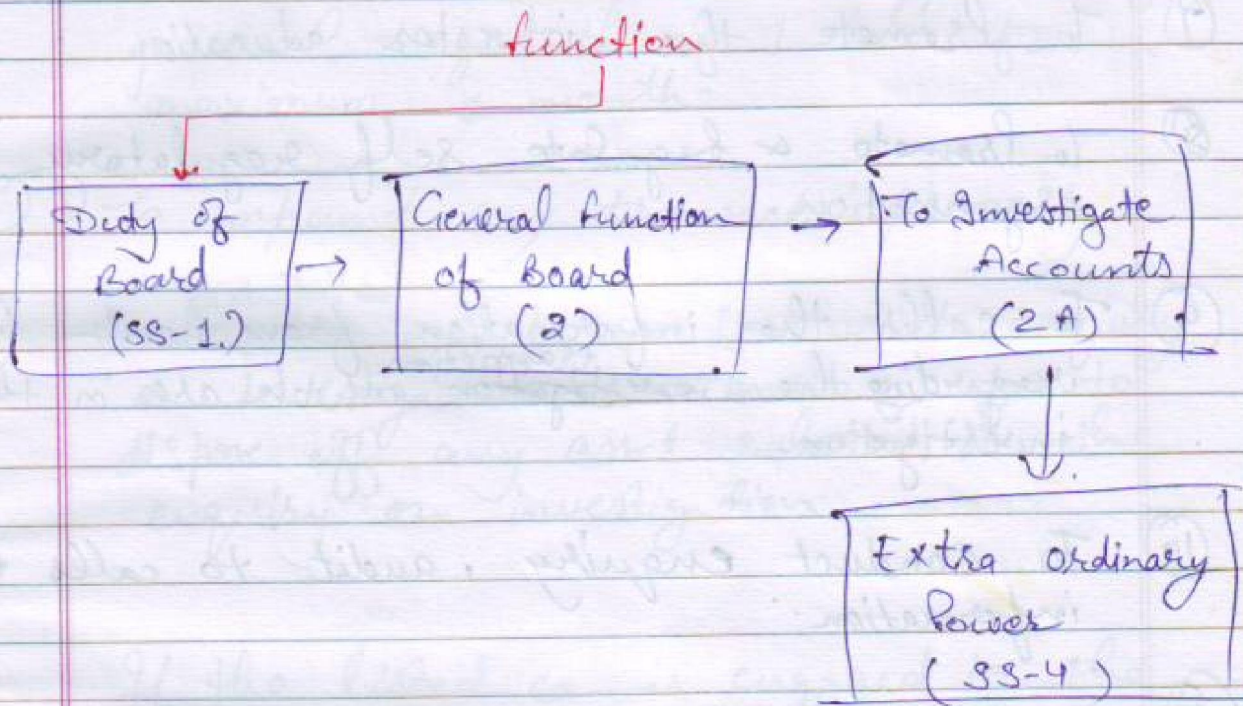


function of Board. →



General function of Board → (Sec. 2.)

- ① To Regulate the working of Stock exchange.
- ② To Regulate ~~the~~ registers of Brokers etc.
- ③ To Regulate & register mutual funds etc.
- ④ To Regulate & register foreign institutions investors including credit rating agency.
- ⑤ To Regulate & register Substantial acquisition of shares.
- ⑥ To Prohibited insider Trading.

Levy = 321181

Nishu
Date _____
Page _____

~~1~~ To Regulate ~~investing~~

⑦ To promote the investor education

⑧ To promote & regulate self regulatory organisation.

⑨ To call the information from banks in regarding the ^{transaction} ~~investigation~~ which are in the investigation.

⑩ To conduct enquiry, audit to call the information.

⑪ To perform the power given by the govt.

⑫ To perform the ^{extra} power to fulfill the above object.

⑬ To levy the fees and taxes.

~~Investigate & regulate the~~

Extra Ordinary Power (SS4)

① To prohibited any intermediators.

② To restrict any person to work in exchange

③ To restrict any company to trade in Stock exchange

- (4) To attach the bank account of intermediaries after the approval of judicial magistrate of 1 class for maximum 1 month.
- (5) To impound any transaction/security.
- (6) To ~~prohibited~~ ~~seize~~ any person (on which enquiry or investigation is continue) ~~for~~ to dispose off any asset related to the enquiry or investigation.

Note

If the listed co. is engaged in the Insider Trading only then the SEBI will use the above power no. 4, 5, and 6 otherwise it will not use that powers in other ~~case~~ case.

for the Protection of Investor (Sec 11A)

To Specify
the matter
for issue of
share

Prohibited
issue of
Prospectus

Board can Issue Direction

(Sec 11B)

Direction
to whom

Object of
Issue of
Directions.

- ↓
- ① To Intermediators
 - ② To whom company on which sec 11A apply

- ↓
- ① To proper Management
 - ② To protect the interest of investor.
 - ③ ~~Protect~~ To prevent the affairs of any intermediary

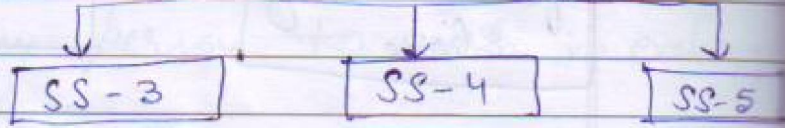
Investigation

(Sec 11C)

Grounds for
Inspection
(SS-1)

Duty
SS-2

Power of
Investigating
Authority



Penalties.
S. Sec - 6A
~~Section 6A~~

Penalty.
SS-6

To Seize books & Papers.

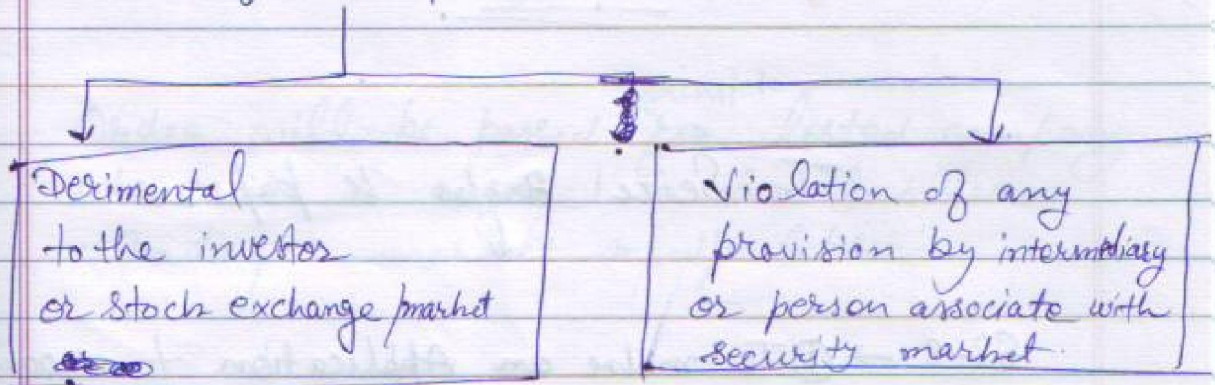
SS-8

SS-9

SS-10

SS-11

Grounds for Inspection.



Duty.



Manager, MD, officer, other employee of a company or intermediary

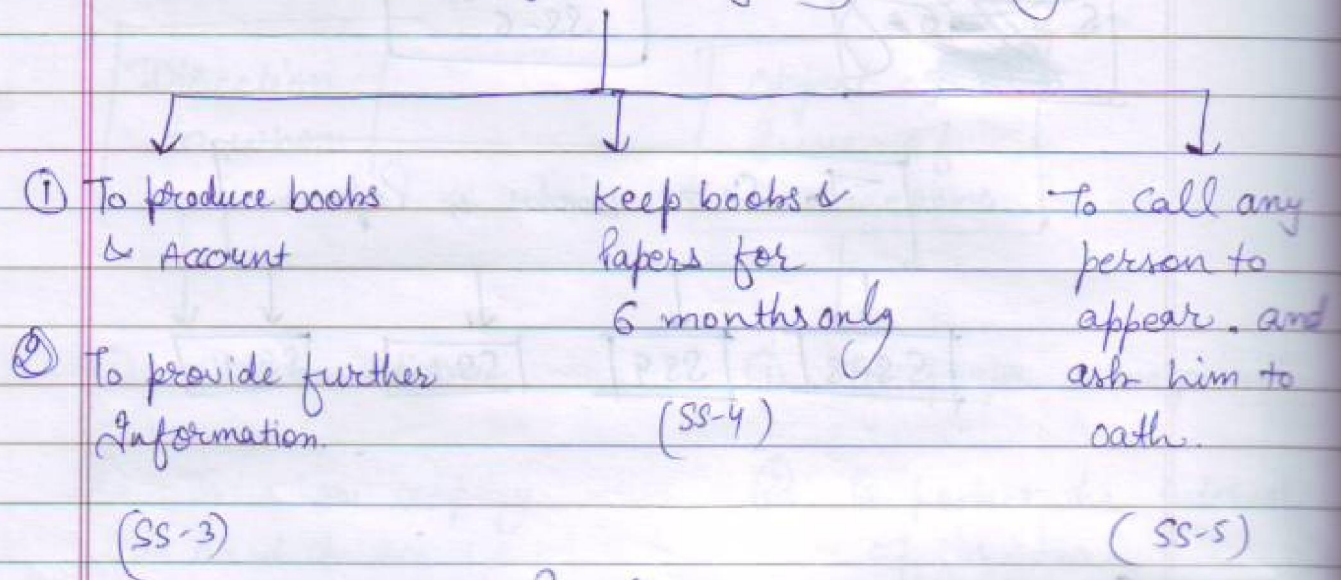


To produce books & papers to investigating authority



To provide further information to investigating authority

Power of Investigating Authority.



Penalty (SS-6)

To Seize Books & papers

SS-8 → ① To make an Application to Magistrate of first class to seize books & papers.

~~SS-8~~ ② If the reasonable ground, then Court will permit to the investigating authority.

SS-9 → To ~~keep~~ seize the books & papers in the manner specified by the Court.

SS-10 → ① To keep books & papers till the conclusion of the investigation.

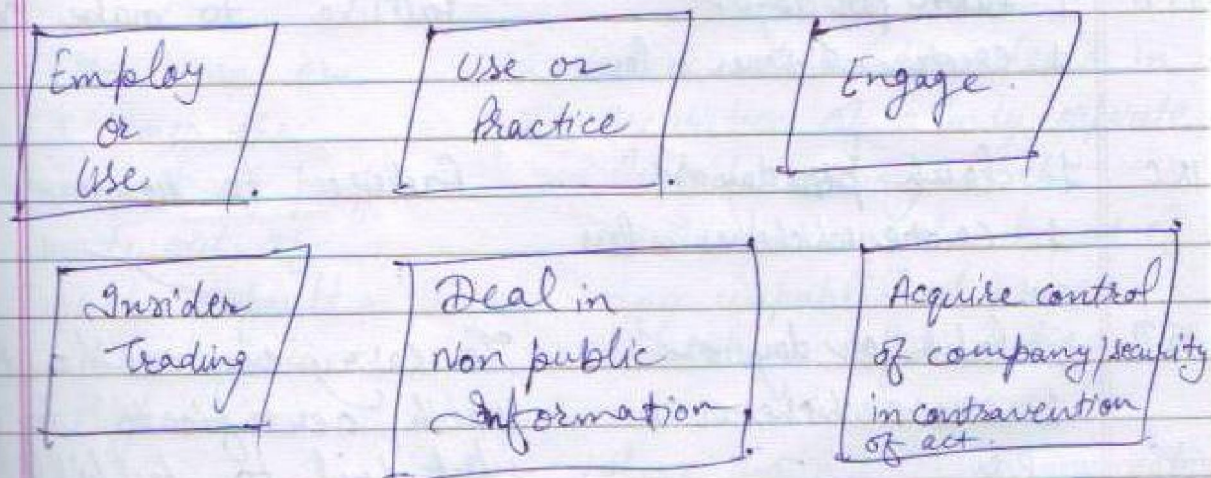
~~SS-11 → To procedure followed according to SS-11 to seize the books & papers.~~

SS-11 → Procedure to seize the books & papers.

Cease and Desist Proceedings (Sec 11D)

Order will be passed ^{against to} ~~for~~ listed company when it is engaged in the Insider trading or market manipulation.

Prohibition by SEBI (Sec. 12A)



Collective Investment Scheme (Sec. 11 AA)

- Meaning →
- ① पैसा Dividend ~~कर~~ के लिए देते हैं।
 - ② पैसा किसी और के द्वारा Manage करा जाता है।
 - ③ पैसा देने वाले Day to day management में हिस्सा नहीं लेते हैं।

~~Meaning~~ Penalties.

Quantum of Penalty.

Nature of Contravention.

	per day.	
15A	1 lakh or 1 crore whichever is less	Failure to furnish document etc. etc.
15B	1 lakh per day or 1 crore whichever is less	Failure to make contract
15C	1 lakh per day or 1 crore whichever is less	Failure to remove grievance
15D	1 lakh per day or 1 crore, whichever is less	To carry on without certificate with certificate to carry but fail to fulfill conditions

15 F 1 lakh per day or
1 Crore whichever
is less. Failure by asset management
company. example → Mutual fund.

15 F (a) Not exceeding
5 times. Failure to issue contract notes
by stock broker in the manner
specified by the stock exchange.

(b) 1 lakh per day
or 1 crore.
whichever is
less. Fail to ~~issue~~ deliver any
security or fails to make
payment of the amount due to
the investor by stock broker

(c) 1 lakh or
5 times the
amount of
excess brokerage
charge
whichever is
higher A registered stock broker
charges brokerage in excess
of the brokerage specified
in the regulation.

15 G. 25 Crore or
3 times the
amount of profit
made out of
such default
whichever is
Higher (i) where an insider deals in
securities of a body corporate
listed on any stock
exchange on the basis of
any unpublished price
sensitive information.

(ii) where an insider communicates
any ~~information~~ unpublished

price sensitive information to any person except as required in the ordinary course of business or under any law.

(iii) where an insider counsels, or procures for any other person to deal in any securities of any body corporate on the basis of unpublished price sensitive information.

12HA 25 crore or 3 times of profit whichever is higher.

where a person indulges in fraudulent and unfair trade practice relating to security

15HB Maximum Rs. 1. crore.

where a person fails to comply with any provision of this act, rule, regulation made there under or direction issued by SEBI for which no separate penalty has been provided.

15H. 25 crore or 3 time of profit whichever is higher.

(i) failure to disclose the aggregate of his shareholding in the body corporate before he acquires any shares of that body corporate.

(ii) failure to make a public announcement to acquire shares at a minimum price.

(iii) failure to make a public offer by sending letter of offer to the shareholders of the concerned company.

(iv) failure to make payment of consideration to the shareholders who sold their shares pursuant to letter of offer.

24. Imprisonment
for not less than
1 month but
up to 10 years
'or'
fine up to 25 crore
'or'
Both

where a person fails to pay
the penalty imposed by
adjudicating officers or
fails to comply with
any of his direction or
order

Imp. Adjudicating Authority (Sec 15-I)

Imp. factor to be taken into Account (Sec 15-J)

- ① Contravention की वजह से फायदा Profit हुआ है
- ② Contravention की वजह से investor को फायदा loss हुआ है.
- ③ कितना बड़ा person बार-बार Contravention कर रहा है.

इन सब बातों को देखकर ही penalty impose की जाएगी।

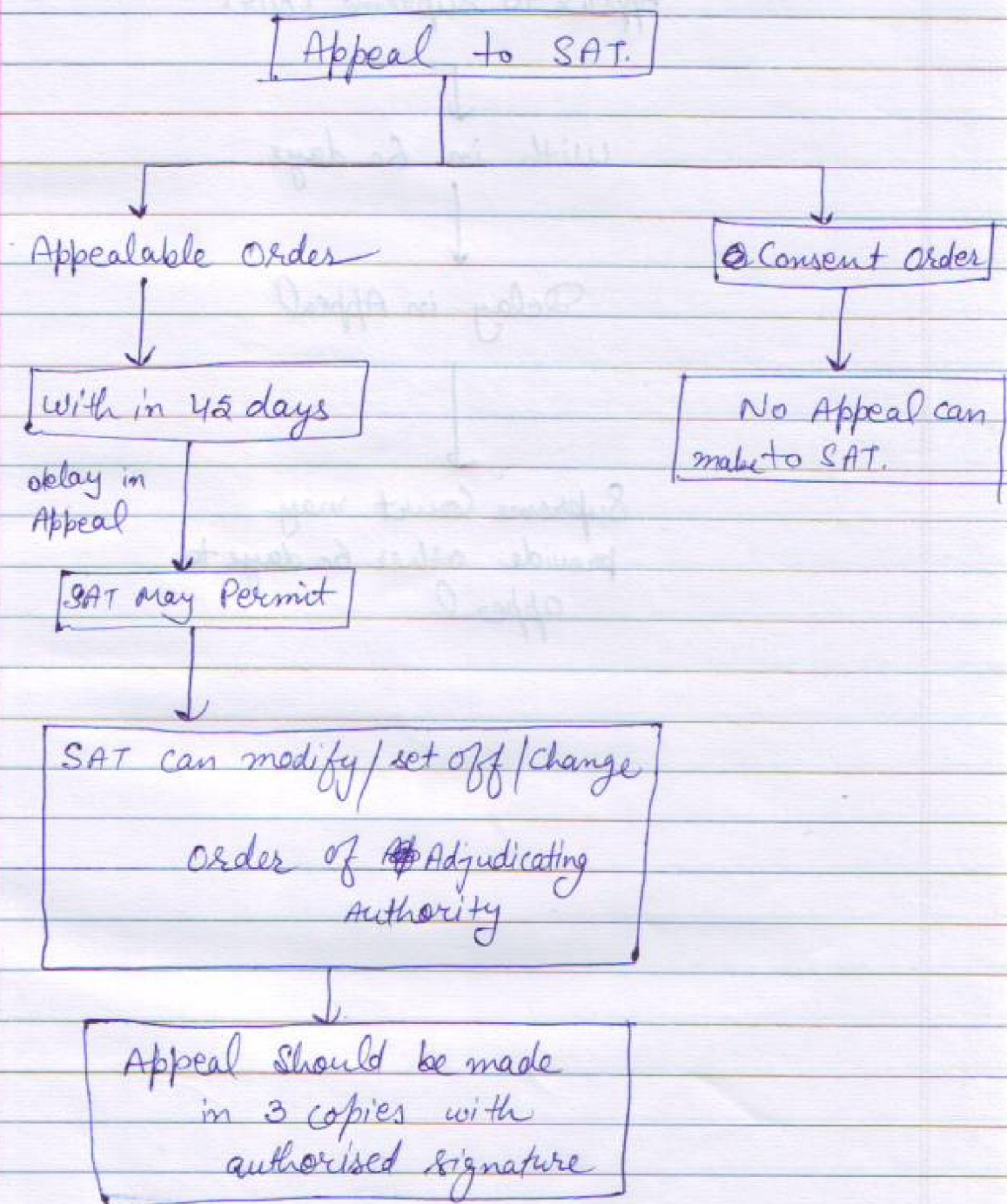
Not Important

Sec 24 A → Composition

24 B → Grant Immunity

Appeal to Securities Appellate Tribunal (SAT)

(Sec 15 T)



~~Product~~

Appeal against the Order of SAT. (Sec. 15Z)

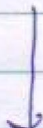
Appeal to Supreme Court



Within 60 days



Delay in Appeal



Supreme Court may provide other 60 days to appeal.