

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER
(Application No. 6842/2022)

[SETTLEMENT ORDER No. - Order/VV/NK/2022-23/20591]

In respect of:

Mr Raaja Kanwar
(PAN: AAJPK0819J)

1. Securities and Exchange Board of India ("SEBI") had conducted investigation and the focus of the investigation was to examine whether there were any violations of the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 {hereinafter referred to as "**SEBI (PIT) Regulations, 2015**"} by certain entities in the scrip of UFO Moviez India Ltd. (hereinafter referred to as "UFO/UMIL /Company") when in possession of or having access to unpublished price-sensitive information (hereinafter referred to as "UPSI") and thus in violation of provisions of SEBI Act, 1992 and SEBI (PIT) Regulations, 2015, during the period January 1, 2019 to June 30, 2019 (hereinafter referred to as the "**investigation period**" / "**IP**"). However, whenever deemed necessary, reference may have also been made to events/timeframes outside IP. Based upon the same, SEBI observed that :
 - i. On the basis of the trade logs provided by BSE and NSE, no trading was observed by the insiders except by Mr. Raaja Kanwar - Promoter Group and Director of UFO in the scrip of UMIL during the UPSI period viz. April 16, 2019 to May 21, 2019, 15:00:28 hrs.
 - ii. Mr. Raaja Kanwar is a connected person and an insider in terms of Regulation 2(1)(g)(i) &(ii) of SEBI (PIT) Regulations, 2015 as he was the Promoter and Director of UMIL and was also involved in the discussions and aware of the UPSI relating to Financial Results of UMIL till the date of the public announcement or was in possession of the UPSI, prior to the public announcement.

- iii. Mr. Raaja Kanwar (Promoter and Director of UMIL) has entered into contra trades on 3 occasions during the Investigation Period, thereby violating code of conduct of UMIL and Clause 10 of the Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders specified in Schedule B read with Regulation 9 of SEBI (PIT) Regulations, 2015.
 - iv. Mr. Raaja Kanwar has traded during Trading Window Closure period in violation of Clause 4 of the Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders specified in Schedule B read with Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015.
 - v. Mr. Raaja Kanwar has bought shares exceeding the threshold stipulated by the Company's Code of Conduct without obtaining pre-clearance from the Company while the Trading window was open in violation of Clause 6 of the Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders specified in Schedule B read with Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015.
2. Pursuant to the investigation and observations contained therein , it was decided by SEBI to inquire into and adjudicate upon the alleged violations as aforesaid and the undersigned was appointed as Adjudicating Officer under Section 15-I (1) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”) and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as “**Adjudicating Rules**”) to inquire into and adjudge the alleged violation by Mr. Raaja Kanwar mentioned therein in the matter of insider trading activities in the scrip of UFO Moviez India ltd. Accordingly, in terms of Rule 4(1) of the Adjudication Rules read with Section 15-I of SEBI Act, the notice to show cause no. EAD-9/ADJ/VKV/NK/P/2022/2448/1 dated January 20, 2022 (hereinafter referred to as ‘the SCN’) was issued to Mr. Raaja Kanwar.
 3. Pending the Adjudication Proceedings commenced by the aforesaid SCN, Mr. Raaja Kanwar (‘applicant’) filed a Settlement Application bearing reference no. 6842/2022 with SEBI in terms of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as ‘Settlement Regulations’)

proposing to settle the pending proceedings through a Settlement Order without admitting or denying the findings of fact and conclusions of law, through a settlement order.

4. Pursuant to the above mentioned settlement application filed by the applicant, Authorized Representatives (ARs) of the applicant attended meetings with the Internal Committee (hereinafter referred to as "IC") on July 27, 2022, wherein the settlement terms were deliberated. Thereafter, the applicant, vide Revised Settlement Terms ("RST") dated August 18, 2022, proposed Settlement amount payment of ₹15, 92,500/- (Rupees Fifteen Lakh Ninety Two Thousand and Five Hundred Only) towards full and final settlement of alleged default contained in the SCN.
5. The High Powered Advisory Committee on Settlement ('HPAC') considered the proposed settlement terms on September 22, 2022 and recommended the settlement of instant proceedings upon payment of ₹15,92,500/- (Rupees Fifteen Lakh Ninety Two Thousand and Five Hundred Only) towards settlement charges. The Panel of Whole Time Members of SEBI approved and accepted the said recommendation of the HPAC on October 11, 2022 and the same was communicated to the applicant vide e-mail dated October 13, 2022. Pursuant to the same, the applicant, vide its e-mail dated October 15, 2022 informed SEBI about the remittance of the settlement amount and the same was confirmed by the concerned department of SEBI on October 14, 2022.
6. Accordingly, in terms of regulation 23(1) of the Settlement Regulations, it is hereby ordered that the instant adjudication proceedings initiated against the applicant vide SCN dated January 20, 2022 is disposed of in terms of the above accepted settlement terms.
7. This order is without prejudice to the right of SEBI to take any enforcement action, in terms of Regulation 28 of the Settlement Regulations, including restoring or initiating the proceedings in respect to which this settlement order is passed, against the applicant, if:
 - i. any representations made by the applicant in the Settlement Proceedings is subsequently found to be untrue; or

- ii. The applicant breaches any of the clauses /conditions of undertakings/ waivers filed during the Settlement Proceedings.
8. This settlement order shall come into force with immediate effect.
9. In terms of Regulation 25 of the Settlement Regulations, copy of this order is sent to the applicant viz. Mr. Raaja Kanwar and shall also to the Securities and Exchange Board of India.

Date: October 20, 2022

Place: Mumbai

VIJAYANT KUMAR VERMA

Adjudicating Officer