

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER Ref. No. ORDER/NH/KL/2023-24/29268]

**UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT,
1992 READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND
IMPOSING PENALTIES) RULES, 1995.**

In respect of
Manu Chhabra (Investment Adviser)
Plot no. 771, 80 Feet Road, Koramangala,
4th Block, Bangalore 560 034
PAN: APZPC5666E
SEBI Registration no: INA200013992

In the matter of
Inspection of records of Manu Chhabra (Investment Adviser)

FACTS OF THE CASE

1. Manu Chhabra is an Investment Adviser registered with SEBI since September 23, 2019, bearing Registration number INA200013992. An inspection of the books of account and other records of Manu Chhabra (Investment Adviser) (hereinafter referred to as '**Noticee**') was conducted by BSE Administration and Supervision Limited ('BASL') on December 22, 2022. The period undertaken for inspection was from April 01, 2021 to August 31, 2022 (hereinafter referred to as '**inspection period**'). The findings of the inspection were communicated to the Noticee by BASL vide email dated January 20, 2023 for his perusal. In response, Noticee furnished his reply vide email dated January 23, 2023. Subsequently, copy of the inspection report and aforesaid reply of the Noticee in respect of the findings of the inspection were submitted to

Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') by BASL for further perusal.

2. The concerned department of SEBI conducted a Post Inspection Analysis ('PIA') in respect of the findings of the BASL inspection and the reply of the Noticee. The following allegations, inter-alia, were made in the PIA report:

- 2.1. It is alleged that the Noticee during the inspection period charged a fee of Rupees 5,16,524/- (Five Lakh Sixteen Thousand Five Hundred and Twenty-Four Rupees only) (excluding taxes) from one client, which exceeded the maximum permitted fee of Rupees 1,25,000/- per annum under fixed fee mode. Therefore, it is alleged that the Noticee has violated the provisions of Clause 2 (iii) (B) of Guidelines for Investment Advisers mentioned in SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 (hereinafter referred to as '**Circular dated September 23, 2020**') read with Regulation 15A of the SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred to as '**Investment Advisers Regulations**').

- 2.2. It is also alleged that PAN details of 157 clients were not available with the Noticee during the inspection. Therefore, the Noticee has allegedly violated the provisions of Clause 2 (i) (e) of Guidelines for Investment Advisers mentioned in SEBI Circular dated September 23, 2020 read with Regulation 22 (5) of the Investment Advisers Regulations.

3. In view of the above, SEBI initiated adjudication proceedings against the Noticee.

APPOINTMENT OF ADJUDICATING OFFICER

4. The undersigned was appointed as the Adjudicating Officer ('**AO**') in the matter vide communique dated July 28, 2023 under Section 19 of the SEBI Act read with Section 15-I of the SEBI Act and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as '**Adjudication Rules**'), to inquire into and adjudge the aforementioned alleged violations of the provisions of law by the Noticee, under the provisions of Section 15EB of the SEBI Act.

SHOW CAUSE NOTICE, REPLY AND HEARING

5. Show Cause Notice ref no. SEBI/HO/EAD2/NH/KL/2023/35308 dated August 30, 2023 (hereinafter referred to as '**SCN**') was issued to the Noticee in terms of Rule 4(1) of the Adjudication Rules read with Section 15-I of the SEBI Act to show cause as to why an inquiry should not be held against the Noticee and why penalty be not imposed on it in terms of the provisions of Section 15EB of the SEBI Act for the violations alleged to have been committed by the Noticee.
6. The allegations mentioned in the SCN in respect of the Noticee, *inter-alia*, are as under: -

6.1. Fee charged more than the permissible amount

- i. *During the inspection, the fee data submitted by the Noticee was verified and it is observed in the inspection report that in respect of one client namely Mr. A... Saha (masked for sake of confidentiality), the Noticee had collected fee under fixed fee mode, as given below:*

Sl. No.	Agreement Date	Invoice Amount (excluding taxes in Rupees)	Invoice Amount (including taxes in Rupees)
1	04-Jan-2022	25,000	29,500
2	06-Jan-2022	59,746	70,500
3	06-Jan-2022	25,000	29,500
4	07-Jan-2022	16,949	20,000
5	10-Jan-2022	84,746	1,00,000
6	13-Jan-2022	50,847	60,000
7	13-Jan-2022	33,898	40,000
8	21-Jan-2022	1,02,966	1,21,500
9	24-Jan-2022	1,17,372	1,38,500
Total		5,16,524	

- ii. As seen from the table above, it is observed that the Noticee collected a total fee of Rupees 5,16,524/- (Five Lakhs Sixteen Thousand Five Hundred and Twenty-Four Rupees only) (excluding taxes) from one Mr. Saha, during January 2022.
- iii. In view of the above, it is alleged in the PIA report that the Noticee charged a fee of Rupees 5,16,524/- (Five Lakh Sixteen Thousand Five Hundred and Twenty-Four Rupees only) (excluding taxes) from one client, which exceeded the maximum permitted fee of Rupees 1,25,000/- per annum. Therefore, it is alleged that the Noticee has violated the provisions of Clause 2 (iii) (B) of Guidelines for Investment Advisers mentioned in SEBI Circular dated September 23, 2020 read with Regulation 15A of Investment Advisers Regulations.

6.2. PAN card details of Clients not available

- i. *During the inspection the client data submitted by the Noticee was verified. In this regard, it is alleged that the Noticee had not collected Permanent Account Number ('PAN') details of 157 clients and the same were not available with the Noticee during the inspection.*
- ii. *Since the PAN details of 157 clients were not available with the Noticee during the inspection, it is alleged in the PIA report that the Noticee did not comply with the mandated provisions in respect of 'Client Level Segregation of Advisory and Distribution Activities'. In view thereof, it is alleged that the Noticee has violated the provisions of Clause 2 (i) (e) of Guidelines for Investment Advisers mentioned in SEBI Circular dated September 23, 2020 read with Regulation 22 (5) of the Investment Advisers Regulations.*

7. The Noticee, vide email dated September 12, 2023, *inter-alia*, submitted the following in reply to the SCN: -

First violation: IA charged Rs 5,16,4000 from one client Mr A Saha which exceeded the maximum permitted fee of Rupees 1,25,000/- per annum per client
*IA response-: in the case of one particular client, Mr. Saha, the IA indeed charged an excess amount of INR 3,91,524 (Rupees Three Lakh Ninety-One Thousand Five Hundred Twenty-Four Only), surpassing the permitted limit of INR 1,25,000 (Rupees One Lakh Twenty-Five Thousand Only), excluding taxes which was a result of linkage of both performance fee and fixed fee. It is pertinent to note that Mr. Saha has realized a substantial profit of INR 16,05,000 (Rupees Sixteen Lakh Five Thousand Only) from IA advice. **The IA humbly acknowledges an unintentional oversight in on-boarding the client under the said fixed fee mode. There was no intention of any non-compliance from IA side in any***

manner and every agreement has been processed with written consent from the client.

Second Violation: failed to possess Permanent Account Numbers (PAN) for 157 clients during the inspection period

Furthermore, the IA as required to furnish details concerning those 157 clients who were identified as non-compliant in terms of adherence to client due diligence requirements, are presented in the table below:

Sl.No.	Count	Particular	Amount
1	50	PAN details found (available)	1206090
2	7	Service not provided by IA	100100
3	13	Data corrupt	413250
4	87	PAN not available	1960404
Total	157		36,79,844

In order to rectify the ambiguity surrounding the data categorized as "Pan not available" or "No data available," **the IA wishes to clarify that the data pertaining to the aforementioned clients was regrettably unavailable due to a data misplacement incident caused by IA during the inspection period.** This data was subsequently discovered through diligent investigation of the records, which had been organized in the manner described above.

During the inspection process, it was discovered that **50* out of 157 clients** had discrepancies with their PAN (Permanent Account Number) details, which had been inadvertently misplaced when submitting the information to BASL are found.

7 clients were designated as "Service not provided by IA" due to their refusal to furnish the necessary Know Your Customer (KYC) documentation. Consequently, the IA refrained from providing services to these clients* in accordance with established legal and regulatory requirements.

Among the total of 157 pieces of data, 13 have been categorized as potentially compromised due to reported with data corruption issues. It is imperative to note that these specific details remained inaccessible due to the non-rendering of data from the IA's particular data processing infrastructure.

Regarding the client data, out of the total 157 clients, 89 have been marked as "PAN not available" by the Investment Advisor (IA).

The absence of PAN details for these clients is attributed to their failure to comply with the agreed-upon terms of sharing Know Your Customer (KYC) documents, despite having entered into an agreement with the IA for investment advisory services.

In response to this development, the IA diligently made attempts for three consecutive months (and has continued these efforts periodically up to the present) to obtain the PAN details from these clients through telephone calls and other communication channels but, regrettably, was unsuccessful in obtaining the required information. Subsequently, in light of this incident, the IA took the proactive step of suspending the on-boarding of new clients who did not provide PAN details.

In light of these circumstances, the IA would like to emphasize that while the non-availability of PAN details does impede compliance with the mandated provision regarding the "Client level segregation of Advisory and Distribution Activities," The IA requests it to be categorized as a non-intentional and event-driven occurrence. The IA solemnly commits to taking all necessary measures to prevent such incidents from occurring in the future. And as a stand to the said statement the IA has not on-boarded a single client without PAN details since Sep'22 onwards.

Hereby the IA sincerely states, under oath, that if given the opportunity to rectify these unintentional non-compliances in - one client case i.e Mr. Saha's & 87

clients (out of 1189 clients of inspection period for No PAN available) case, the IA commits to never engaging in such activity in its advisory profession. The IA respectfully with folded hands requests the regulatory body to consider these diminishing circumstances and exercise moderation in their assessment of this matter, given the IA's earnest efforts to obtain the required information from the clients, albeit without success.
(Emphasis added)

8. In the interest of natural justice, the Noticee was provided with an opportunity of hearing in the matter on September 14, 2023 through online Zoom platform.
 - 8.1. Mr. Mohit Kumar Bharti, Grievance Manager of Manu Chhabra (Investment Adviser), appeared as the Authorized Representative ('AR') on behalf of the Noticee on the stipulated date of hearing i.e. on September 14, 2023.
 - 8.2. During the course of hearing, the AR reiterated the submissions made by the Noticee vide its email dated September 12, 2023.
9. It is noted that the SCN along with the annexures and the Hearing Notice were duly served on the Noticee. The Noticee was granted opportunities to make submissions in reply to the SCN and of personal hearing. Thus, the principles of natural justice were adhered to.

CONSIDERATION OF ISSUES AND FINDINGS

10. I have carefully perused the allegations leveled against the Noticee in the SCN, the reply of the Noticee and also the documents/evidence available on record. The issues that arise for consideration in the present case are:

- I. Whether the Noticee charged fees more than the maximum permitted fee of Rupees 1,25,000/- per annum per client under fixed fee mode and thereby violated the provisions of Clause 2 (iii) (B) of Guidelines for Investment Advisers mentioned in SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/ 2020/182 dated September 23, 2020 read with Regulation 15A of Investment Advisers Regulations?
 - II. Whether the PAN details of 157 clients were not available with the Noticee and thereby the Noticee violated the provisions of Clause 2 (i) (e) of Guidelines for Investment Advisers mentioned in SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 read with Regulation 22 (5) of the Investment Advisers Regulations?
 - III. If yes, whether the violations would attract monetary penalty on the Noticee under the provisions of the Section 15EB of the SEBI Act?
 - IV. If yes, what should be the quantum of monetary penalty?
11. Before proceeding further, it is pertinent to refer to the relevant provisions of the Investment Advisers Regulations and Circular ref SEBI/HO/IMD/DF1/CIR/P/ 2020/182 dated September 23, 2020.

Investment Advisers Regulations

Fees.

15A. *Investment Adviser shall be entitled to charge fees for providing investment advice from a client *(including an accredited investor) in the manner as specified by the Board.*

** Inserted by the SEBI (Investment Advisers) (Third Amendment) Regulations, 2021, w.e.f. 03-08-2021.*

Client level segregation of advisory and distribution activities

22.

.....

(5) Compliance and monitoring process for client segregation at group or family level shall be in accordance with the guidelines specified by the Board

SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020

All SEBI Registered Investment Advisers

Subject: Guidelines for Investment Advisers

2. In addition to the above, Investment Advisers shall ensure compliance with the following guidelines:

(i) Client Level Segregation of Advisory and Distribution Activities

.....

e. PAN of each client shall be the control record for identification and client level segregation.

(iii) Fees

.....

(B) Fixed fee mode

The maximum fees that may be charged under this mode shall not exceed INR 1,25,000 per annum per client across all services offered by IA.

General conditions under both modes

- a. In case "family of client" is reckoned as a single client, the fee as referred above shall be charged per "family of client".
- b. IA shall charge fees from a client under any one mode i.e. (A) or (B) on an annual basis. The change of mode shall be effected only after 12 months of on boarding/last change of mode.
- c. If agreed by the client, IA may charge fees in advance. However, such advance shall not exceed fees for 2 quarters.
- d. In the event of pre-mature termination of the IA services in terms of agreement, the client shall be refunded the fees for unexpired period. However, IA may retain a maximum breakage fee of not greater than one quarter fee.

Issue No. 1 - Whether the Noticee charged fees more than the maximum permitted fee of Rupees 1,25,000/- per annum per client under fixed fee mode and thereby violated the provisions of Clause 2 (iii) (B) of Guidelines for Investment Advisers mentioned in SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 read with Regulation 15A of Investment Advisers Regulations?

12. On perusal of the material available on record, it is observed that the Noticee collected a total fee of Rupees 5,16,524/- (Five Lakhs Sixteen Thousand Five Hundred and Twenty-Four Rupees only) (excluding taxes) under fixed fee mode from one of his clients viz. Mr. Saha, during January 2022. The details in this regard are given below:

Table-1

Sl. No.	Agreement Date	Invoice (excluding Rupees)	Amount taxes in
1	04-Jan-2022		25,000
2	06-Jan-2022		59,746
3	06-Jan-2022		25,000
4	07-Jan-2022		16,949
5	10-Jan-2022		84,746
6	13-Jan-2022		50,847
7	13-Jan-2022		33,898
8	21-Jan-2022		1,02,966
9	24-Jan-2022		1,17,372
Total			5,16,524

13. It is noted that as per Clause 2 (iii) (B) of Guidelines for Investment Advisers mentioned in SEBI Circular dated September 23, 2020 read with Regulation 15A of Investment Advisers Regulations, the maximum permissible fees that may be charged under fixed mode shall not exceed Rupees 1,25,000/- per annum per client across all services offered by an Investment Adviser. Further the aforementioned provisions also specify that Investment Advisers shall charge fees from the clients in either of the two modes i.e. Fixed fee mode or Assets under Advice mode.

14. It is an admitted fact by the Noticee that he had charged and collected a total fee of Rupees 5,16,524/- (Five Lakhs Sixteen Thousand Five Hundred and Twenty-Four Rupees only) (excluding taxes) under fixed fee mode from one of his clients. Further, Noticee also admitted to the fact that the aforesaid fees charged from the client,

surpassed the permitted limit of Rupees 1,25,000/- (Rupees One Lakh Twenty-Five Thousand Only) and an excess amount of Rupees 3,91,524/- (Rupees Three Lakh Ninety-One Thousand Five Hundred Twenty-Four Only) was collected more than the maximum permissible fees.

15. Noticee in this regard mentioned that the aforesaid violation '*was an unintentional oversight in on-boarding the client under the fixed fee mode*'. Further, the submissions of Noticee, that the said violation had occurred due to linkage of performance and fixed fee cannot be accepted, as the provisions of securities laws in this regard (mentioned in previous paragraphs) clearly mandate Investment Advisers to charge fees from the clients in either of the two modes.

16. In view thereof, based on the material available on record and on admission by the Noticee, I note that the Noticee charged fees more than the maximum permitted fee of Rupees 1,25,000/- for one client during January 2022 under fixed mode and thereby violated the provisions of Clause 2 (iii) (B) of Guidelines for Investment Advisers mentioned in SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/ 2020/182 dated September 23, 2020 read with Regulation 15A of Investment Advisers Regulations.

Issue No. 2 - Whether the PAN details of 157 clients were not available with the Noticee and thereby the Noticee violated the provisions of Clause 2 (i) (e) of Guidelines for Investment Advisers mentioned in SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 read with Regulation 22 (5) of the Investment Advisers Regulations?

17. On perusal of the material available on record, it is observed that PAN details of 157 clients were not available with the Noticee during the inspection.
18. The Noticee in his submissions to the SCN as mentioned in the previous paragraphs, has admitted to the fact that PAN details of 157 clients were not available with him at the time of inspection. Noticee in this regard claimed '*data misplacement*' for the non-availability of PAN details during the inspection and submitted that relevant records were subsequently discovered. The Noticee stated the following and also submitted the table mentioned below:
- 18.1. *PAN details of 50 out of 157 clients were inadvertently misplaced and could not be submitted to BASL during the inspection.*
- 18.2. *7 out of 157 clients refused to furnish PAN details.*
- 18.3. *PAN details of 13 out of 157 clients had data corruption issues.*
- 18.4. *PAN details of remaining 87 out of 157 clients could not be obtained from clients despite efforts for the same.*

Table-2

Sl.No.	Count	Particular	Amount
1	50	<i>PAN details found (available)</i>	12,06,090
2	7	<i>Service not provided by IA</i>	1,00,100
3	13	<i>Data corrupt</i>	4,13,250
4	87	<i>PAN not available</i>	19,60,404
Total	157		36,79,844

19. I note that the Noticee has submitted that he had obtained PAN details of 50 clients out of the 157 clients along with supporting documents from Central KYC Registry

(CERSAI). I also note that the names of the aforesaid 50 clients submitted by the Noticee matched with the names of clients whose PAN details were not available as mentioned in the findings of the inspection. However, it is an admitted fact from the submissions of the Noticee that PAN details of remaining 107 clients are not available.

20. In this context, the reasons stated by the Noticee such as data corruption issues and refusal by the clients to provide the details cannot be accepted. I hold that the Noticee is a SEBI registered intermediary and it cannot absolve its responsibility in complying with securities laws.
21. From the submissions of the Noticee, I also note that Noticee had collected a total fee amount of Rupees 36,79,844/- (Rupees Thirty-Six Lakhs Seventy-Nine Thousand and Eight hundred and Forty-Four only) from 157 clients. Out of this, Rupees 12,06,090/- (Rupees Twelve Lakhs Six Thousand and Ninety only) were collected from 50 clients, whose PAN details according to the Noticee were made available subsequently. In respect of remaining 107 clients, I note from the submissions of the Noticee that he had collected fees of Rupees 24,73,754/- (Rupees Twenty-Four Lakhs Seventy-Three Thousand Seven Hundred and Fifty-Four only) whose PAN details were not available with the Noticee. It is relevant to mention that PAN details are an important requirement even for the Anti-Money Laundering (AML) policy purposes. It is noteworthy that the Noticee on his website (<https://absolutefinserve.com/aml-policy.php>) has also mentioned its AML/KYC policy in respect of maintenance and retention of records.

22. I note that the provisions of Clause 2 (i) (e) of Guidelines for Investment Advisers mentioned in SEBI Circular dated September 23, 2020 read with Regulation 22 (5) of the Investment Advisers Regulations clearly mandate that PAN details of each client, shall be the control record for identification and client level segregation, for an Investment Adviser. Further, the requirement to maintain KYC records of clients by an Investment Adviser (such as PAN details) is also a mandatory provision mentioned in the Functions of Investment Adviser (Annexure-A as mentioned in the SEBI circular dated September 23, 2020).

23. In view of the discussions made above, based on the material available on record and on admission by the Noticee, I hold that the PAN details of 107 clients were not available with the Noticee and therefore the Noticee has violated the provisions of Clause 2 (i) (e) of Guidelines for Investment Advisers mentioned in SEBI Circular dated September 23, 2020 read with Regulation 22 (5) of the Investment Advisers Regulations.

ISSUE III. If yes, whether the violations would attract monetary penalty on the Noticee under the provisions of the Section 15EB of the SEBI Act?

24. In view of violation of the provisions of Clause 2 (iii) (B) of Guidelines for Investment Advisers mentioned in SEBI Circular dated September 23, 2020 read with Regulation 15A of Investment Advisers Regulations and Clause 2 (i) (e) of Guidelines for Investment Advisers mentioned in SEBI Circular dated September 23, 2020 read with

Regulation 22 (5) of the Investment Advisers Regulations by the Noticee, as established above, I find that the Noticee is liable for monetary penalty under the provisions of Section 15EB of the SEBI Act. The text of Section 15EB of the SEBI Act is reproduced below:

SEBI Act

PENALTIES AND ADJUDICATION

Penalty for default in case of investment adviser and research analyst.

15EB. *Where an investment adviser or a research analyst fails to comply with the regulations made by the Board or directions issued by the Board, such investment adviser or research analyst shall be liable to penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees.*

ISSUE IV: If yes, what should be the quantum of monetary penalty?

25. For the purpose of determining the quantum of the penalty under Section 15EB in the instant matter, it is relevant to mention the factors specified in section 15J of the SEBI Act, which reads as under:-

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 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.

Explanation. —For the removal of doubts, it is clarified that the power of an adjudicating officer to adjudge the quantum of penalty under sections 15A to 15E, clauses (b) and (c) of section 15F, 15G, 15H and 15HA shall be and shall always be deemed to have been exercised under the provisions of this section.”

26. The available records neither reveal nor specify the loss suffered by the investors due to such violations. Further, the material available on record do not suggest repetitive nature of violations by the Noticee. The nature of violations in the instant matter majorly pertains to non-adherence to compliance of securities laws by the Noticee, despite being a SEBI Registered Investment Adviser. In this context I hold that an Investment Advisor as a registered intermediary is required to adhere to directives/provisions of law, be diligent and professional in its various tasks and ensure that all the mandated documents be maintained. Compliance with securities laws and regulations is essential for SEBI registered intermediaries including registered Investment Advisors to protect the interest of investors, maintain market integrity, uphold ethical standards and contribute to a stable and trustworthy financial ecosystem.

27. As established in the previous paragraphs, I note that the Noticee did not have PAN details of 107 clients, which is a sizeable number. I hold that such omission on the part of Noticee cannot be dismissed as casual oversight. Further, I also note that Noticee charged and collected an excessive amount of Rupees 3,91,524/- (Rupees

Three Lakh Ninety-One Thousand Five Hundred Twenty-Four Only) more than the maximum permissible fees from one client. In this context, I note that the Noticee in his submissions, mentioned that he took proactive step of suspending the on-boarding of new clients who did not provide PAN details. Noticee also added that he commits to taking all necessary measures to prevent such incidents from occurring in the future. As a stand to the said statement, Noticee claimed that he had not on-boarded a single client without PAN details since September 2022 onwards. The aforementioned factors need to be considered while adjudging the penalty.

ORDER

28. Having considered all the facts and circumstances of the case, the material available on record, the factors mentioned in preceding paragraphs and in exercise of the powers conferred upon me under section 15 I of the SEBI Act read with rule 5 of the Adjudication Rules, I hereby impose a monetary penalty on the Noticee as given in the table below:

Noticee	Violations established	Penal Provisions	Penalty
Manu Chhabra (Investment Adviser)	<p>Clause 2 (iii) (B) of Guidelines for Investment Advisers mentioned in SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 read with Regulation 15A of Investment Advisers Regulations</p> <p>Clause 2 (i) (e) of Guidelines for Investment Advisers mentioned in SEBI Circular ref SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 read with Regulation 22 (5) of the Investment Advisers Regulations</p>	Section 15EB of the SEBI Act	Rs. 4,00,000/- (Rupees Four Lakhs only)

29. I am of the view that the said penalty is commensurate with the violations committed by the Noticee in this case.

30. Noticee 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 on the following path, by clicking on the payment link:

ENFORCEMENT Orders Orders of AO PAY NOW

31. Copy of this Adjudication Order is being sent to the Noticee and also to SEBI in terms of Rule 6 of the Adjudication Rules.

Date: September 15, 2023

Place: Mumbai

N HARIHARAN

ADJUDICATING OFFICER