BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. ORDER/BM/LD/2021-22/15596-15602]

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 the following Noticees :

Sr. No.	Noticee Name	PAN
1	Shri Chiranjilal Jayaram Vyas	ADGPV0696L
2	Shri Namdeo H. More	AHZPM5440L
3	Shri Kishore Bhikaji Giri	ALPPG4999L
4	Shri Deendayal M. Bohara	AAEPB4676P
5	Shri Kishorilal Amrutlal Bissa	AGOPB2274M
6	Shri Jitendra Harivansh Joshi	ADLPJ6593K
7	M/s. Shripal Shares and Securities Ltd.	AAECS9253L

In the matter of **Sunteck Realty Limited**

Background :

1. SEBI conducted an investigation in the scrip of Sunteck Realty Limited (Formerly known as Insul Electronics Ltd.) and (hereinafter being referred to as "Sunteck/Company") with regard to the price movement and trading pattern of its scrip. The investigation revealed certain abnormal dealings in the shares of the company by certain entities/persons which were indulging in circular trades through the exchange as well as using the depository's transactions route in order to create artificial volumes in the scrip. Subsequently, an Adjudication Order (hereinafter referred to as AO) (Adjudication Order No. AO/PKN/1/2019) dated December 30, 2019 was passed against seven entities for violation of the provisions of Regulation 3(a), (b) and 4(2) (a), (b) of the SEBI (Prohibition of Fraudulent and Unfair Trade

Practices relating to Securities Market) Regulations, 2003. The 7 entities who are the Noticees in this Order appealed before the Hon'ble Securities Appellate Tribunal (SAT) against the AO order dated December 30, 2019.

2. The Hon'ble SAT vide order dated 27/09/2021, in appeals no. 119 of 2020, 120 of 2020, 121 of 2020, 122 of 2020, 123 of 2020 & 124 of 2020, while remitting the Adjudication Order dated December 30, 2019 remanded the case to the Adjudication Officer for reconsideration of the unlawful gains made by the Noticees as to which method of calculation is appropriate, whether FIFO method or Average Cost method and supplying its reasons.

Appointment of Adjudicating Officer :

3. In compliance with the above directions of the Hon'ble SAT, SEBI vide communique dated October 12, 2021 appointed the undersigned as the Adjudicating Officer (AO) to inquire into and adjudicate under Section 15HA of the SEBI Act, 1992(hereinafter referred to as "Act")for violation of the provisions of Regulation 3(a), (b) and 4(2) (a), (b) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 alleged to have been committed by the following Noticees :Shri Chiranjilal Jayaram Vyas (hereinafter referred to as "**Noticee 1/Chiranjilal"**), Shri Namdeo H. More (hereinafter referred to as "**Noticee 2/Namdeo**"), Shri Kishor Bhikaji Giri (hereinafter referred to as "**Noticee 3/Kishore**"), Shri Deendayal M. Bohara (hereinafter referred to as "**Noticee 4/Deendayal**"), Shri Kishorilal Amrutlal Bissa (hereinafter referred to as "**Noticee 5/Kishorilal**"), Shri Jitendra Harivansh Joshi (hereinafter referred to as "**Noticee 6/Jitendra**"), M/s. Shripal Shares and Securities Ltd. (hereinafter referred to as "**Noticee 7/Shripal**"), hereinafter (collectively referred to as "Noticees")

Personal Hearing & Reply :

4. Pursuant to the restoration of the case to the file of AO in accordance with the directions of the Hon'ble SAT, the Noticees were called upon to appear before the

undersigned vide hearing notice dated November 29, 2021.The hearing was held on December 16, 2021 and was attended by the Authorised Representative (hereinafter referred to as AR). During the hearing, the following information was sought from the Noticees :

1) Instances wherein SEBI has followed the average cost method for calculating unlawful gains
2) As per their calculation, what should be the actual ill-gotten gains earned by each of the Noticees.
3) Demarcation of the shares transferred from the transferors to the transferees and shares sold by the transferees through the exchange.

Meanwhile SEBI sought an extension of time to comply with the directions of the Hon'ble SAT order to pass an order. Hon'ble SAT vide its order dated January 25, 2022 granted two months further time to pass the order from the date of the SAT's order dated January 25, 2022.

Subsequent to the hearing the AR of the Noticees submitted the reply on December 21, 2021.

- In reply to the query 1, the Noticees replied "Hon'ble SAT itself has recorded that the acceptable method of calculation of unlawful gains is usually the Average Cost Method. In addition to the above fact, it has been a pertinent observation of the Hon'ble SAT that if any other method has to be employed for computation of the unlawful gains, specific reasons for the same have to be provided by Respondent/SEBI. Hence Hon'ble tribunal has recorded that the preferred method of Average Cost Method and not the FIFO method. Thereby, it is submitted that the method of deriving profits based on average cost of acquisition and comparing it to the consideration received from sale is an appropriate method of calculating the profits as the same is legally tenable and has been employed by SEBI on previous events and matters concerning manipulation in the scrip of Pyramid Saimaira Theatre Limited.

➢ In reply to query 2, the Noticees replied that "your goodself is requested to consider the proposed calculation of the profit/loss with respect to each of the Noticees illustrated below :

With regard to **Chiranjilal Vyas ("Noticee 1")**

Name of the Noticee	**Purchases**			**Sale**	
	No. of Shares	**Total Purchase Consideration**	**Avg. Cost Per Share**	**No. of Shares**	**Consideration**
Chiranjilal Vyas	74,750	4,85,47,860	649.46	18,350	1,13,72,415

Calculation of Profit or Loss	
Price of Acquisition of 18,350 Shares	1,19,17,591
Consideration for Sale of 18,350 Shares	1,13,72,415
Loss	-5,45,176

With regard to **Namdeo H. More ("Noticee 2")**

Name of the Noticee	**Purchases**			**Sale**	
	No. of Shares	**Total Purchase Consideration**	**Avg. Cost Per Share**	**No. of Shares**	**Consideration**
Namdeo H. More	55,050	4,59,62,900	834.93	12,900	89,92,465

Calculation of Profit or Loss	
Price of Acquisition of 12,900 Shares	1,07,70,597
Consideration for Sale of 12,900 Shares	89,92,465
Loss	-17,78,132

With regard to **Kishore Bhikaji Giri ("Noticee 3")**

Name of the Noticee	**Purchases**			**Sale**	
	No. of Shares	**Total Purchase Consideration**	**Avg. Cost Per Share**	**No. of Shares**	**Consideration**
Kishore Bhikaji Giri	23,950	3,59,98,387.50	1503.06	150	2,32,800

Calculation of Profit or Loss	
Price of Acquisition of 150 Shares	225459.62
Consideration for Sale of 18,350 Shares	232800
Profit	7340.38

With regard to **Deendayal M. Bohara (Noticee 4)**

Name of the Noticee	Purchases			Sale	
	No. of Shares	**Total Purchase Consideration**	**Avg. Cost Per Share**	**No. of Shares**	**Consideration**
Deendayal M. Bohara	14,900	1,34,58,440	903.25	3,700	25,35,092

Calculation of Profit or Loss	
Price of Acquisition of 3,700 Shares	33,42,025
Consideration for Sale of 3,700 Shares	25,35,092
Loss	-8,06,933

With regard to **Kishorilal Amrutlal Bissa ("Noticee 5")**

Name of the Noticee	**Purchases**			**Sale**	
	No. of Shares	**Total Purchase Consideration**	**Avg. Cost Per Share**	**No. of Shares**	**Consideration**
Kishorilal A. Bissa	26,450	1,49,81,567.50	566.41	3,150	17,77,942.50

Calculation of Profit or Loss	
Price of Acquisition of 3,150 Shares	17,84,194.24
Consideration for Sale of 3,150 Shares	17,77,942.50
Loss	- 6251.74

With regard to **Jitendra Harivansh Joshi and M/s. Shripal Shares and Securities Ltd. ("Noticee 6 and Noticee 7")**

Name of the Noticee	**Purchases**			**Sale**	
	No. of Shares	**Total Purchase Consideration**	**Avg. Cost Per Share**	**No. of Shares**	**Consideration**
Shripal Shares and Securities	9,200	94,88,932.50	1,031.40	9,050	66,61,225

Calculation of Profit or Loss	
Price of Acquisition of 9050 Shares	93,34,170
Consideration for Sale of 9050 Shares	66,61,225
Loss	-26,72,945

- In reply to query 3, the Noticee replied " your goodself has asked us to provide the details of the shares transferred by the Noticees off market and which were subsequently transferred by the transferees on the platform of the exchange, the details of the same are tabulated as under :

Sr. No.	**Noticee**	**No. of shares transferred off-market**	**No. of shares transferred by the transferees**
1	Mr. Chiranjilal Jayaram Vyas	84,000	46,050
2	Mr. Namdeo H. More	75,500	64,650
3	Mr. Kishore Bhikaji Giri	27,650	27,650
4	Mr. Deendayal M. Bohara	12,000	8,600
5	Mr. Kishorilal Amrutlal Bissa	23,700	6,000

ISSUES FOR CONSIDERATION :

5. It is pertinent to mention that Hon'ble SAT vide its order dated September 27, 2021 has upheld the fraudulent activities carried out by the Noticees. In view of the Hon'ble SAT observation the issue for consideration before me is therefore :

   i) To reconsider the unlawful gain made by the Noticees

   ii) Method of calculation of unlawful gain/profit.

ISSUE 1. Investigation observed that the Noticees bought shares on the exchange transferred substantial shares in off-market to various person/entities, such persons/entities later sold such shares in the market some portion of which were bought back by the Noticees. Analysis of the transactions are as given below:

Noticee No. 1 : (Shri Chiranjilal J. Vyas)

<u>January 2007 to December 2007 (Period 1)</u>

a) Notice 1 was one of the biggest clients in the scrip of Sunteck on the exchange both on buy and sell side. He purchased 74,750 shares (i.e. 20.30% of the gross buy) and sold 18,250 shares (i.e. 5% of the gross sale). He had transferred 39,200 shares in off-market to different persons/ entities and had received 15,000 shares from Noticee 6 during the period April 01 , 2007 to December 31 , 2007.

b) Out of the said 39,200 shares of Sunteck, Noticee 1 transferred 15,500 shares in off-market to Noticee 2, Noticee 5, Noticees 6 & 7 and one Shri M.C. Jain. During the same period, he had also transferred 23,700 shares to 19 other persons/ entities. The said 19 transferees sold 21,100 shares on the exchange during April 01,2007 to December 31 , 2007 and the same were bought by the Noticees, as follows :

   - 9,950 shares by Noticee 5; 1,400 shares by Noticee 2; 4,450 shares by Noticee 1; 1 ,900 shares by Noticee 4; 1,750 shares by Noticee 7 and
   - 1,650 shares have been bought by others.

c) In effect 19,450 shares of Sunteck out of 21,100 shares went back to the stated Noticees in a circular manner. The remaining 2,600 shares were sold during the period of January 01, 2008 to July 31, 2008. The total trading volume in the scrip of Sunteck on BSE during the period April 1, 2007 to December 31, 2007 was 3,35,60 shares.

January 2008 to July 2008 (Period 2)

d) Notice 1 sold 100 shares on his own account. He had transferred 44,800 shares to different entities and had received 10,800 shares from Noticee 7, Noticee 2 and Shri M.C. Jain. Out of the said 44,800 shares, 16,500 shares were transferred to Noticee 2 and Noticee 3. The remaining 28,300 shares were transferred to 40 different persons/ entities. These 40 persons/ entities sold 24,950 shares in the market and 8350 shares were bought back by Noticee 3.

e) In effect, a total of 27,550 shares (i.e. 2,600 shares out of the transfers made in period 1 and 24,950 shares from the transfers made in period 2) were sold by the transferees of Noticee 1. Out of the said 27,550 shares, 8,350 shares were bought back by Noticee 3

A diagrammatic representation of the process followed by the Noticee is as under :

Period 1 : ***January 2007 to December 2007***

NOTICEE 1

Purchased
74,750 shares

Received
15,000 shares from Noticee 6 (April 01, 2007 to Dec. 31, 2007

Sales
18,250 shares

Transferred 39, 200
shares persons/entities

<u>15,500 shares to</u> :

Noticee 2
Noticee 5
Noticee 6 & 7
M.C Jain

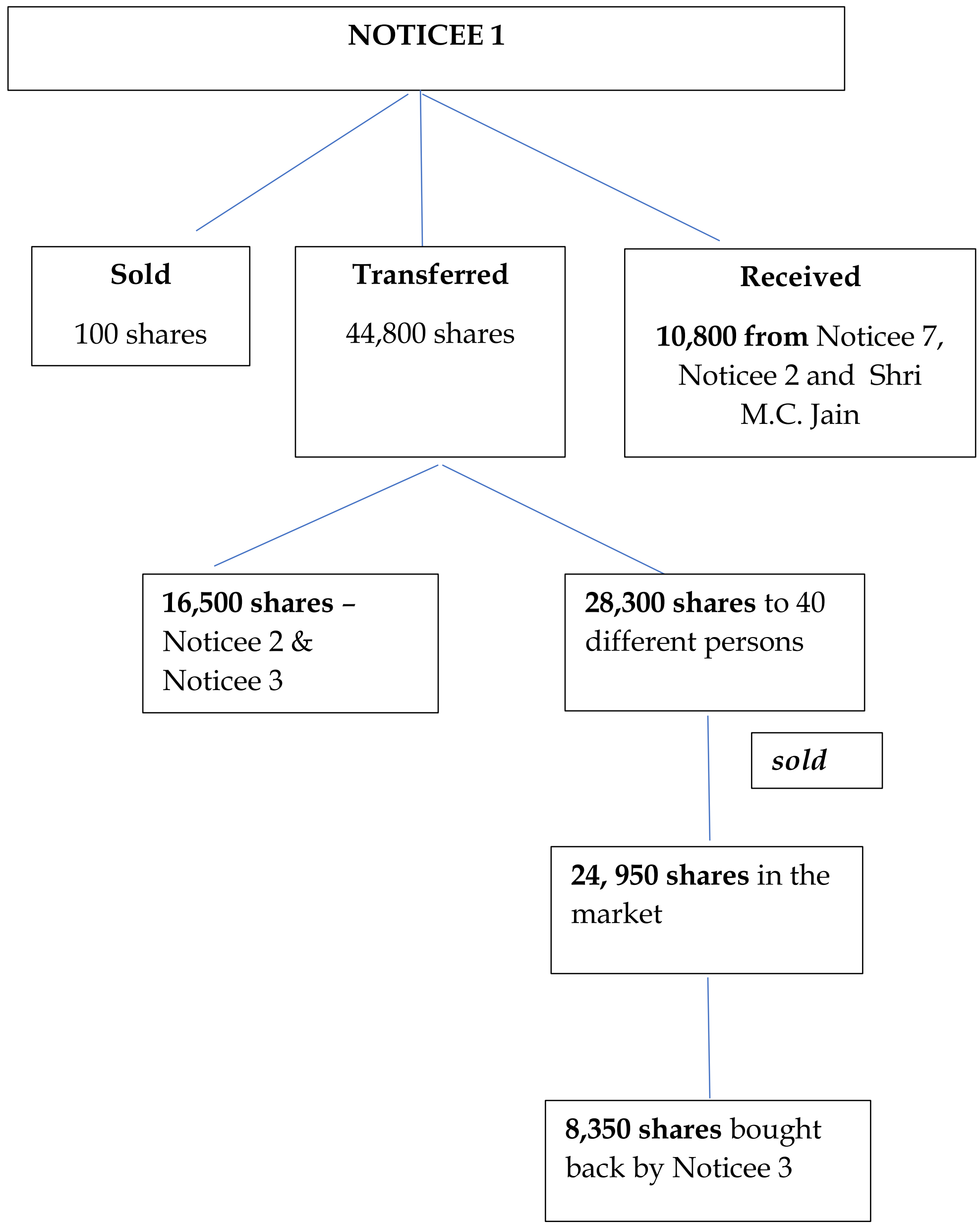
23,700 **entities** shares to 19 persons/entities

Sold

21,100 shares on exchange (April 01, 2007 to Dec 31, 2007) bought back by :
9,950 shares – Noticee 5
1,400 shares – Noticee 2
4,450 shares – Noticee 1
1,900 shares – Noticee 4
1,750 shares – Noticee 7

19,450 shares (90% of shares sold by transferee of Noticee 1 bought back by assoicates of Noticee 1
Subsequently, **2,600 shares were sold** during the period of January 01, 2008 to July 31, 2008.

Period II : ***January 2008 to August 2008***



Noticee No. 2 : (Shri Namdeo H. More)
January 2007 to December 2007 (Period 1)

a) Noticee 2 purchased 55,050 shares of Sunteck and sold 12,900 shares of Sunteck during the period of investigation, trading through the broker Shriram

Insight Share Brokers Limited. He transferred 42,550 shares of Sunteck to 33 different accounts during the months of June to November 2007 and also received 17,800 shares in off-market - 17,700 shares and 100 shares from Noticee 5 and Noticee 1 respectively.

b) Out of 42,550 shares of Sunteck transferred, Noticee 2 transferred 7,000 shares to Noticee 6 and the remaining 35,550 shares to 32 different entities as stated in the Show Cause Notice.

c) Out of 35,550 shares of Sunteck transferred by Noticee 2 through off-market route to various different entities, 34,750 shares were sold by the transferees through the stock exchange. Out of the said 34,750 shares sold on the exchange, while Noticee 2 himself bought back 9,650 shares on the exchange, Noticee 1 and Noticee 4 bought back 18,800 shares and 1,600 shares respectively. 4,700 shares have been bought back by others.

d) 86% of the shares sold by the transferees of Noticee 2 were repurchased by the Noticees.

January 2008 to August 2008 (Period 2) :

e) Noticee 2 received 15,600 shares from Noticee 1 and transferred 33,000 shares to 30 entities through off market trades, including 2,200 shares to Noticee 1 and 900 shares to Noticee 4. 29,900 shares transferred to the 30 entities were sold by the transferees on the exchange. Out of these 29,900 shares, 3,150 shares were bought by Noticee 3 and more than 800 shares were bought back by Noticee 2 himself. The repurchase of shares by connected entities even during this period completes the circular trading

A diagrammatic representation of the process followed by the Noticee is as under :

Period I **: *January 2007 to December 2007***

NOTICEE 2

Purchased 55,050 shares

Received - 17,800 shares in off-market During June 2007 to November 2007 :

(17,700 shares from Noticee 5
100 shares from Noticee 1)

Sold 12,900 shares

Transferred 42, 550 shares to 33 persons/entities during June to November 2007

7,000 shares to Noticee 6

35,550 **entities** shares to persons/entities

Sold on exchange

34,750 shares which were bought back by :
9,650 shares – Noticee 2 (himself)
18,800 shares - Noticee 1
1,600 shares – Noticee 4

30,050 shares -(86% of shares sold by transferees of Noticee 2 were repurchased by the Noticees.)
(4,700 shares – Others)

Period II : **January 2008 to August 2008**

NOTICEE 2

Received 15,600 shares from Noticee 1

Transferred 33,000 shares to 30 entities

Transferred 900 shares to Noticee 4

Transferred 2,200 to Noticee 1

Sold 29,900 on exchange

Bought back by

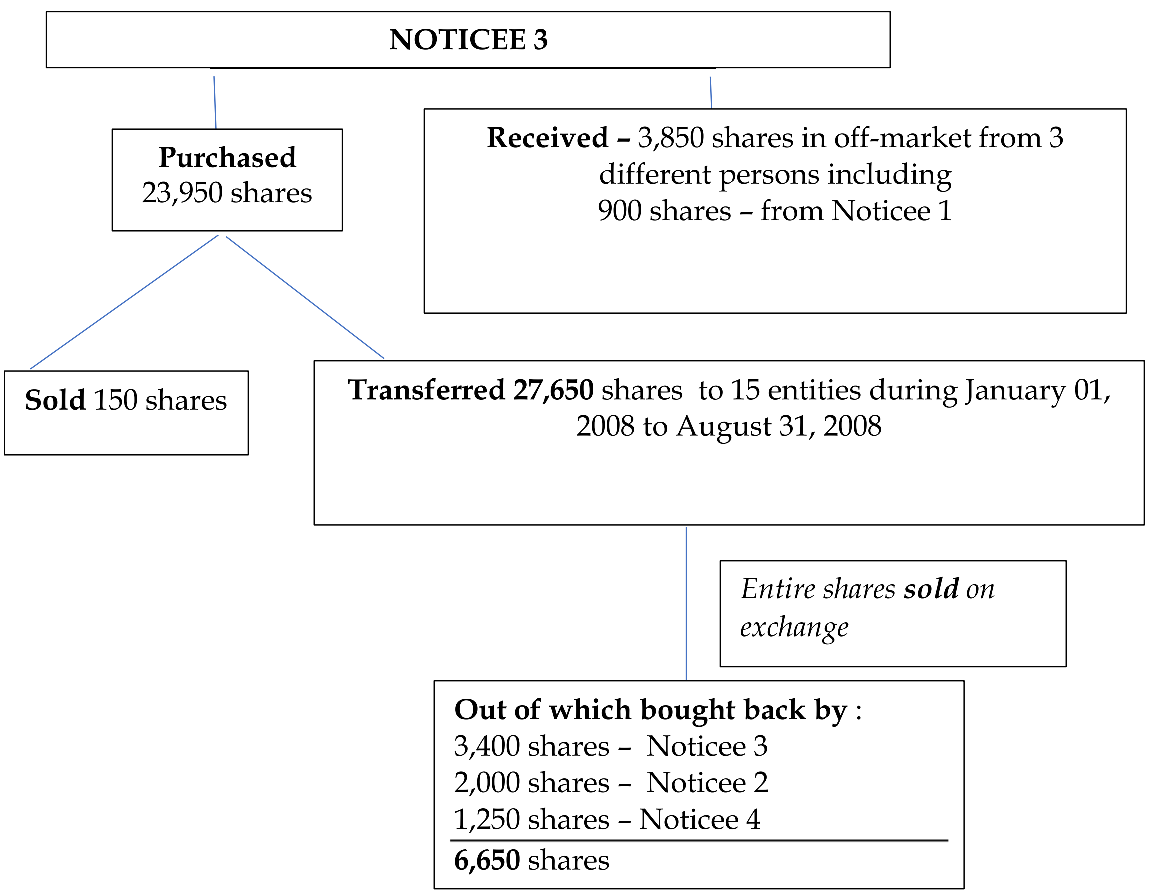
3,150 shares – Noticee 3
> 800 shares – Noticee 2 himself

Noticee no. 3 (Shri Kishore Bhikaji Giri)

January 2007 to August 2008

a) Noticee 3 started trading in the scrip since November 2007 and had purchased 23,950 shares of Sunteck during the period of November 2007 to July 2008. He sold 150 shares during such period. Noticee 3 received 3,850 shares in off-market from 3 different persons including 900 shares from Noticee 1 and has made off-market transfers amounting to a total of 27,650 shares to 15 entities during the period of January 01, 2008 to August 31, 2008. The entire lot of 27,650 shares had been sold by the transferees on the Exchange. Of these 27,650 shares 3,400 shares were bought back by Noticee 3; 2,000 shares were bought back by Noticee 2 and 1,250 shares were bought by Noticee 4.

A diagrammatic representation of the process followed by the Noticee is as under :



Noticee no. 4 (Shri Deendayal M. Bohara)

January 2007 to December 2007 (Period 1) :

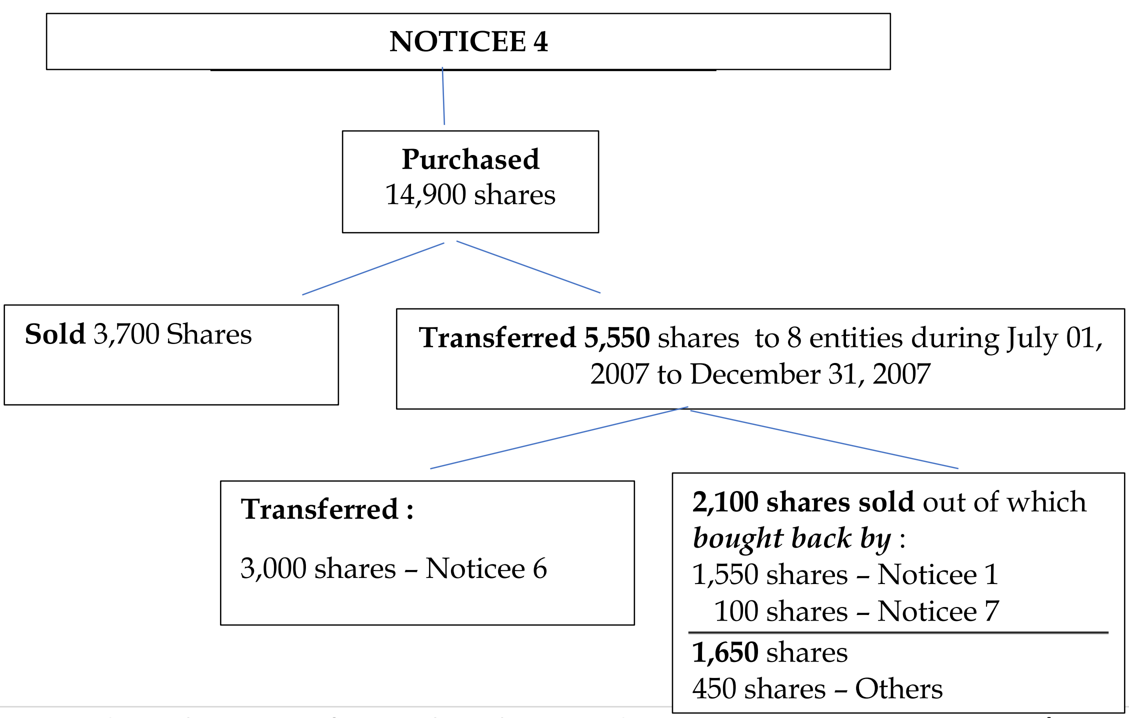
a) Noticee 4 purchased 14,900 shares of Sunteck and sold 3,700 shares of Sunteck on the exchange, trading through the broker Shriram Insight Share Brokers Limited. During period 1, between July 01 , 2007 and December 31 , 2007, he had transferred 5,550 shares in off-market to 8 persons. Out of 5,550 shares, 3,000 shares were transferred to Noticee 6. Out of remaining 2,550 shares, 2,100 shares were sold by transferees on the exchange and Noticee 1 bought 1 ,550 shares. 79% of the shares sold by front entities of Noticee 4 were repurchased by the other Noticees. Noticee 7 bought 100 shares & 450 shares were bought back by others.

January 2008 to August 2008 (Period II)

b) During the second period, Noticee 4 transferred 6,500 shares of Sunteck to entities through off-market transfers. These 6,500 shares were then sold by the transferees in the exchange. Of these, 1 ,600 shares were bought by Noticee 3 and 1 ,650 shares were bought back by Noticee 4 himself.

A diagrammatic representation of the process followed by the Noticee is as under :

Period I : ***January 2007 to December 2007***



Period II : ***January 2008 to August 2008***

NOTICEE 4

Transferred 6,500 shares to 9 entities who sold the shares on exchange

Bought back by :
1,600 shares – Noticee 3
1,650 shares – Noticee 4 himself

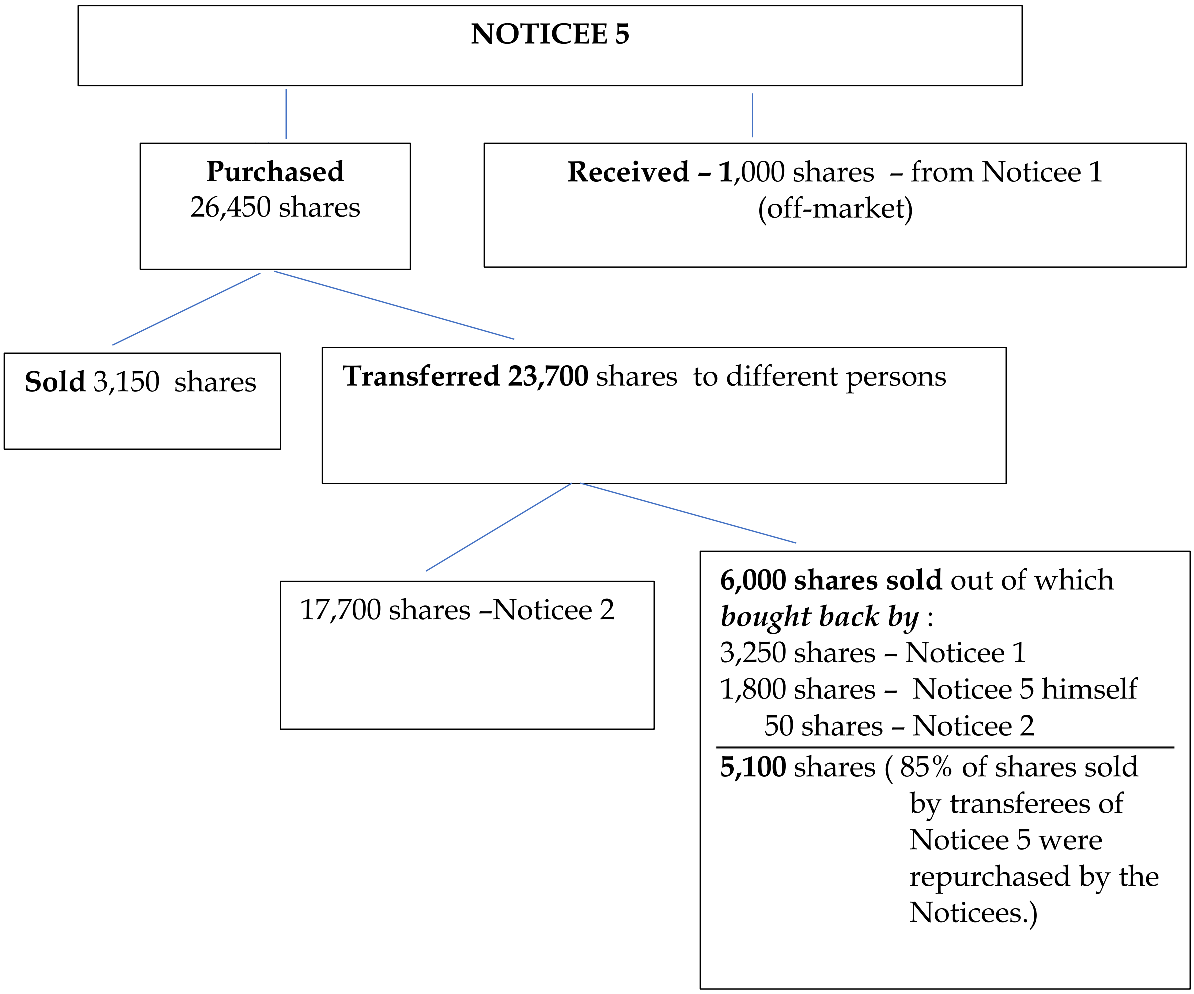
Noticee no. 5 (Shri Kishorilal A. Bissa)

Period : *January 2007 to December 2007*

a) Notice 5 bought 26,450 shares and sold 3,150 shares of Sunteck on the exchange between April 01, 2007 and June 30, 2007 through the broker Shriram Insight Share Brokers Limited. During this period Noticee 5 received 1,000 shares of Sunteck in off-market from Noticee 1 and had transferred 23,700 shares to different persons, out of which 17,700 shares were transferred to Noticee 2, who in turn transferred these to various persons. Remaining 6,000 shares were sold by transferees and Noticee 1 is the major buyer on the exchange, accounting for 3,250 shares

b) Noticee 5 himself bought back 1,800 shares, while Noticee 2 bought back 50 shares.

A diagrammatic representation of the process followed by the Noticee is as under :

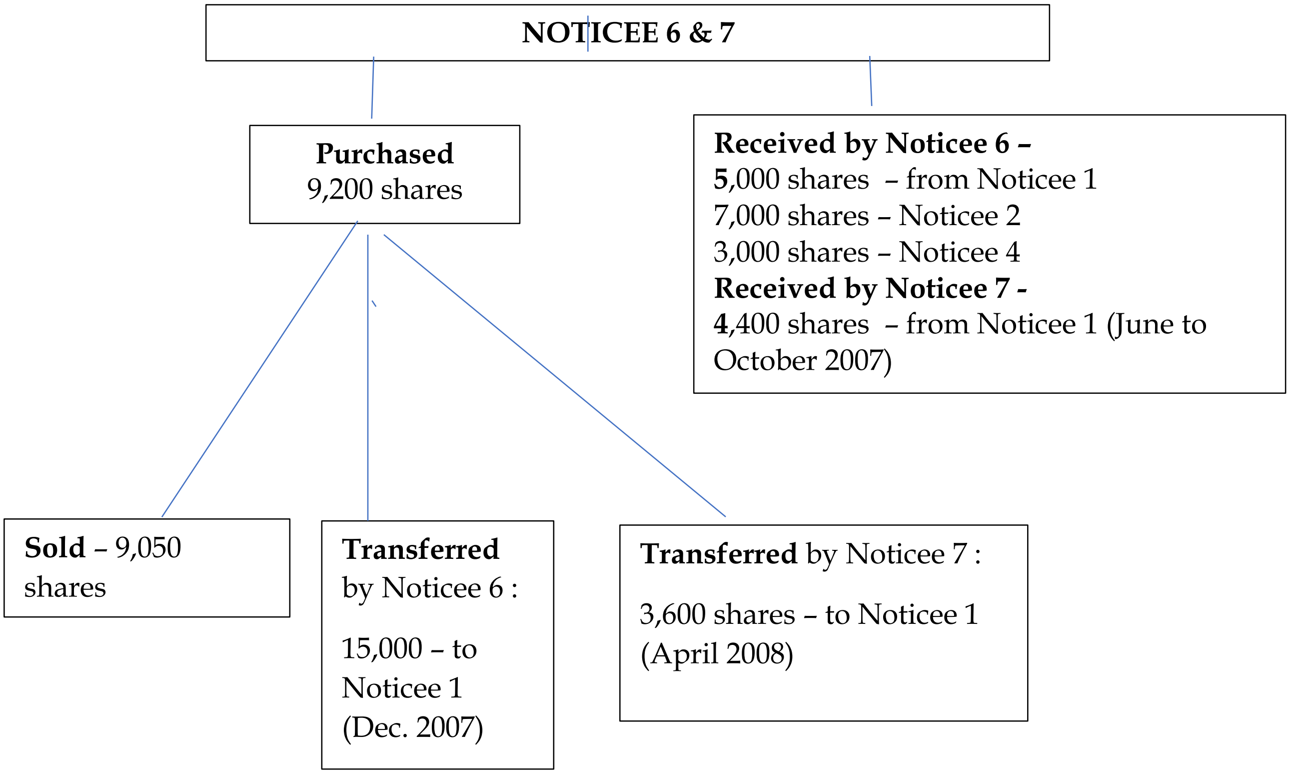


Noticee no. 6 & 7 : (Shri Jitendra H. Joshi & M/s. Shripal Shares and Securities Ltd.)

<u>January 2007 to August 2008</u>

a) Notice 6 is the promoter, director and authorized person of Noticee 7 and they both were operating from the same premises. Noticee 6 & 7 purchased 9,200 shares and sold 9,050 shares of Sunteck in the market. Further, Noticee 6 transferred 15,000 shares in off-market to Noticee 1 in the month of December 2007. Noticee 7 transferred 3,600 shares to Noticee 1 during April 2008. During the said period Noticee 6 also received 5,000 shares from Noticee 1; 7,000 shares from Noticee 2 and 3,000 shares from Noticee 4. Noticee 6 received 4,400 shares from Noticee 1 during the period June to October 2007.

A diagrammatic representation of the process followed by the Noticee is as under :



6. It is clear from the above analysis that the Noticees adopted two modes to offload shares while indulging in this manipulation. One mode was through sales in the stock market mechanism and the other through off market route by transferring the shares to known/ related entities. Through such modus operandi the selling entities have benefitted from both the modes of transactions. Thus it is imperative that the determination of the profit in such a case would need to be done taking into account both the modes of transactions.
7. The modus operandi for placing the shares with known entities and related parties is an attempt to fly below the radar of the stock exchange trade surveillance and monitoring mechanism. If the selling entities were to execute the trades themselves in the market, they would have attracted the attention of the stock exchanges and this manipulative activity could have been curtailed. This is also obvious from the following tabulation

Sr. No.	Selling Entity	Total Shares Sold	In Market	In Off-market	In Off-market
		A	***B***	***C***	***C as % of A***
1.	Notice 1	1,02,350	18350	84,000	82
2.	Noticee 2	88,450	12900	75,550	85
3.	Noticee 3	27,800	150	27,650	99
4.	Noticee 4	14,700	3700	12,050	82
5.	Noticee 5	26,850	3150	23,700	88
6.	Noticee 6 & 7	27,650	9050	18,600	67

8. From the above, it is evident that selling entities disposed off majority of their holding only through off market route so as not to attract the attention of the stock exchange when these known/related parties sold out in turn on the stock exchange. The depiction of the on market sales of these related parties are depicted in relevant places above.

9. The shares which were transferred in the off-market to front entities were sold in the market and also in turn some of those were bought back by the selling Noticees as depicted above. This not only created a circular fashion of trading but also gave an indication of widespread trading in the scrip and thus created an impression of volume, whereas it was just these entities that were trading amongst themselves in the fashion depicted above. The Noticees contributed to the majority of the trading in the scrip of Sunteck as also contributed significantly to the turnover of exchange during the period of investigation. An analysis of turnover at the exchange during the investigation period reveals the following :

Month	Total one Turnover (BSE)	Volume Weighted Average Price (VWAP) for the month	% of turnover clocked by connected entities Chiranjilal Jayram Vyas, Namdeo Harichandra More, Shripal Shares & Securities (Shri Jitendra Harivansh Joshi) Ltd., Shri Deendayal Bohara and Shri Kishorilal Amrutlal Bissa	
			Buy	Sell
January 2007	7,350	338.48	24.50	--
February 2007	5,250	441.90	78.09	10.47
March 2007	24,050	494.60	49.90	--
April 2007	24,200	537.82	80.37	5.37
May 2007	25,550	588.66	79.84	9.20
June 2007	31,800	584.06	42.45	23.11
Julv 2007	58,950	541.70	77.80	6.28
August 2007	46,450	500.01	37.25	24.65
September 2007	14,500	538.92	31.38	36.20
October 2007	47,200	964.93	22.14	22.78
November 2007	41,550	1641.45	25.90	4.45

10. From the above, it can be seen that the Noticees who were connected to each other were the significant players in the market.

11. The sellers could not have created such volumes without being caught by the stock exchanges, if they had not employed the services of the known/ related parties to sell on their behalf. Thus the shares disposed off to the known /related parties were integral to the modus operandi deployed by the selling entities.

12. This manipulation would not have been possible without these known/related parties. It is on record that warning letters were issued in July 2020 to the transferees who sold the shares in the market after receiving the same from the Noticees. Thus it cannot be concluded that the shares that were thus disposed off in the off market are not tainted shares. Invariably these were the tainted shares and would need to be taken into consideration for the calculation of profit.

13. It is worthwhile to note that even when these known/related parties were selling in the market in some cases the entities were also buying these shares from the very same parties in the market. Hence the shares sold by the front entities which created the artificial volume is to be taken into account for calculation of unlawful gain by the Noticees.

Penalty for violations

14. As mentioned earlier Hon'ble SAT has already upheld the fraudulent activities carried out by the Noticees. Hence now the penalty is to be determined under section 15HA of the SEBI ACT, which reads as under:

15HA – Penalty for fraudulent and Unfair Trade practices

If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty (which shall not be less than the amount of profits made out of such practices whichever is higher].

While determining the quantum of penalty under Section 15HA of the SEBI Act, it is important to consider the factors stipulated in Section 15J of SEBI Act, which reads as under:-

15J - Factors to be taken into account by the adjudicating officer

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 a 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."

15. I note that the Noticees have made the following profit/loss by trading in the scrip of Sunteck during the period of investigation:

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Name of the Entity	**No of Shares purchased**	**Purchase Cost (A)**	**Avg Purchase Price**	**No of Shares sold on-market**	**Sales Value**	**No of Shares Sold Off-market**	**Sales Value**	**Total Sales Value**	**Average Sales parice**	**Squared off qty.**	**Sales value (Avg Cost method) = Squared off Qty * Average Sales price**	**Purchase Value (avg Cost method) = Squared off Qty * Average Purchase price**	**Realized Profit/Loss (Average Cost Method) = Total sales value - Average buy value**
			3/4					**6+8**	**9/11**		**10x11**	**4x11**	**12-13**
Noticee 1	74750	48547860.00	649.47	18350	11372415.00	48650	60699647.50	72072062.50	1075.70	67000	72072062.50	43514469.83	2,85,57,592.67
Noticee 2	55050	45962990.00	834.93	12900	8992465.00	64650	63886567.50	72879032.50	939.77	55050	51734245.51	45962990.00	57,71,255.51
Noticee 3	23950	35998387.50	1503.06	150	232800.00	27650	41966200.00	42199000.00	1517.95	23950	36354893.88	35998387.50	3,56,506.38
Noticee 4	14900	13458440.00	903.25	3700	2535092.00	8600	10921432.50	13456525.00	1094.03	12300	13456525.00	11109987.38	23,46,537.62
Noticee 5	26450	14981567.50	566.41	3150	1777942.50	6000	3532605.00	5310547.50	580.39	9150	5310547.50	5182659.46	1,27,888.04
Noticee 6 & 7	9200	9488932.50	1031.41	9050	6661225.00			6661225.00	736.05	9050	6661225.00	9334221.64	(-) 26,72,996.64

16. The Hon'ble SAT in its order dated September 27, 2021 observed that unlawful gain are generally calculated on the basis of average cost method. Hence the calculation of profit in the instant case is made on average cost method.

ORDER

17. Having considered the facts and circumstances of the case, the factors considered under 15 J as also the time factor which as observed by Hon'ble SAT in its order dated September 27, 2021 is to be taken into account for consideration of penalty, I am of the view that a penalty equal to the ill-gotten gains would be appropriate. Therefore in exercise of power conferred upon me under section 15-I of the SEBI Act, 1992 read with rule 5 of the Adjudication Rules, 1995, I hereby impose following penalty under section 15HA of the SEBI Act, 1992 on the Noticees:

Noticee	**Ill-gotten gains (Rs.)**	**Penalty imposed (Rs,)**
Noticee 1	2,85,57,592.67	2,85,57,592.00
Noticee 2	57,71,255.51	57,71,256.00
Noticee 3	3,56,506.38	3,56,506.00
Noticee 4	23,46,537.62	23,46,538.00
Noticee 5	1,27,888.04	1,27,888.00

18. Though Noticee 6 and Noticee 7 have incurred losses, they were part of the group and played an active role in facilitating the manipulation in the scrip of Sunteck Realty Limited. Hence their violation is also serious. Therefore, considering the role played by them, penalty of Rs.5,00,000 /- (Rupees Five Lakhs) each is imposed on them under Section 15HA of SEBI Act, 1992.

19. The Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order either by way of Demand Draft in favour of "SEBI - Penalties Remittable to Government of India", payable at Mumbai, OR 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

20. The aforesaid Noticees shall forward said Demand Draft or the details / confirmation of penalty so paid to "The Division Chief (Enforcement Department 1 DRA-2), Securities and Exchange Board of India, SEBI Bhavan, Plot No. C – 4 A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051." The Noticees shall also provide the following details while forwarding DD / payment information:
    - Name and PAN of the Noticee
    - Name of the case / matter
    - Purpose of Payment – Payment of penalty under AO proceedings
    - Bank Name and Account Number
    - Transaction Number

21. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, SEBI may initiate consequential actions including but not limited to recovery proceedings under section 28A of the SEBI Act, 1992 for realization of the said amount of penalty along with interest thereon, *inter alia*, by attachment and sale of movable and immovable properties.

22. In terms of the provisions of rule 6 of the Adjudication Rules, a copy of this order is being sent to the Noticees and also to the Securities and Exchange Board of India.

Date: March 25, 2022	**BARNALI MUKHERJEE**
Place: Mumbai	**ADJUDICATING OFFICER**