/AS/2022-23/7001]**

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**In respect of:**

Sanjay Chamria  
(PAN - ABXPC0521A)

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1. Securities and Exchange Board of India (“**SEBI**”) received system generated insider trading alerts in the scrip of Poonawalla Fincorp Ltd (hereinafter referred to as “**PFL**”) for the month of February 2021. On the basis of the aforesaid alerts, SEBI conducted a 'preliminary examination' into the trading in the scrip of PFL to ascertain whether certain entities traded in the said scrip while they were in possession of/on the basis of Unpublished Price Sensitive Information, which could be viewed as contravention of the provisions of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”), read with the SEBI (Prohibition of Insider Trading) Regulations, 2015. Pursuant to the said examination, SEBI passed an Interim Order Ref No. WTM/SM/ISD/13379/2021-2 dated September 15, 2021 (hereinafter referred to as “**Interim Order**”) with respect to the eight entities. Thereafter, SEBI passed a Confirmatory Order No. WTM/SM/ISD/15646/2021-22 dated March 8, 2022, wherein, *inter-alia*, directions were passed restricting the said 8 entities from buying, selling or dealing in securities of PFL, either directly or indirectly, in modification to the Interim Order.
2. Further, 'detailed investigation' was carried out by SEBI to ascertain whether there was any violation of provisions of SEBI Act, SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other Rules/Regulations made by SEBI thereunder, by certain entities during

the period from January 11, 2021 to February 10, 2021 (hereinafter referred to as "**Investigation Period**") in the scrip of PFL.

3. During the course of detailed investigation, it was observed that PFL had provided incomplete information to SEBI, which was relied upon by SEBI for framing charges against entities *vide* the Interim Order. It was observed that the names of two persons *viz.* Saumil Shah and Abhijit Pawar had not been provided in the list of persons who were involved in the discussions, leading up to the announcement on February 10, 2021.
4. It had been observed that the information submitted by PFL vide email dated April 06, 2021, which was prepared *inter-alia* on the basis of inputs received from the Sanjay Chamria ("**Applicant**") was crucial in carrying out the preliminary examination, and arriving at the prima facie findings in the Interim order. The omission of the names of Abhijit Pawar and Saumil Shah by the Applicant impeded the process of 'preliminary investigation', and consequently, adversely affected quasi-judicial proceedings thereto.
5. In view of above, it had been observed that Applicant obstructed the enforcement of security laws that is paramount in protecting the interest of investors in general and that of investors in the scrip of PFL in particular. Therefore, by providing incomplete/misleading information to NSE, which in turn was relied upon by SEBI while passing the Interim Order, it is alleged in the investigation that the Applicant indulged in a manipulative, fraudulent and/or an unfair trade practice in securities markets, in violation of provisions of Regulation 2(1)(c)(1) and (8) read with 4(1) of the PFUTP Regulations.
6. In view of the above, Competent Authority of SEBI, in exercise of the powers under section 19 of the SEBI act vide communiqué dated May 06, 2022 was appointed the Ms. Geetha G as an Adjudicating Officer under Section 15-I of SEBI Act read with Rule 3 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "**Adjudication Rules**") to inquire into and adjudge under Section 15HA of the SEBI Act, for the violation of provisions of Regulation 2(1)(c)(1) and (8) read with 4(1) of the PFUTP Regulations. Pursuant to the internal restructuring,

Mr. Amit Kapoor, was appointed as the AO vide communiqué September 19, 2022. Thereafter, undersigned has been appointed as the adjudicating officer vide communiqué dated October 06, 2022. It has been advised that except for the change of the Adjudicating Officer the other terms and conditions of the original orders “*shall remain unchanged and shall be in full force and effect*” and that the “*Adjudicating Officer shall proceed in accordance with the terms of reference made in the original orders*”.

7. Accordingly, in terms of Rule 4(1) of the Adjudication Rules read with Section 15-I (1) and (2) of SEBI Act, a show cause notice dated June 13, 2022 (hereinafter referred to as “**SCN**”) was issued to Applicant.
8. Pending the instant proceedings commenced by the aforesaid SCN, Applicant filed a Settlement Application bearing reference no. 7001/2022 with SEBI in terms of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”) proposing to settle the pending proceedings, without admitting or denying the findings of fact and conclusions of law, through a Settlement Order.
9. In this regard, meeting of the Internal Committee (“**IC**”) was held on February 06, 2023, wherein the settlement terms were deliberated. IC considered the factors enumerated under regulation 10 and schedule II of settlement regulations and recommended that the application may be settled and proposed the indicative amount for applicant as ₹42,20,000/- (Rupees Forty Two Lakh Twenty Thousand Only). Thereafter, the Applicant submitted the revised settlement terms vide email dated February 14, 2023, wherein applicant proposed payment of ₹42,20,000/- (Rupees Forty Two Lakh Twenty Thousand Only) towards full and final settlement of alleged default contained in the SCN.
10. The High Powered Advisory Committee on Settlement (“**HPAC**”) considered the proposed settlement terms on February 22, 2023 and recommended the settlement of instant proceedings upon payment of ₹42,20,000/- (Rupees Forty Two Lakh Twenty Thousand Only) towards settlement charges. The Panel of Whole Time Members of SEBI (WTM)

approved and accepted the said recommendation of the HPAC on March 10, 2023. Subsequently, the Applicant, vide its e-mail dated March 27, 2023 informed SEBI that he has remitted a sum of ₹42,20,000/- (Rupees Forty Two Lakh Twenty Thousand Only) towards the settlement charges and also shared the payment receipt.

11. Accordingly, in terms of regulation 23(1) and regulation 28 of the Settlement Regulations, I hereby, order that the instant adjudication proceedings initiated against the Applicant vide SCN dated June 13, 2022 are disposed of in terms of the above accepted settlement terms. The summary of settlement proceedings is mentioned below:

<b>Deliberation in the meeting of IC on</b>	<b>HPAC considered the proposed settlement terms on</b>	<b>Panel of WTM approved and accepted the said recommendation of the HPAC on</b>	<b>Settlement Amount paid (intimated vide e-mail dated March 27, 2023)</b>
February 06, 2023	February 22, 2023	March 10, 2023	₹42,20,000/- (Rupees Forty Two Lakh Twenty Thousand Only)

12. This order is without prejudice to the right of SEBI to take any enforcement action including restoring or initiating the proceedings in respect to which this settlement order is passed, if:

- any representations made by the Applicant in the Settlement Proceedings are subsequently found to be untrue; or
- the Applicant breaches any of the clauses /conditions of undertakings/ waivers filed during the Settlement Proceedings.

13. This settlement order shall come into force with immediate effect.

14. In terms of Regulation 25 of the Settlement Regulations, copy of this order is sent to the Applicant and shall also be published on the website of SEBI.

**Date: March 27, 2023**

**Place: Mumbai**

**Vijayant Kumar Verma**  
**Adjudicating Officer**