BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/MS/KS/2026-27/32712]

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

In respect of:
SANJAY S. ACHHARYA HUF
(PAN: AAGHA7452L)
In the matter of dealing in Illiquid Stocks Options at BSE

FACTS OF THE CASE IN BRIEF

1. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") observed large scale reversal of trades in the Illiquid Stock Options (hereinafter also referred to as "**ISO**") on BSE Ltd. (hereinafter referred to as "**BSE**") leading to creation of artificial volume. In view of the same, SEBI conducted an investigation into the trading activities of certain entities in ISO on BSE for the period starting from April 1, 2014 to September 30, 2015 (hereinafter referred to as "**Investigation Period/ IP**").

2. Investigation by SEBI revealed that during the IP, a total of 2,91,744 trades comprising 81.41% of all the trades executed in stock options segment of BSE were trades involving reversal of buy and sell positions by the clients and counterparties in a contract. In these trades, entities reversed their buy or sell position in a contract with subsequent sell or buy position with the same counterparty. These reversal trades were alleged to be non-genuine as they lacked basic trading rationale and allegedly portrayed false or misleading appearance of trading leading to creation of artificial volume in those contracts.

In view of the same, such reversal trades were alleged to be deceptive and manipulative in nature.

3. During the IP, 14,720 entities were found to have executed non-genuine trades in BSE's stock options segment. It was observed that Sanjay S. Achharya HUF (PAN – AAGHA7452L) (hereinafter referred to as the **"Noticee"**) was one of the various entities who indulged in execution of reversal trades in stock options segment of BSE during the IP. The said trades were alleged to be non-genuine in nature which created false or misleading appearance of trading in terms of artificial volumes in stock options. Therefore, trades were alleged to be manipulative and deceptive in nature. In view of the same, SEBI initiated adjudication proceedings against the Noticee for alleged violation of the provisions of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations**").

APPOINTMENT OF ADJUDICATING OFFICER

4. Pursuant to transfer of the case from erstwhile Adjudicating Officer(s) (hereinafter referred to as "AO(s)"), the undersigned was appointed as AO in the matter vide communique dated June 01, 2026, under section15-I(1) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the "**SEBI Act**") read with rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "**Adjudication Rules 1995**"), to conduct adjudication proceedings in the manner specified under Rule 4 of Adjudication Rules read with Section 15-I(1) and (2) of SEBI Act, 1992, and if satisfied that penalty is liable, impose such penalty deemed fit in terms of Rule 5 of Adjudication Rules and Section 15HA of SEBI Act, 1992.

SHOW CAUSE NOTICE, REPLY AND HEARING

5. A Show Cause Notice ref no. SEBI/HO/IVD/ID10/P/OW/2021/32899/1 dated November 16, 2021 (hereinafter referred to as "**SCN**") was issued to the

Noticee, by the erstwhile AO, under rule 4(1) of Rules to show cause as to why an inquiry should not be held and penalty, if any, should not be imposed upon the Noticee for the alleged violations of the provisions of regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the PFUTP Regulations. It was inter alia alleged in the SCN that the Noticee had executed 2 non-genuine trades in 1 Stock Options contract which resulted in artificial volume of total 1,00,000 units. The SCN was served on the last known addresses of the Noticee through Speed Post Acknowledgement Due (hereinafter referred to as **"SPAD"**). In this regard, response from the Noticee is not available on record.

6. Subsequently, a Post SCN Intimation (hereinafter referred to as **"PSI"**) dated August 12, 2022 was issued to the Noticee, at the last known addresses of the Noticee. It was stated in the intimation that SEBI had brought Settlement Scheme, i.e., SEBI Settlement Scheme, 2022 (hereinafter referred to as **"Settlement Scheme 2022"**) in terms of regulation 26 of Settlement Regulations. The applicable period of the scheme was August 22, 2022 to November 21, 2022. Later, the applicable period of the Settlement Scheme 2022 was extended to January 21, 2023 by SEBI. The notice was successfully served through SPAD to the Noticee. Noticee did not applied for settlement scheme.

7. Subsequently, vide hearing notice dated April 25, 2023 an opportunity of hearing was provided to Noticee and hearing was scheduled on May 09, 2023 before the erstwhile AO. Noticee attended the hearing through video conference and represented by Authorised representative ('AR') Shri. Rajesh Achharya. During the hearing, AR informed that Karta of the Noticee has passed away and HUF has been dissolved. Accordingly, Noticee was advised to submit a notorised copy of death certificate and deed of dissolution/partition of HUF.

8. Subsequently, vide email dated May 15, 2023 AR submitted a copy of death certificate of Karta of the HUF. However, deed of dissolution/ partition of HUF was not submitted.

9. Pursuant to the transfer of the instant matter to undersigned, vide email dated September 02, 2026 AR of Noticee was again advised to submit a copy of deed of dissolution/ partition of HUF. Further, Noticee was informed that in case of failure to submit the deed of dissolution, the instant adjudication proceedings shall be proceeded with on the basis of the facts/ material available on record in terms of Rule 4(7) of the SEBI Adjudication Rules, 1995. AR of Noticee vide email dated September 04, 2026 submitted the deed of dissolution of HUF dated April 10, 2018.

10. In this regard, it is noted that Karta of HUF Shri Sanjay S. Achharya died on September 09, 2015 and HUF was dissolved on April 10, 2018 as per the documents submitted by the AR of Noticee. It is noted that said death certificate of Karta of HUF, as submitted, was issued by Municipal Corporation of Greater Mumbai (issued u/s 12/ 17 of the Registration of Births & Deaths Act, 1969 and Rule 8/ 13 of the Maharashtra Registration of Births and Deaths Rules, 2000).

11. In view of the above, it is noted that Noticee Sanjay S. Achharya HUF against whom adjudication proceedings was initiated is not in existence, Noticee has ceased to exist as a legal entity on April 10, 2018. Therefore, the present adjudication proceedings have become infructuous and do not survive against the Noticee.

ORDER

12. In view of my findings noted in the preceding paragraphs and in exercise of the powers conferred upon under Section 15-I of the SEBI Act read with Rule 5 of the Adjudication Rules, adjudication proceedings initiated against the Noticee Sanjay S. Achharya HUF (AAGHA7452L) and the SCN ref no. SEBI/HO/IVD/I

D10/P/OW/2021/32899/1 dated November 16, 2021 is disposed of accordingly.

13. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this order is being sent to SEBI and authorised representative of Noticee i.e. Shri. Rajesh Achharya.

Medha Jeevan Sonparote

Digitally signed by Medha Jeevan Sonparote
Date: 2026.09.09 14:10:05 +05'30'

Place: Mumbai **MEDHA SONPAROTE**
Date: September 09, 2026 **ADJUDICATING OFFICER**