BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. : Order/PB/AE/2022-23/16332-16344]

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

In respect of

Noticee No.	Noticee Name	PAN
1	Adamina Traders Pvt. Ltd.	AAICA0681J
2	Anvita Real Estate Pvt. Ltd.	AAICA2157M
3	Dizzystone Trading Pvt. Ltd.	AADCD5749F
4	Magan Mercantile Pvt. Ltd.	AAGCM2167D
5	Matulya Trading Pvt. Ltd.	AAHCM0217H
6	Naseen Tradelink Pvt. Ltd.	AADCN1075A
7	Nirvana Mall Management Co Pvt. Ltd.	AACCN2665B
8	Orange Mist Productions Pvt. Ltd.	AABCO0927C
9	Roho Real Estate Pvt. Ltd.	AAECR5430N
10	Sally Real Estate Pvt. Ltd.	AANCS8549Q
11	Tushar Pandit Jadhav	AHUPJ8781G
12	Wellman Tradelinks Pvt. Ltd.	AAACW8534C
13	Yogita Trading LLP	AABFY4583D

*(hereinafter collectively referred to as "**Noticees**")*

In the matter of Shantanu Sheorey Aquakult Ltd

BACKGROUND

1. SEBI conducted investigation in the matter of Shantanu Sheorey Aquakult Ltd. (hereinafter referred to as "**SSAL** / **Company**") for the period March 01, 2014 to May 31, 2016 (hereinafter referred to as "**Investigation Period / IP**") examining

the trading activity in the scrip of SSAL. On the basis of investigation conducted by SEBI, it was *inter-alia* alleged that 21 entities, which comprised the 13 Noticees and 8 other entities viz. ASBN Commodities & Fineserve Pvt. Ltd., Abjayoni Trading Pvt. Ltd., Black Horse Media and Entertainment Pvt. Ltd., Haritima Infrastructure Pvt. Ltd., Jeshna Muiltitrade Pvt. Ltd., Meritorious Realty Pvt. Ltd., Vihar Infrastructure Pvt. Ltd. and Whitetext Infrastructure Pvt. Ltd., have violated the provisions of regulations 3(a), (b), (c), (d) and 4(1), 4(2)(a) and (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as “**PFUTP Regulations**”).

2. In view of the same, adjudication proceedings were initiated against the 21 entities under Section 15HA of the SEBI Act, 1992 for alleged violations of regulations 3(a), (b), (c), (d) and 4(1), 4(2)(a) and (e) of PFUTP Regulations. Subsequently, the adjudication proceedings in respect of 8 entities viz. ASBN Commodities & Fineserve Pvt. Ltd., Abjayoni Trading Pvt. Ltd., Black Horse Media and Entertainment Pvt. Ltd., Haritima Infrastructure Pvt. Ltd., Jeshna Muiltitrade Pvt. Ltd., Meritorious Realty Pvt. Ltd., Vihar Infrastructure Pvt. Ltd. and Whitetext Infrastructure Pvt. Ltd. have been disposed of vide adjudication orders dated August 18, 2021, August 20, 2021, August 30, 2021, September 15, 2021 and October 05, 2021, as the said entities were observed to be struck off from the register of companies and dissolved.

APPOINTMENT OF ADJUDICATING OFFICER

3. Initially, Shri K Saravanan, Chief General Manager was appointed as the Adjudicating Officer (AO), vide Communiqué dated July 26, 2017 under Section 19 read with Section 15-I(1) of the SEBI Act read with Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as ‘**Adjudication Rules**’) to inquire into and adjudge under the provisions of Section 15HA of the SEBI Act, the alleged violations of the relevant provisions of PFUTP

Regulations by the Noticees. Pursuant to the transfer of Shri K Saravanan, the undersigned was appointed as the AO in the matter vide Communiqué dated July 14, 2021.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

4. A common show cause notice dated November 17, 2017 (hereinafter referred to as '**SCN'**) was issued, *inter-alia*, to the aforementioned 21 entities in the matter, under the provisions of Rule 4(1) of the Adjudication Rules, to show cause as to why an inquiry should not be held against them and why penalty, if any, should not be imposed on them under Section 15HA of the SEBI Act for alleged violation of the relevant provisions of law. The allegations in the SCN are as follows.

   i. *SEBI conducted investigation in the matter of SSAL for the period March 01, 2014 to May 31, 2016 (hereinafter referred to as Investigation Period) examining the trading activity.*

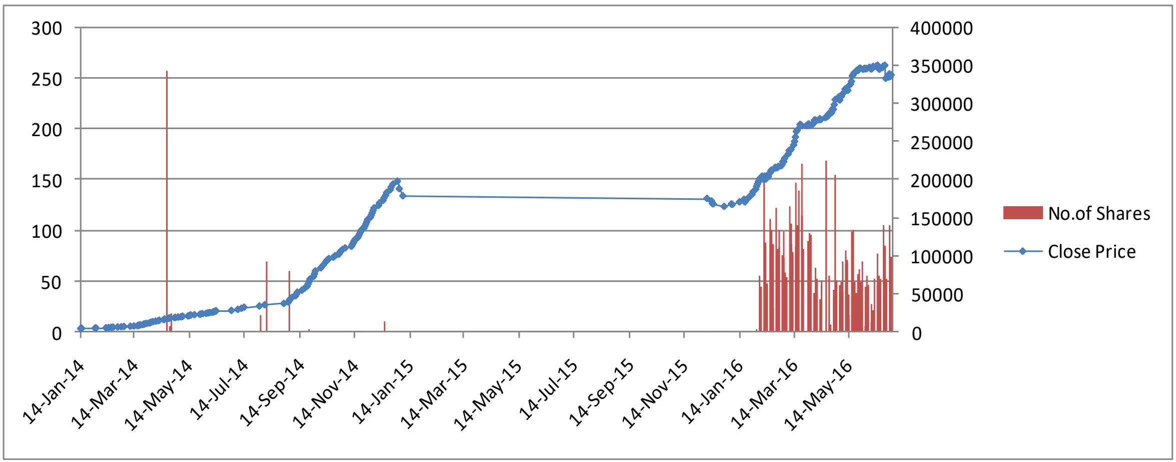
   Price Volume Movement-

   ii. *Variations in share price and daily traded volume of SSAL was analyzed by SEBI for the investigation period and the same was also compared with price and volume of SSAL, before and after the investigation period, and the relevant data is as under-*

   Table - 1

Period	***Particulars***	***Open***	***High***	***Low***	***Close***	***Avg. Volume***
14/1/14-28/2/14 – pre investigation period	*Price*	*3.08 (14/1/14)*	*4.72 (28/2/14)*	*3.08 (14/1/14)*	*4.72 (28/2/14)*	*127*
	Volume	*100 (14/1/14)*	*1000 (30/1/14)*	*10 (31/1/14)*	*10 (28/2/14)*	
01/03/14-31/05/16- Investigation period	*Price*	*4.95 (3/3/14)*	*261 (26/5/16)*	*4.95 (3/3/14)*	*260.5 (31/5/16)*	*38430*
	Volume	*10 (3/3/14)*	*344003 (17/4/14)*	*1 (5/5/14)*	*60433 (31/5/16)*	
01/6/16-31/08/16 – post investigation period	*Price*	*262 (1/6/16)*	*269 (11/7/16)*	*236.55 (4/7/16)*	*269 (31/8/2016)*	*72151*
	Volume	*60198 (1/6/16)*	*145414 (9/8/16)*	*8 (21/7/16)*	*30046 (31/08/2016)*	

   iii. *The price volume chart during the period under investigation is as under:*



iv. *During the investigation period, share price of SSAL opened at Rs. 4.95 (March 03, 2014), touched a high of Rs. 261 (May 26, 2016) and closed at Rs. 260.5 (May 31, 2016). It has been observed that the scrip price increased continuously during the investigation period. Further, 79,55,079 shares were traded through 8274 trades.*

v. *Following inter-se relationship is alleged among the 21 entities –*

Table - 2

Sr. No	***Connected Entities name***	***Directors Name***	***Connection Details***
1	*Orange Mist Productions Pvt. Ltd.*	*Kumar Raichand Madan,* *Athistamani Velu,* *Sadashiv Pawar*	*Entities at Sr. No. 1, 2, 3, 4, 5 are connected to each other through common director i.e. Kumar Raichand Madan.* *<u>Connection through Fund transfers:</u>* *Fund transaction between Orange Mist (Corporation bank, acc no: 146901601000344) and Tushar P Jadhav (acc no: 146900101002398, Corporation Bank).* *Fund transaction between Adamina Traders (Axis Bank acc. No. : 914020029287819) and Matulya Traders (Acc no: 146901601000200, Corporation Bank), Tushar P Jadhav (acc no: 146900101002398, Corporation Bank).*
2	*Magan Mercantile Pvt. Ltd.*	*Prakash R Naik, Ranjankumar R Rajbhar, Kumar Raichand Madan, Sumit V Salvi*	
3	*Roho Real Estate Private Limited*	*Kumar Raichand Madan,* *Paresh B Gharat,* *Prashant S Indlkar*	

Sr. No	*Connected Entities name*	*Directors Name*	*Connection Details*
4	*Adamina Traders Pvt. Ltd.*	*Rajesh P Malgaonkar , Ranjankumar R Rajbhar, Raichand Kumar Madan*	
5	*Yogita Trading LLP*	*Raichand Kumar Madan,* *Chetan S Bhelekar*	
6	*Abjayoni Trading P Ltd.*	*Sunil B Rajbhar, Shivsharan Yulidra, Sajid Sayed*	*Kumar Raichand Madan, Sunil Rajbhar and Shyam Kadam are common directors of Patel & Patel Team Developers LLP. Hence, the entities at Sr. No. 6 to 7 are connected to Kumar Raichand Madan and part of suspected entities.*
7	*Jeshna Muiltitrade Pvt Ltd.*	*Sunil Rajbhar, Shyam kadam*	
8	*Anvita Real Estate P Ltd.*	*Mahesh Hirji Jogadia , Reshma R Malagavakar*	*Kumar Raichand Madan and Reshma Malagavakar are common directors of Jeet Commosales LLP and Avantika Commosales LLP. Hence, the entities at Sr. No. 8 to 10 are connected to Kumar Raichand Madan and part of the suspected entities.*
9	*Meritorious Realty Private Limited*	*Ajitkumar S Singh, Reshma R Malagavakar*	
10	*Haritima Infrastructure Private Limited*	*Reshma R Malagavakar, Deepak Jambodaker,*	
11	*Sally Real Estate Private Limited*	*Chetan S Bhelekar, Sunita Poojary, Reshma R Surve.*	*Kumar Raichand Madan and Chetan S Bhelekar are common directors of Yogita Trading LLP and Moonlight Trading LLP. Hence, entity at sr. no 11 is connected to Kumar Raichand Madan and part of suspected entities.*
12	*White text Infrastructure Pvt. Ltd.*	*Mukhtar Shaikh, Pradeep Tak, Chandrakant Gaikwad*	*Kumar Raichand Madan and Chandrakant Gaikwad are common directors of By method Reality Pvt Ltd. Hence, the entities at Sr. No 12-13 are connected to*

Sr. No	Connected Entities name	Directors Name	Connection Details
13	*Vihar Infrastructure Private Limited*	*Hanmant Ranjane, Chandrakant Gaikwad,* *Kirtikumar Sidhpura*	*Kumar Raichand Madan and part of suspected entities.*
14	*Nirvana Mall Management co Pvt Ltd.*	*Sunil V Vachharajani,* *Vilas Antu Yadav, Athistamani M Velu, Sadashiv D Pawar*	*Kumar Raichand Madan and Athistamani M Velu are common directors of Orange Mist Productions P ltd. Hence the entities at sr. no 14-15 are connected to Kumar Raichand Madan and part of suspected entities:*
15	*Dizzystone Trading Pvt. Ltd.*	*Athistamani M Velu, Ganesh S Budbadkar,* *Nilesh D Pagare*	
16	*A S B N Commodities & Fineserve Pvt. Ltd.*	*Mahesh Hirji Jogadia, Rajesh P Malgaonkar,*	*Kumar Raichand Madan and Rajesh Malgaonkar are common directors of Adamnia Traders P Ltd. Hence entities at Sr. no 16-17 are connected to Kumar Raichand Madan and part of suspected entities.*
17	*Black Horse Media and Entertainment Pvt. Ltd*	*Rajesh P Malgaonkar,* *Hiralal K Bhardwaj*	
18	*Wellman Tradelinks Private Limited*	*Sunil sukum,* *Meena Kamani,* *Suryanath Singh*	*Kumar Raichand Madan and Meena C Kamani are common directors of Samyak Multitrade PLtd. Hence, the entity at Sr. No 18 is connected to Kumar Raichand Madan and part of the suspected entity.*
19	*Naseen Tradelink Private Limited*	*Nathuram Plakar, Ranjan kumar Rajbhar,* *Priti Thakkar*	*Kumar Raichand Madan and Ranjankumar Rajbhar are common director of Magan Mercantile Pvt Ltd. Also the email id of these entities are common. Hence the entity at Sr. no. 19 is connected to Kumar Raichand Madan and part of the suspected entities.*
20	*Matulya Trading Pvt. Ltd.*	*Geeta Varma, Rakesh Naik,* *Priti M Thakkar,*	*Matulya (Acc no: 146901601000200, Corporation Bank) received funds from Adamina Traders (acc no: 914020029287819, Axis Bank) in which Kumar*

Sr. No	***Connected Entities name***	***Directors Name***	***Connection Details***
		Kartik S Thakkar	*Raichand Madan is director. Hence, the entity at Sr. no. 20 is part of suspected entities.*
21	*Tushar P Jadhav*		*Tushar Jadhav (acc no: 146900101002398, Corporation Bank) Received funds from Orange Mist Productions (acc no: 146901601000344, Corporation Bank) / Adamina Traders P Ltd (acc no: 914020029287819, Axis Bank) in which Kumar Raichand Madan is director. Hence, the entity at Sr. no. 21 is part of suspected entities.*

vi. *Based on the trading of the Noticees during the investigation period, it is alleged that total LTP contribution of the 21 Noticees is 42.46% in the price rise. Details are tabulated in Table – 3*

Table-3

		Net LTP				Positive LTP			Negative LTP			Zero LTP		
Buyer PAN	Buyer Name	LTP impact in Rs.	QTY traded	No. of trading days	No of trades	LTP impact in Rs.	QTY traded	No of trades	LTP impact in Rs.	QTY traded	No of trades	QTY traded	No of trades	% of Positive LTP to Total MKT Positive
AAJCA2178D	A S B N Commodities & Fineserve Pvt. Ltd	13.60	329630	34	269	19.10	57031	41	-5.50	20280	15	252319	213	3.19
AAJCA2177N	Abjayoni Trading Pvt. Ltd	15.00	457837	59	819	64.15	63947	102	-49.15	39816	94	354074	623	10.70
AAICA0681J	Adamina Traders Pvt Ltd	6.90	234570	22	166	12.90	45477	23	-6.00	48691	14	140402	129	2.15
AAICA2157M	Anvita Real Estate Pvt. Ltd	20.10	641543	46	688	45.70	73651	60	-25.60	50336	32	517556	596	7.62
AADCB5849G	Black Horse Media And Entertainment Pvt. Ltd	2.25	101495	13	77	3.10	17995	14	-0.85	14726	7	68774	56	0.52
AADCD5749F	Dizzystone Trading Pvt Ltd	1.50	159497	17	202	6.20	17130	20	-4.70	7373	17	134994	165	1.03
AACCH8710M	Haritima Infrastructure Pvt. Ltd	1.70	195987	22	163	3.10	23840	14	-1.40	8687	5	163460	144	0.52
AACCJ2392K	Jeshna Multitrade Pvt Ltd	1.30	153315	13	136	4.60	29170	16	-3.30	4600	4	119545	116	0.77
AAGCM2167D	Magan Mercantile Pvt Ltd	15.30	260056	18	263	17.10	49040	20	-1.80	34152	11	176864	232	2.85
AAHCM0217H	Matulya Trading Pvt. Ltd	5.80	132710	14	121	6.10	10532	12	-0.30	6511	3	115667	106	1.02
AAGCM3629L	Meritorious Realty Pvt. Ltd	7.10	327385	33	261	10.90	43532	30	-3.80	23093	13	260760	218	1.82
AADCN1075A	Naseen Tradelink Pvt. Ltd	2.40	57630	12	84	3.30	7539	11	-0.90	2469	3	47622	70	0.55
AACCN2665B	Nirvana Mall Management Co Pvt Ltd	2.70	95598	12	57	3.00	3333	3	-0.30	13310	2	78955	52	0.50
AABCO0927C	Orange Mist Productions Pvt Ltd	21.80	700963	41	489	29.00	124092	65	-7.20	60714	21	516157	403	4.84
AAECR5430N	Roho Real Estate Pvt. Ltd	1.85	165390	10	60	3.95	22068	7	-2.10	32300	5	111022	48	0.66
AANCS8549Q	Sally Real Estate Pvt. Ltd	3.50	163915	20	148	7.70	25500	13	-4.20	33908	16	104507	119	1.28
AHUPJ8781G	Tushar Pandit Jadhav	4.30	107705	23	80	5.40	20502	9	-1.10	16510	6	70693	65	0.90
AADCV9737F	Vihar Infrastructure Pvt. Ltd	1.40	100248	12	57	2.40	29773	13	-1.00	15337	6	55138	38	0.40
AAACW8534C	Wellman Tradelinks Pvt. Ltd	2.70	26267	11	28	2.70	2550	2	0.00	0	0	23717	26	0.45
AABCW0224G	Whitetext Infrastructure Pvt. Ltd.	3.00	84029	8	28	3.40	32331	9	-0.40	16900	3	34798	16	0.57
AABFY4583D	Yogita Trading LLP	0.80	8910	2	21	0.80	2039	2	0.00	0	0	6871	19	0.13
	LTP Contribution by 21 suspected entities	135.00	4504680	81	4217	254.60	701072	486	-119.60	449713	277	3353895	3454	42.46
	MKT LTP	255.78	7955079	207	8274	599.68	1046241	922	-343.90	721208	559	6187630	6793	100

vii. *It is observed that during the investigation period 21 Noticees carried out 4217 (total) trades, which was 50.96% of the market trades (total 8274 trades). Out of 4217 trades, in 4028 trades the Noticees placed buy orders subsequent to the sell orders. Out of these 4028 trades, in 1252 trades the buy orders were placed at a price higher than the available sell order price.*

viii. *Further, it is also observed that these 4028 trades of the Noticees were carried out during the period (February 01, 2016- May 31, 2016) (Which is part of Investigation Period). During this period (February 01, 2016 - May 31, 2016), the scrip price increased from Rs. 141 (February 01, 2016) to Rs. 260.50 (May 31, 2016) and the Noticees collectively bought 44.07 lac shares, which was 55.39% of the market volume of 79.55 lac shares.*

ix. *Considering the significant contribution to the positive LTP and substantial volume of shares purchased during this period by the Noticees, order placement pattern of the 4028 trades of the Noticees was examined and the details of the same are as follows:*

Table – 4

Sr. No	***Name of Noticees***	***Total Trades***	***No of instance of trades in which buy orders were placed after sell orders (excluding mkt orders)***	***No of trades in which buy order price > sell order Price (modified price) (excluding mkt orders)***	***No of trades out of 1252 trades which contributed to the price rise (+ Ve LTP)***	***Positive LTP contribution (in Rs.)in 225 trades.***
1	*A S B N Commodities & Fineserve P Ltd.*	*269*	*266*	*135*	*24*	*11.40*
2	*Abjayoni Trading P Ltd.*	*819*	*720*	*123*	*27*	*16.00*
3	*Adamina Traders Pvt Ltd*	*166*	*161*	*47*	*11*	*2.60*
4	*Anvita Real Estate P Ltd.*	*688*	*669*	*133*	*25*	*13.30*
5	*Black Horse Media And Entertainment P Ltd*	*77*	*77*	*44*	*11*	*1.40*
6	*Dizzystone Trading Pvt Ltd*	*202*	*185*	*24*	*2*	*0.30*
7	*Haritima Infrastructure P Ltd.*	*163*	*163*	*74*	*10*	*2.10*
8	*Jeshna Muiltitrade Pvt Ltd*	*136*	*122*	*46*	*8*	*1.60*
9	*Magan Mercantile Pvt Ltd*	*263*	*256*	*36*	*10*	*5.40*
10	*Matulya Trading P Ltd.*	*121*	*121*	*70*	*5*	*0.90*
11	*Meritorious Realty P Ltd.*	*261*	*258*	*62*	*9*	*5.30*
12	*Naseen Tradelink P Ltd.*	*84*	*84*	*26*	*7*	*2.80*
13	*Nirvana Mall Management Co. Pvt. Ltd.*	*57*	*56*	*2*	*-*	*-*
14	*Orange Mist Productions Pvt. Ltd.*	*489*	*487*	*260*	*44*	*14.3*
15	*Roho Real Estate P Ltd.*	*60*	*60*	*33*	*5*	*1.45*
16	*Sally Real Estate P Ltd.*	*148*	*134*	*34*	*7*	*5.2*
17	*Tushar Pandit Jadhav*	*80*	*80*	*38*	*5*	*4.80*
18	*Vihar Infrastructure P Ltd.*	*57*	*52*	*30*	*6*	*0.80*
19	*Wellman Tradelinks P Ltd.*	*28*	*28*	*6*	*-*	*-*
20	*Whitetext Infrastructure P Ltd*	*28*	*28*	*18*	*8*	*2.90*
21	*Yogita Trading LLP*	*21*	*21*	*11*	*1*	*0.20*
	Total	*4217*	*4028*	*1252*	*225*	*92.75*
	Market Trades	*8274*	*6009*	*1876*		
	Total buy order Qty of the Noticees of 1252 trades			*3638537 (809 buy orders)*		
	Total sell order qty of the market of the 1252 trades			*9898073*		

x. As brought out in Table – 4, it is alleged that the 21 Noticees carried out 4217 trades of which in 4028 trades, the buy orders of the Noticees were placed subsequent to the sell orders. Out of these 4028 trades, in 1252 trades the buy orders were placed at a price higher than the available sell order price.

xi. *b) As shown in Table – 4, it is alleged that the 21 entities placed buy orders for total quantity of 36.38 lac shares at a higher price compared to the total market sell quantity of 98.98 lac shares available at a lesser price in the market.*

xii. *Therefore it is alleged that the 21 entities attempted to inflate the scrip price in 1252 trades by placing a buy order at a price higher than prevailing sell order price. Further, in 225 trades out of such 1252 trades, it is alleged that Noticees succeeded in increasing the price by Rs 92.75 (positive LTP), which is 15.64% of the total market positive LTP.*

xiii. *By way of an illustration one instance of such trade of one entity viz. Abjayoni Trading Pvt Ltd is given in detail in Table – 5 below to substantiate the allegation of price manipulation.*

Table - 5

Date	Suspected entities Name	Buy Order No	Sell Order No	Trade No	Buy Order Last Modified Time	Sell Order Last Modified Time	LTP (In %)	Buy Order Last Modified Rate	Sell Order Last Modified Rate	Buy Order Last Modified Qty	Sell Order Last Modified Qty	Traded Qty	Available Sell Order Qty	Available Sell Order Price range	Traded Price
09/03/2016	Abjayoni Trading P Ltd.	1462419000003245057	1462419000003245056	30	13:48:16	13:48:13	1.52	234	233.5	1800	1900	1800	1900	233.5	233.5

xiv. *It is alleged that Abjayoni Trading Pvt Ltd, as shown in one instance in Table - 5 above, placed buy order of 1800 shares at a price of Rs. 234 compared to the prevailing sell order price of Rs. 233.5 for 1900 shares (minimum available sell order quantity). Thus it is alleged that despite higher quantity of shares available at a lower price, Abjayoni Trading Pvt Ltd placed a buy order for a lower quantity at a higher price indicating the manipulative intent of Abjayoni Trading Pvt Ltd.*

xv. *Further, it has been observed that SSAL earned a total income of Rs.1.57 crore and Rs. 1.81 crore for the Financial Year 2014 - 2015 and 2015 - 2016 respectively. Considering the negligible income and the poor financials of SSAL, the sharp rise in the scrip price of SSAL was not supported by its fundamentals or any other major corporate development. Thus, it is alleged* *that it cannot be a mere coincidence that the suspected entities repeatedly bought substantial volume of shares at a price higher than the Last Traded Price and manipulated the scrip price of SSAL whose financials did not support the price movement of the scrip. Thus, it is alleged that 21 entities had manipulative intention to inflate the scrip price.*

xvi. *50 instances of 19 Noticees have been identified (all except Noticees No. 13 and 19) for which It has been alleged that trades were placed at a price higher than the available sell order price and the buy quantity lower than the available sell order quantity. The details of analysis of these 50 trades are given at Table – 6.*

Table -6

Sr. No	Date	Suspected entities Name	Buy Order No	Sell Order No	Trade No	Buy Order Last Modified Time	Sell Order Last Modified Time	LTP (In %)	Buy Order Last Modified Rate	Sell Order Last Modified Rate	Buy Order Last Modified Qty	Sell Order Last Modified Qty	Traded Qty	Available Sell Order Qty	Available Sell Order Price range	Traded Price
1	09/03/2016	Abjayoni Trading P Ltd.	1462419000003245057	1462419000003245056	30	13:48:16.302723	13:48:13.567055	1.52	234	233.5	1800	1900	1800	1900	233.5	233.5
2	09/03/2016	Abjayoni Trading P Ltd.	1457494200003244119	1457494200003244107	110	14:41:32.982968	13:40:53.700143	1.3	180	179.3	2800	7000	139	25-7000	177-179.3	179.3
3	05/05/2016	Abjayoni Trading P Ltd.	1457494200003244119	1457494200003244100	112	14:41:32.982968	13:11:41.417224	1.24	180	179.2	2800	5000	2648	25-7000	177-179.3	179.2
4	14/03/2016	A S B N Commodities & Fineserve P Ltd.	1457926200003454020	1457926200003454014	8	12:56:14.998244	10:41:05.914684	1.05	184	182.9	4000	5000	1025	2000-5000	180.5-182.9	182.9
5	06/04/2016	A S B N Commodities & Fineserve P Ltd.	1459913400003243055	1459913400003243016	41	13:54:30.921302	11:20:19.216811	0.72	210	208.5	3500	5000	489	5000	207-208.5	208.5
6	06/04/2016	A S B N Commodities & Fineserve P Ltd.	1459913400003243056	1459913400003243017	43	13:55:42.818024	11:20:27.735996	0.72	210	208.5	2200	5000	1189	5000	208.5	208.5
7	12/04/2016	Adamina Traders Pvt Ltd	1460431800004180030	1460431800004180013	24	12:13:36.895328	09:30:17.917701	0.14	211	210.5	1300	10000	1300	10000	210.5	210.5
8	29/04/2016	Adamina Traders Pvt Ltd	1461900600003345046	1461900600003345012	44	14:19:30.947622	11:59:35.961785	0.22	228	227.5	1000	5000	350	2500-5000	227-227.5	227.5
9	29/04/2016	Adamina Traders Pvt Ltd	1461900600003345063	1461900600003345013	63	14:21:37.279237	12:03:09.245040	0.22	229	228.5	1000	5000	350	4000-5000	228-228.5	228.5
10	17/02/2016	Anvita Real Estate P Ltd.	1455679800003369086	1455679800003369034	58	15:14:37.215120	13:59:12.401193	1.75	159	157.2	12500	1000	1000	42-3000 (total 13042)	154.5-157.5	157.2
11	17/02/2016	Anvita Real Estate P Ltd.	1455679800003369086	1455679800003369035	64	15:14:37.215120	13:59:08.729085	0.77	159	157.1	12500	2000	2000	42-3000 (total 13042)	154.5-157.5	157.1
12	14/03/2016	Black Horse Media And Entertainment P Ltd	1457926200003454091	1457926200003454090	87	13:42:26.707307	13:38:11.687289	0.11	185	183.9	1200	10450	897	10000-10450	183.7-183.9	183.9
13	23/05/2016	Black Horse Media And Entertainment P Ltd	1463974200003279077	1463974200003279018	73	14:49:34.477657	10:14:44.192964	0.12	259	258.9	700	10000	61	10000-19000	258.6-258.9	258.9
14	15/02/2016	Dizzystone Trading Pvt Ltd	1455507000003379051	1455507000003379016	37	15:26:44.355211	12:16:40.084447	0.2	154	153.9	6500	10900	6020	800-10900	153.3-153.5	153.9
15	01/03/2016	Dizzystone Trading Pvt Ltd	1456803000002220073	1456803000002220050	58	14:53:40.023417	13:19:44.065787	0.1	166	165.2	6000	5465	957	200-10000	165.1-165.2	165.2
16	08/03/2016	Haritima Infrastructure P Ltd.	1457407800002316100	1457407800002316052	90	13:35:03.703935	13:26:26.258887	0.11	175.8	175.4	2850	8000	770	8000	175.2-175.4	175.4
17	08/03/2016	Haritima Infrastructure P Ltd.	1457407800002316111	1457407800002316068	98	14:39:20.988098	11:08:12.357702	0.17	176	175.8	3000	9950	422	9950-10000	175.5-175.8	175.8
18	08/03/2016	Haritima Infrastructure P Ltd.	1457407800002316112	1457407800002316068	100	14:39:33.322380	11:08:12.357702	0.17	176	175.8	2400	9950	2400	9950	175.8	175.8
19	22/02/2016	Jeshna Muiltitrade Pvt Ltd	1456111800003340038	1456111800003340019	25	11:30:07.726751	10:00:02.474498	0.06	161.6	161.5	4400	13000	615	13000	161.4-161.5	161.5
20	17/03/2016	Jeshna Muiltitrade Pvt Ltd	1458185400004312061	1458185400004312025	48	13:15:08.513171	10:20:35.062919	0.15	196	194.8	1890	10000	1350	10000	194.8	194.8
21	23/03/2016	Jeshna Muiltitrade Pvt Ltd	1458703800003320035	1458703800003320009	22	12:08:33.701604	09:25:17.203333	0.15	203	202.6	1990	10000	1678	10000	202.6	202.6
22	15/03/2016	Magan Mercantile Pvt Ltd	1458012600003296025	1458012600003296013	7	12:30:06.884461	10:28:30.771974	0.22	185	184.9	1000	2000	39	2000	184.5-184.9	184.9
23	26/04/2016	Magan Mercantile Pvt Ltd	1461641400003237060	1461641400003237051	49	15:29:17.997846	14:45:35.351513	1.62	221	220	9500	2340	2305	2000-18000	220-220.7	220
24	26/04/2016	Magan Mercantile Pvt Ltd	1461641400003237060	1461641400003237047	50	15:29:17.997846	12:39:21.059585	0.23	221	220.5	9500	3000	3000	2000-18000	220-220.7	220.5
25	04/03/2016	Matulya Trading P Ltd.	1457062200003344088	1457062200003344063	96	15:29:22.979494	12:53:30.484855	0.29	176	172.5	5000	5970	830	2000-6000	172-172.5	172.5
26	15/03/2016	Matulya Trading P Ltd.	1458012600003296087	1458012600003296020	77	14:04:16.490146	11:20:43.501513	0.05	187	186	2250	5000	469	5000-10000	185.9-186	186
27	15/03/2016	Matulya Trading P Ltd.	1458012600003296087	1458012600003296011	79	14:04:16.490146	09:42:22.572533	0.05	187	186	2250	5000	500	5000-10000	185.9-186	186
28	16/03/2016	Meritorious Realty P Ltd.	1458099000003290043	1458099000003290008	37	12:27:42.514531	09:25:19.715791	0.26	190	189.5	3000	7303	2400	7303-12000	189-189.5	189.5
29	17/03/2016	Meritorious Realty P Ltd.	1458185400004312081	1458185400004312048	67	13:55:23.302960	12:55:35.271887	0.26	197	196.5	1620	10000	639	5000-10000	196-196.5	196.5
30	21/03/2016	Meritorious Realty P Ltd.	1458531000004323144	1458531000004323137	133	14:57:28.819150	14:32:56.289649	1.44	205	204.9	2000	15000	2000	15000	204.9	204.9
31	16/03/2016	Naseen Tradelink P Ltd.	1458099000003290213	1458099000003290056	199	13:15:09.114362	12:33:46.784896	0.16	191	190.8	1600	10000	740	10000-18000	190.5-190.8	190.8
32	21/03/2016	Naseen Tradelink P Ltd.	1458531000004323077	1458531000004323019	59	11:46:33.928720	09:41:45.376341	0.74	204	203.5	1680	6	6	6-10000	202-203.5	203.5
33	21/03/2016	Naseen Tradelink P Ltd.	1458531000004323077	1458531000004323007	62	11:46:33.928720	09:16:13.272017	0.2	204	203.4	1680	100	100	6-10000	202-203.5	203.4
34	17/02/2016	Orange Mist Productions Pvt Ltd	1455679800003369089	1455679800003369037	68	15:25:27.915650	12:27:10.722589	0.89	159	158.9	13800	10000	10000	3000-10000	157.5-159	158.9
35	17/03/2016	Orange Mist Productions Pvt Ltd	1458185400004312026	1458185400004312012	9	11:28:50.622482	09:58:12.379439	1.15	193.6	193.2	5500	1000	1000	1000-10000	193.2-193.4	193.2
36	09/05/2016	Roho Real Estate P Ltd.	1462764600003282063	1462764600003282058	57	15:02:16.021133	11:51:10.826862	0.08	238	237.2	5500	3000	859	1000-5000	237-237.2	237.2
37	09/05/2016	Roho Real Estate P Ltd.	1462764600003282066	1462764600003282017	68	15:02:36.244164	09:28:23.379732	0.13	238	237.5	3350	3000	709	3000-4000	237.2-237.5	237.5
38	19/05/2016	Roho Real Estate P Ltd.	1463628600003260065	1463628600003260025	77	15:45:00.720037	15:29:40.910938	0.28	254.7	254	6000	15000	1550	15000	254	254.7
39	15/02/2016	Sally Real Estate P Ltd.	1455507000003379034	1455507000003379024	13	13:36:41.430233	12:54:44.543294	0.99	154	152.5	13000	200	200	200-16500	151.8-153.5	152.5
40	15/02/2016	Sally Real Estate P Ltd.	1455507000003379034	1455507000003379033	18	13:36:41.430233	13:34:52.182338	1.25	154	153.4	13000	10000	10000	200-16500	151.8-153.5	153.4
41	16/03/2016	Sally Real Estate P Ltd.	1458099000003290017	1458099000003290006	2	10:14:13.921560	09:22:31.000765	0.27	189	188.5	1500	10000	500	2000-10000	188-188.5	188.5
42	17/02/2016	Tushar Pandit Jadhav	1455679800003369032	1455679800003369029	22	12:25:28.098433	12:14:10.336667	2.65	159	158.8	6280	12000	6280	12000	158.8	158.8
43	16/03/2016	Tushar Pandit Jadhav	1458099000003290038	1458099000003290011	31	11:26:50.247988	09:25:59.795263	0.11	190	189	1890	12000	1890	12000	189	189
44	17/03/2016	Tushar Pandit Jadhav	1458185400004312055	1458185400004312008	41	12:56:46.101024	09:25:47.574092	0.15	195	194.5	1820	10000	1180	10000	194.2-194.5	194.5
45	01/03/2016	Vihar Infrastructure P Ltd.	1456803000002220066	1456803000002220041	51	14:29:24.343028	12:13:46.678842	0.06	166	165.1	5000	10000	583	565-10000	165-165.1	165.1
46	10/03/2016	Vihar Infrastructure P Ltd.	1457580600003252045	1457580600003252010	30	12:21:47.721487	10:06:05.318123	0.11	184	183.6	2500	10000	2295	9775-10000	183.4-183.6	183.6
47	10/03/2016	Vihar Infrastructure P Ltd.	1457580600003252050	1457580600003252027	36	12:22:44.801552	11:47:08.058061	0.11	184	183.8	1200	10000	1195	10000	183.6-183.8	183.8
48	18/05/2016	Whitetext Infrastructure P Ltd	1463542200003151050	1463542200003151020	30	14:39:49.418621	12:48:57.307708	0.2	252	251.4	11000	5000	5000	5000-24000	250.9-251.6	251.4
49	23/05/2016	Whitetext Infrastructure P Ltd	1463974200003279069	1463974200003279009	64	13:54:02.861625	09:27:22.281390	0.19	260	258.5	10000	9950	8400	2000-9950	258.5	258.5
50	09/05/2016	Yogita Trading Llp	1462764600003282051	1462764600003282034	44	10:46:46.981918	10:15:23.253831	0.08	237	236.7	1500	4200	589	2000-5000	236.5-236.7	236.7

xvii. *As shown in the Table - 6, in all above 50 instances, it is alleged that Noticees have placed buy orders subsequent to the sell orders and at a price higher than the prevailing sell order prices and most importantly for a buy order quantity lower than the available sell order quantity. Also, in some of the above instances, the buy orders were placed after the available sell orders with a considerable time difference. Therefore it is alleged that Noticees repeatedly placed buy orders at a price higher than the available sell order price and for a quantity lower (required) than the available sell order quantity to manipulate the share price of SSAL.*

xviii. *Therefore, on the basis of Paras above it is alleged that the abovementioned 21 entities have violated Regulation 3(a), (b), (c), (d), 4(1), 4(2)(a) and (e) of PFUTP Regulations.*

<u>Replies</u>

<u>Noticee 1 (Adamina Traders Pvt Ltd)</u>

5. The SCN was delivered to Noticee 1. Vide letter dated December 24, 2018, Noticee 1 *inter alia* requested for copies of certain documents as follows –
   i. Order logs and trade logs of Noticee's trades
   ii. Investigation report.
   iii. Clear copy of pages 10 and 14 of SCN
   iv. The instances of trades considered objectionable towards positive LTP contribution
   v. Documents including bank statements referred to and relied upon by SEBI for alleging connection of various parties with the Noticee for the purpose of the charges as alleged in the SCN.
   vi. Analysis of trading pattern for trades considered objectionable for PFUTP violations.
6. With regard to the Noticee's request for documents, vide letter dated January 03, 2019, it was communicated to the Noticee that inspection and copies of only those documents which have been relied upon in the matter shall be provided. The request

for copies of documents sought was forwarded to the Enforcement Department of SEBI and Noticee was advised to contact the Enforcement Department of SEBI with regards to its request for documents. However, from the available records, it is noted that the Noticee did not carry out inspection nor did it address further communication to the Enforcement Department. Pursuant to the appointment of the undersigned as AO, vide Hearing Notice dated September 01, 2021, the appointment of the undersigned as AO in the matter was communicated to the Noticee and the Noticee was granted an opportunity of personal hearing on September 22, 2021. Further, the Noticee was also granted an opportunity to submit its reply, if any, to the SCN. The copy of the aforesaid hearing notice was also sent to Noticee 1 through email at its id - admtradltd@gmail.com. Vide email dated September 22, 2021 received from the email id – admtradltd@gmail.com, Noticee 1 acknowledged that it had received the Hearing Notice dated September 01, 2021. Further, Noticee 1 stated that it had not received the copy of the SCN dated November 17, 2017 and in this regard, Noticee 1 requested to be sent the copy of the SCN along with Annexures through email and also to adjourn the hearing scheduled on September 22, 2021. In response, vide email dated September 23, 2021 sent to the aforementioned email id, copy of the SCN dated November 17, 2017 along with its annexures was emailed to Noticee 1 and Noticee 1 was granted opportunity to submit its reply to the SCN latest by October 04, 2021. However, no reply was received from the Noticee. Thereafter, vide email dated October 05, 2021 sent to Noticee 1's aforementioned email id, Noticee 1 was granted one more opportunity of personal hearing on October 20, 2021. It was informed that in case the Noticee fails to appear for the aforesaid hearing the matter would be proceed on the basis of the material available on record. However, neither did Noticee 1 appeared for the said hearing nor did it file any response.

Noticee 2 (Anvita Real Estate Pvt. Ltd.)

7. The SCN sent to Noticee 2 at its addresses returned undelivered. Accordingly, the SCN was affixed at the last known address of Noticee 2 on December 25, 2017.

Report of affixture is available on record. However, no reply within the stipulated time was received from the Noticee. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 2 vide Hearing Notice dated September 01, 2021, wherein Noticee 2 was granted opportunity of personal hearing on September 20, 2021. The said hearing Notice returned undelivered from the address of Noticee 2. However, vide email dated September 03, 2021, the Hearing Notice dated September 01, 2021 was sent to Noticee 2 at its email id - anvitareal@gmail.com. Vide email dated September 20, 2021, received from R V Legal (Ms. Rinku Valanju), it was *inter alia* acknowledged that they were in receipt of SCN dated November 17, 2017, however it was requested that the hearing scheduled be postponed and two weeks of time be granted to file reply in the matter. In response, vide email dated September 27, 2021, Noticee 2 was granted opportunity to submit reply to the SCN by October 08, 2021. Further, it was advised that in case of any change in address of Noticee 2 during the pendency of the current adjudication proceedings, the same was to be informed to the AO immediately.

8. Thereafter, vide email dated October 20, 2021 the Noticee 2 was granted an opportunity of personal hearing on November 08, 2021. Vide email dated November 08, 2021 received from the email id anvitareal@gmail.com, reply vide letter dated November 06, 2021 was enclosed. The reply was in the letterhead of Noticee 2 wherein the address of Noticee 2 was mentioned as : B-8, 5th Floor, AIDUN, BUILDING 1st DHOBI TALAO LANE, MUMBAI – 400002. The reply of Noticee 2 is elaborated subsequently in this order. A personal hearing was held in respect of Noticee 2 on November 08, 2021, in which Ms. Rinku Valanju appeared on behalf of Noticee 2 and reiterated the submissions made by Noticee 2 vide its letter dated November 06, 2021. Hearing minutes are available on record.

Noticee 3 (Dizzystone Trading Pvt. Ltd.)

9. The SCN sent to Noticee 3 at its addresses returned undelivered. Accordingly, the SCN was affixed at the last known address of Noticee 3 on December 25, 2017.

Report of affixture is available on record. However, no reply within the stipulated time was received from the Noticee. Subsequently, vide letter dated February 05, 2019, Noticee 3 *inter alia* requested that a copy of the SCN along with annexures be sent to its email id – dizzystonepltd@gmail.com. Vide email dated May 31, 2019, copy of the SCN along with its annexures were provided to the Noticee at its aforementioned email id. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 3 vide Hearing Notice dated September 01, 2021, wherein Noticee 3 was granted opportunity of personal hearing on September 22, 2021. The said hearing Notice returned undelivered from the address of Noticee 3. However, vide email dated September 03, 2021, the Hearing Notice dated September 01, 2021 was sent to Noticee 3 at its aforementioned email id. Vide email dated September 22, 2021, reply dated September 21, 2021 was received from Noticee 3. The same is elaborated subsequently in this order. Further, a personal hearing was conducted on September 22, 2021, wherein Mr. Sumit Yadav, from R V Legal appeared on behalf of Noticee 3 and reiterated the submissions made by the Noticee vide its letter dated dated September 21, 2021. Vide email dated Novemeber 09, 2021, Noticee 3 made additional submissions vide letter dated November 08, 2021. The same is also elaborated subsequently in this order.

Noticee 4 (Magan Mercantile Pvt. Ltd.)

10. The SCN issued to Noticee 4 was delivered at its address - M/4, New Anant Bhuvan 257/65, N.N Street, Mumbai - 400009, Maharashtra, however it returned undelivered from its another address - R. no.13, Daulat Nagar Road No.7, near Jain Mandir, Borivali East, Mumbai, Maharashtra, India-400066. Vide letter dated January 02, 2019, Noticee 4 inter alia requested to be provided a copy of the SCN. In this regard, vide email dated May 31, 2019, copy of the SCN along with its annexures were sent to Noticee 4 at its email id - maganmpltd@gmail.com. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 4 vide Hearing Notice dated September 01, 2021, wherein Noticee 4 was granted opportunity of personal hearing on September 20, 2021. The said hearing Notice returned undelivered from

the address of Noticee 4 (*R. no.13, Daulat Nagar Road No.7, near Jain Mandir, Borivali East, Mumbai, Maharashtra, India-400066*) as mentioned in its letterhead. However, vide email dated September 03, 2021, the Hearing Notice dated September 01, 2021 was sent to Noticee 4 at its aforementioned email id. Vide email dated September 20, 2021, sent from the aforementioned email id, Noticee 4 submitted its reply dated September 20, 2021. A personal hearing was held in respect of Noticee 4 on September 20, 2021 wherein Ms. Rinku Valanju appeared for the hearing through the webex platform. However due to technical problems the hearing could not be conducted and the same was adjourned to September 23, 2021. Vide email dated September 23, 2021, Noticee 4 submitted revised reply dated September 20, 2021. The same is elaborated subsequently in this order. Further, on September 23, 2021, Ms. Rinku Valanju appeared for the hearing and reiterated the submissions made by Noticee 4 vide its letter dated September 20, 2021. Hearing minutes are available on record.

Noticee 5 (Matulya Trading Pvt. Ltd.)

11. The SCN sent to Noticee 5 at its addresses returned undelivered. Accordingly, the SCN was affixed at the last known address of Noticee 5 on December 25, 2017. Report of affixture is available on record. However, no reply within the stipulated time was received from the Noticee. Subsequently, vide letter dated January 11, 2019, Noticee 5 inter alia requested that a copy of the SCN be sent to it. Vide email dated May 31, 2019, copy of the SCN along with its annexures were provided to the Noticee at its email id - matulyatrad@ymail.com. However, no reply was received from Noticee 5 within the stipulated time. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 5 vide Hearing Notice dated September 01, 2021, wherein Noticee 5 was granted opportunity of personal hearing on September 22, 2021. The said hearing Notice returned undelivered from the address of Noticee 5. Vide email dated September 03, 2021, the Hearing Notice dated September 01, 2021 was sent to Noticee 5 at its aforementioned email id. Vide email dated September 21, 2021, sent from the email id - matulyatrad@ymail.com,

Noticee 5 informed that it has received the hearing notice dated September 01, 2021 in the instant matter It was further informed by the Noticee that they have been looking for an advocate who specializes in securities market and therefore requested the adjournment of the personal hearing scheduled on September 22, 2021 and further requested to be granted 2 weeks' time. Accordingly, vide email dated September 27, 2021, it was conveyed to Noticee 5 that it has been granted another opportunity of personal hearing on October 12, 2021. Vide the said email it was also communicated to Noticee 5 that if they fail to appear for the scheduled hearing, the matter shall be proceeded on the basis of the material available on record. However, no further response was received from Noticee 5 nor did it submit any reply to the SCN. Vide email dated October 12, 2021, the webex link for the hearing was sent to Noticee 5, which was duly delivered to the email ID viz. matulyatrad@ymail.com without bouncing back. However, Noticee 5 did not appear for the hearing.

Noticee 6 (Naseen Tradelink Pvt. Ltd.)

12. The SCN sent to Noticee 6 was delivered at its address - M/4, New Anant Bhivan 257/65 N.N Street Mumbai - 400009, Maharashtra, however it returned undelivered from its another address - Block No. 2, 3rd Floor, Abbas Manzil, Opp. Ciggrate Factory, Sahar Road, Chakala, Andheri East, Mumbai, Maharashtra, India, 400099. However, no reply was received from Noticee 6 within the stipulated time. Subsequently, vide letter dated December 27, 2018, Noticee 6 informed that it had received the SCN and further requested for the following documents –

i. Investigation report.
ii. Clear copy of pages 10 and 14 of SCN
iii. The instances of trades considered objectionable towards positive LTP contribution
iv. Analysis of trading pattern for trades considered objectionable for PFUTP violations.
v. Trade logs and Order logs of the Noticee.

13. Vide letter dated January 03, 2019, Noticee 6 was granted an opportunity of inspection of documents and was advised to contact the Enforcement Department of SEBI with regard to its request for documents. The said letter returned undelivered from the address mentioned in the abovementioned letter of Noticee 6 (M/4, New Anant Bhivan 257/65 N.N Street Mumbai - 400009, Maharashtra). Thereafter, scanned copy of the letter dated January 03, 2019 was sent to Noticee 6 at its email id – naseentrad@gmail.com (as mentioned in its letter head) vide email dated May 31, 2019. Vide the said email, Noticee 6 was advised to contact the Enforcement Department of SEBI for the purpose of inspection of documents. However, no response was received from Noticee 6. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 6 vide Hearing Notice dated September 01, 2021, wherein Noticee 6 was granted opportunity of personal hearing on September 23, 2021. The said hearing Notice returned undelivered from the address of Noticee 6. Vide email dated September 03, 2021, the Hearing Notice dated September 01, 2021 was sent to Noticee 6 at its email id – naseentrad@gmail.com. Vide email dated September 21, 2021, sent from the email id - naseentrad@gmail.com, Noticee 6 informed that they have received the notice for hearing scheduled on September 23, 2021, however they are unable to locate/trace the email by which the SCN dated November 17, 2017 was served to them. Noticee 6 further requested that a copy of the SCN along with annexures be given to them and meanwhile the hearing scheduled on September 23, 2021 be adjourned. Accordingly, in response, vide email dated September 23, 2021, copy of the SCN and its annexures were emailed to Noticee 6, and further, Noticee 6 was granted opportunity to submit reply to the SCN latest by October 04, 2021. However, no reply was received from Noticee 6 within the stipulated time. Thereafter, vide email dated October 05, 2021, Noticee 6 was granted another opportunity of personal hearing on October 20, 2021. However, neither any response was received from Noticee 6 nor did it submit any reply to the SCN.

Noticee 7 (Nirvana Mall Management Co Pvt. Ltd.)

14. The SCN sent to Noticee 7 at its addresses returned undelivered. Accordingly, the SCN was affixed at the last known address of Noticee 7 on December 21, 2017. Report of affixture is available on record. However, no reply within the stipulated time was received from the Noticee. Subsequently, vide letter dated January 14, 2019, Noticee 7 inter alia stated that they have been informed from their market sources that SEBI has initiated adjudication proceedings in the instant matter and requested to be provided with a copy of the SCN. Vide letter dated January 29, 2019, Noticee 7 inter alia requested that a copy of the SCN alongwith its annexures be sent to its email id – nirvanamallmgt@gmail.com. Vide email dated May 31, 2019, copy of the SCN along with its annexures were provided to the Noticee at its email id - nirvanamallmgt@gmail.com and nirvanamallmc@hotmail.com (as mentioned in its letter head). Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 7 vide Hearing Notice dated September 01, 2021, wherein Noticee 7 was granted opportunity of personal hearing on September 23, 2021. Vide email dated September 15, 2021, sent from the email id - nirvanamall@yahoo.com, Noticee 7 stated that they were in receipt of notice for hearing scheduled on September 23, 2021, however they are unable to find the SCN sent to them via email. Accordingly, it was requested that a copy of the SCN and annexures be provided to them and the hearing be adjourned. Vide email dated September 15, 2021, the Noticee was provided the copy of the SCN and its annexures. Vide email dated October 20, 2021, Noticee 7 submitted its reply dated October 19, 2021. The same is elaborated subsequently in this order. A personal hearing was held in respect of Noticee 7 on October 20, 2021 wherein Ms. Rinku Valanju appeared on behalf of Noticee 7 and reiterated the submissions made vide its reply dated October 19, 2021. Hearing minutes are available on record.

Noticee 8 (Orange Mist Productions Pvt. Ltd.)

15. The SCN sent to Noticee 8 at its addresses returned undelivered. Accordingly, the SCN was affixed at the last known address of Noticee 8 on December 23, 2017.

Report of affixture is available on record. However, no reply within the stipulated time was received from the Noticee. Subsequently, vide letter dated December 24, 2018, Noticee 8 inter alia stated that they are in receipt of the SCN and requested for the following data / documents –

i. Investigation report.
ii. The instances of trades considered objectionable towards positive LTP contribution
iii. Analysis of trading pattern for trades considered objectionable for PFUTP violations.
iv. Bank statements and other documents relied upon to establish connection of Noticee with other parties for the purpose of charges levied in the SCN
v. Trade logs and Order logs of the Noticee.

16. With regards to the request of the Noticee for documents, vide letter dated January 03, 2019, Noticee was granted opportunity for inspection of documents and further Noticee was advised to contact the Enforcement Department of SEBI with regard for its request for documents. The said letter was delivered at the address of the Noticee. Thereafter, vide letter dated January 08, 2019, Noticee 8 stated that it has come to their knowledge through various market sources that SEBI has initiated adjudication proceedings in the instant matter and requested to be provided with a copy of the SCN. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 8 vide Hearing Notice dated September 01, 2021, wherein Noticee 8 was granted opportunity of personal hearing on September 23, 2021. Vide email dated September 23, 2021, sent from the email id - orangemistltd@gmail.com, Noticee 8 submitted its reply vide letter dated September 20, 2021. The same is elaborated subsequently in this order. A personal hearing was held in respect of Noticee 8 on September 23, 2021 wherein Ms. Rinku Valanju appeared on behalf of Noticee 8 and reiterated the submissions made vide its reply dated September 20, 2021. The AR requested for opportunity to make additional submissions and in this regard, the AR was granted a weeks' time for the same. Hearing minutes are

available on record. However, no additional submissions were received from the entity.

Noticee 9 (Roho Real Estate Pvt. Ltd.)

17. The SCN sent to Noticee 9 at its addresses returned undelivered. Accordingly, the SCN was affixed at the last known address of Noticee 9 on December 25, 2017. Report of affixture is available on record. However, no reply within the stipulated time was received from the Noticee. Subsequently, vide letter dated January 14, 2019, Noticee 9 inter alia stated that they have been informed by various market sources that SEBI has initiated adjudication proceedings in the instant matter and requested to be provided with a copy of the SCN. Vide email dated May 31, 2019, copy of the SCN along with its annexures were provided to the Noticee at its email id – rohorealestate@gmail.com. However, no reply was received from the Noticee. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 9 vide Hearing Notice dated September 01, 2021, wherein Noticee 9 was granted opportunity of personal hearing on September 24, 2021. The said Hearing Notice returned undelivered from the address mentioned in the letterhead of Noticee 9. The copy of the hearing notice was also sent through email dated September 03, 2021. Vide email dated September 21, 2021 received from the email id - rohorealestate@gmail.com, Noticee 9 inter alia requested for adjournment of the hearing scheduled on September 24, 2021 due to non-availability of its attorney and requested to postpone the hearing to some other day. Vide email dated September 27, 2021, Noticee 9 was granted another opportunity of personal hearing on October 11, 2021. Further, it was communicated to the Noticee that in case of failure to appear for the hearing on the aforesaid date, the matter shall be proceeded on the basis of the material available on record. Vide email dated October 11, 2021, the webex link for the hearing was sent to Noticee 9, however, no response was received from Noticee 9, nor did it appear for the hearing.

Noticee 10 (Sally Real Estate Pvt. Ltd.)

18. The SCN sent to Noticee 10 at its addresses returned undelivered. Accordingly, the SCN was affixed at the last known address of Noticee 10 on December 25, 2017. Report of affixture is available on record. However, no reply within the stipulated time was received from the Noticee. Vide letter dated January 14, 2019, Noticee 10 inter alia stated that they have been informed by various market sources that SEBI has initiated adjudication proceedings in the instant matter and requested to be provided with a copy of the SCN. In this regard, vide email dated May 31, 2019, it was communicated to Noticee 10 that the SCN was sent to it at both the addresses given therein and the same had returned undelivered from there. Further, it was informed that thereafter, the SCN was affixed at its registered address on December 25, 2017. Further, copy of the SCN and its annexures were attached in the said email and Noticee 10 was advised to submit its reply to the SCN in terms of Para 11 at Page 16 of the SCN. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 10 vide Hearing Notice dated September 01, 2021, wherein Noticee 10 was granted opportunity of personal hearing on September 24, 2021. The said Hearing Notice returned undelivered from the address mentioned in the letterhead of Noticee 10. It is noted from the records that affixture of hearing notices could not be carried out during the relevant time because of the pandemic situation. Thereafter, Noticee 10 was granted an opportunity of personal hearing on November 09, 2021 through newspaper publication dated October 19, 2021 in the national and regional newspapers (Hindustan Times, Nab Bharat Times, and Maharashtra Times). However, neither did Noticee 10 submit any reply nor did it appear for the hearing.

Noticee 11 (Tushar Pandit Jadhav)

19. The SCN sent to Noticee 11 was delivered to him. Vide letter dated December 07, 2017, Noticee 11 acknowledged the receipt of the SCN and further inter alia stated that he had visited Corporation Bank regarding the adjudication proceedings on November 30, 2017 and had a discussion with the branch manager of Corporation

Bank. Further, Noticee 11 stated that he had submitted a letter to the Corporation Bank stating that he doesn't have any account in their bank and that his photo copy documents has been misutilized for opening account and whatever transaction has been done through this bank account he has no concern about them. Noticee 11 enclosed copy of his letter dated November 30, 2017 to Corporation Bank wherein Noticee 11 stated that account no. 2398 does not belong to him. Noticee 11 further enclosed copy of complaint dated December 06, 2017 filed by Corporation Bank with the Bhandup Police Station and the copy of his complaint dated December 06, 2017 with the Bhandup Police Station. Further, Noticee 11 has stated that he is not involved in any way in this matter and he dosent have any knowledge about share market or trading in shares. He has further stated that he is not aware about whatever transactions which has happened in his account and further that the mobile no. 8652081911 and email id TUSHARJ818@GMAIL.COM which has been used for opening the account does not belong to him. Vide letter dated January 18, 2018, Noticee 11, once again enclosed copy of his reply dated December 07, 2017 and further stated that he had visited the Bhandup Police Station again on January 18, 2018 and filed a second reminder letter in the Police Station and attached a copy of the said letter. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 11 vide Hearing Notice dated September 01, 2021, wherein Noticee 11 was granted opportunity of personal hearing on September 24, 2021. The said Hearing Notice returned undelivered from the address mentioned in his letters. It is noted from the records that affixture of hearing notices could not be carried out during the relevant time because of the pandemic situation. Thereafter, Noticee 11 was granted an opportunity of personal hearing on November 09, 2021 through newspaper publication dated October 19, 2021 in the national and regional newspapers (Hindustan Times, Nab Bharat Times, and Maharashtra Times). However, neither did Noticee 11 submit any reply nor did it appear for the hearing.

Noticee 12 (Wellman Tradelinks Pvt. Ltd.)

20. The SCN sent to Noticee 12 at its address returned undelivered. Subsequently, the SCN was sent for affixture at its address as per records, however, the same could not be affixed at the address due to “Company not found”. Accordingly, the SCN was served on Noticee 12 through newspaper publication dated March 26, 2018 in the national and regional newspapers (Times of India, Dainik Jagran, and Anand Bazar Patrika). Vide letter dated January 11, 2019, Noticee 12 inter alia stated that they have been informed by various market sources that SEBI has initiated adjudication proceedings in the instant matter and requested to be provided with a copy of the SCN. Vide email dated May 31, 2019, copy of the SCN along with its annexures were provided to the Noticee at its email id – wellmantrlink@gmail.com and wellmantradelinks@gmail.com. However, no reply was received from the Noticee. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 12 vide Hearing Notice dated September 01, 2021, wherein Noticee 12 was granted opportunity of personal hearing on September 24, 2021. The said Hearing Notice returned undelivered from the address mentioned in the letterhead of Noticee 12. The copy of the hearing notice was also sent through email dated September 03, 2021. However, no reply was received from the Noticee. Thereafter, Noticee 12 was granted an opportunity of personal hearing on November 09, 2021 through newspaper publication dated October 19, 2021 in the national and regional newspapers (Times of India, Sanmarg, and Anand Bazar Patrika). However, neither did Noticee 12 submit any reply nor did it appear for the hearing

Noticee 13 (Yogita Trading LLP)

21. The SCN issued to Noticee 13 was delivered to it. Vide letter dated January 10, 2019, Noticee 13 inter alia stated that they have been informed by their different market sources that SEBI has initiated adjudication proceedings in the instant matter and requested to be provided with a copy of the SCN. Vide email dated May 31, 2019, copy of the SCN along with its annexures were provided to the Noticee at its email id – llpyogita@hotmail.com and jayalalitacomm@gmail.com. However, no

reply was received from the Noticee. Pursuant to the appointment of the undersigned as AO, the same was intimated to Noticee 13 vide Hearing Notice dated September 01, 2021, wherein Noticee 13 was granted opportunity of personal hearing on September 27, 2021. The said Hearing Notice returned undelivered from the address mentioned in the letterhead of Noticee 13. The copy of the hearing notice was also sent through email dated September 03, 2021. However, no reply was received from the Noticee. Thereafter, Noticee 13 was granted an opportunity of personal hearing on November 09, 2021 through newspaper publication dated October 19, 2021 in the national and regional newspapers (Times of India, Gujarat Vaibhav, and Nav Gujarat Samay). However, neither did Noticee 13 submit any reply nor did it appear for the hearing.

22. I note that Noticee 2, 3, 4, 7 and 8 submitted replies on merits in the matter as per the following details and had also appeared for the personal hearing through R V Legal / Ms. Rinku Valanju.
   i. Noticee 2 – letter dated November 06, 2021
   ii. Noticee 3 – letters dated September 21, 2021 and November 08, 2021
   iii. Noticee 4 – letter dated September 20, 2021
   iv. Noticee 7 – letter dated October 19, 2021
   v. Noticee 8 – letter dated September 20, 2021

23. Noticee 2, 3, 4, 7 and 8 vide their aforesaid replies inter alia made several common submissions. The same are summarized as under –
   i. SCN relates to trades executed in March 2012 and May 2012 and SCN was issued on $08^{th}/17^{th}$ November, 2017 i.e., after an inordinate delay of 5 1/2 years. It is submitted that the initiation of proceedings by SEBI after such a long delay, severely prejudices the ability of Noticee to adequately respond to the SCN. The Noticee relies on the judgement of Hon’ble SAT in the matter of Rajeev Bhanot & Anr. Versus SEBI (Order dated 09 th July, 2021 in Appeal No. 396 of 2018).

ii. Multiple proceedings: First, SCN dated August 09, 2017 under section 11(1), 11(4), & 11 B of SEBI Act, 1992 was issued w.r.t. which the WTM had passed final order dated June 01, 2021 and the Noticee was refrained from accessing the securities market for a period of 3 months from the date of the order i.e. 01st June, 2021. Now, the present SCN dated November 17, 2017 under Rule 3 of SEBI (procedure for holding inquiry and imposing penalties by Adjudicating Officer) Rules 1995 is issued.

iii. Noticee 2 and 3 have submitted that they have filed appeal before the Hon’ble SAT w.r.t. the WTM order dated 01.06.2021, and the Hon'ble SAT vide order dated 18.06.2021 was pleased to grant stay on the effect and operation of the impugned order during the pendency of the Appeal. They stand guided by the Hon'ble SAT's judgment in the matter of P G Electroplast Ltd. & Ors. vs. SEBI dated 02.08.2019. Noticee 4 and 8 have submitted that they have already undergone 3 months debarment vide the WTM order dated June 01, 2021 and stand guided by the Hon'ble SAT's judgment in the matter of P G Electroplast Ltd. & Ors. vs. SEBI dated 02.08.2019. Noticee 7 has submitted that in the WTM order dated 01.06.2021, the charges against it were dropped and no action was taken against it on account of it having not executed any Positive LTP contributing trades.

iv. Noticee 2, 3, 4, and 8 submitted that several counterparties to the buy / sell trades of the Noticees contributing positive LTP are not a Noticee in the present SCN.

v. The Noticee 2, 3, 4 and 8 have submitted that they rely on the judgement by the Hon'ble SAT vide order dated 15th September, 2021 in the matter of Ashlesh Gunvantbhai Shah vs SEBI with regard to their quantity and frequency of trades during the investigation period.

vi. Noticee 7 has submitted that it did not execute any positive LTP contributing out of 1252 trades.

vii. Noticee 2, 3, 4 and 8 have submitted that the purported positive LTP contribution is miniscule to the total market positive LTP and no cognizance can be taken thereof. Further, none of the Noticee's positive LTP trades have been alleged to have resulted into NHP. Hence, positive LTP contributes to the price rise defies logic. Manipulation in price cannot be related solely to positive +ve LTP

viii. Noticee 2, 3, 4 and 8 submitted that the AO's establishing connection among the 21 group entities on the basis of using Mr. Kumar Raichand Madan as a connecting link is in violation of the principle of connection laid down by the Hon'ble SAT in its recent decision in the matter of Baldevsinh Vijaysinh Zala vs SEBI.

ix. Noticee 2, 3, 4 and 8 submitted that none of the parties with whom the connection of the Noticee is established are the counter parties to any of the objectionable trades of the Noticee. Reliance was placed upon the order dated 13.01.2020 of the Hon 'ble SAT in the matter of Nishith M. Shah HUF v. SEBI (Appeal No. 97 Of 2019).

x. Noticee 2, 3, 4 and 8 submitted that since they wanted to buy substantial quantity, the Noticees in order to grab the available market sell orders, they may have put the buy order at a price slightly higher than the sell order price (in the range of 0.50 Rs - 1.00 Rs). However, since the Noticee's buy orders were limit orders, the same got executed at sell order price and therefore, no negative inference can be drawn from the same.

xi. With regards to paragraph 6 of the SCN, the following is submitted by Noticee 2, 3, 4 and 8 - (i) All orders of the Noticee were limit orders. A buy limit order can only be executed at the limit price or lower depending on the seller's price. Hence, Noticee keying in the Buy Order at a higher price per se does-not mean anything and the order will always get executed at the seller's price. (ii)When Sell order price is lower than Buy Order Price, in such cases Buy Order Price does not matter as orders are always executed at Seller's price in such cases, (iii) All orders of the Noticee were limit orders. A buy limit order can only be executed at the limit price or lower depending on the seller's price, (iv) There is a substantial time difference in placing the buy order by the Noticee and the sell orders placed by the counter party, (v) the counter party to the aforementioned trades are not Noticees to the SCN and not even known to the Noticee, (vi) There is no embargo on placing an order at +ve LTP. Positive LTP may or may not result into NHP (New High Price). Further, none of the Noticee's positive LTP trades have been alleged to have resulted into NHP. Hence, positive LTP contributes to the price rise defies logic. Manipulation in price cannot be related solely to positive +ve LTP.

xii. Noticee 2, 3, 4 and 8 submitted that the investigation period was from 01.03.2014 to 31.05.2016 which was reduced to 4 months from 01.02.2016 to 31.05.2016 which is devoid of any logic.

xiii. Noticee 2, 3, 4 and 8 submitted that there is no embargo on placing an order at +ve LTP. + LTP can be genuine from the then perspective of market participants some of whom can be desperate buyers and desperate sellers.

xiv. Noticee 2, 3, 4 and 8 submitted that the scrip of SSAL was in 'T' group and thus under continuous surveillance / supervision. Hence, there was no scope for manipulation in the scrip.

xv. Noticee 2, 3, 4 and 8 submitted that the trading system does not make available the particulars — such as quantity of shares, prices and time of counter party's keyed-in orders against which their orders got matched. In the absence of these particulars, the Noticee could not know or ascertain any pattern at the relevant time.

xvi. Noticee 2, 3, 4 and 8 submitted that the SCN is ambiguous and the allegations levied are absurd and too far-fetched as it lacks material particulars such as • No benefit attributed to the Noticee by way of increase in price • whether and how the Noticee derived any benefit, gain or advantage from the alleged positive LTP contribution • whether purported group entities derived any benefit from purported price rise • whether and how much disproportionate gain is made by the Noticee

xvii. They have not received any disproportionate gain or unfair advantage and have not caused any loss to an investor or group of investors. It was submitted that they are not guilty of conduct which is contumacious or dishonest or acted in conscience disregard of law or that she acted in defiance of law.

24. Apart from the aforesaid common submissions, certain individual submissions have also been made which are related to the aspects of trades done by them / their connection to the group, and the same are summarized as follows -

i. Notice 2 has submitted that its directors were Mahesh Hirji Jogadia and Reshma R Malagavakar. It was submitted that Kumar Raichand Madan was never a director in Noticee 2. Further it was submitted that no role of Reshma R Malagavakar is defined in the alleged connection and further Reshma R Malagavakar is not a Noticee in the present SCN. Noticee 2 has stated that none of the parties with whom the connection of the Noticee is established are the counterparties to the objectionable trades of Noticee 2.

ii. Noticee 3 has submitted that its directors were Sunil V Vachharajani, Vilas Antu Yadav, Athistamani M Velu and Sadashiv D Pawar. It was submitted that Kumar Raichand Madan was never a director in Noticee 3. Further, it was submitted that no role of Mr. Athistamani M Velu is defined in the alleged connection. Further, Nirvana Mall Management Co Pvt Ltd is not a counterparty to their trades. Further, it was submitted that their connection is only established with Nirvana Mall Management Co Pvt Ltd who is not a counterparty to the two objectionable trades of the Noticee 3. No connection of Noticee 3 with other Noticees is established.

iii. Noticee 4 has submitted that the following 5 entities - Orange Mist Productions Pvt. Ltd., Magan Mercantile Pvt. Ltd., Roho Real Estate Private Limited, Adamina Traders Pvt. Ltd. and Yogita Trading LLP are connected to each other through common director i.e. Kumar Raichand Madan as per the connection details in the SCN. Noticee 4 has submitted that the said entities are not counterparties to its objectionable trades. Hence connection established through common director i.e. Kumar Raichand Madan is of no significance.

iv. Noticee 8 has submitted that as per the connection details in the SCN, it is connected to Magan Mercantile Pvt. Ltd., Roho Real Estate Private Limited, Adamina Traders Pvt. Ltd. and Yogita Trading LLP through common director i.e. Kumar Raichand Madan. Noticee 8 has submitted that the said entities are not counterparties to its objectionable trades. Further, with regards to the connection with Tushar P Jadhav through fund transfers, it is submitted that the fund transaction between Noticee 8 and Tushar P Jadhav was a separate transaction of commercial nature which has nothing to do with their trading in SSAL. Further, it was submitted that Tushar P Jadhav was not a counterparty to the objectionable LTP trade of Noticee 8.

v. Noticee 2, 3, 4 and 8 have stated that the AO's establishing connection among the 21 group entities on the basis of using Mr. Kumar Raichand Madan as a connecting link is in violation of the principle of connection laid down by the Hon'ble SAT in its recent decision in the matter of Baldevsinh Vijaysinh Zala vs SEBI.

vi. Noticee 2, 3, 4 and 8 have stated that they have placed reliance upon the order dated 13.01.2020 of the Hon 'ble SAT in the matter of Nishith M. Shah HUF v. SEBI (Appeal No. 97 Of 2019).

vii. Noticee 2 has submitted that its alleged positive LTP contribution is only Rs. 13.30 in 25 trades for 35,899 shares executed on 13 days (which is only 2.1 % of the total Market Positive LTP). Noticee 3 has contended that its alleged positive LTP contribution was only Rs. 0.30 in 2 trades (0.05% of total market positive LTP). Noticee 5 has contended that its alleged positive LTP contribution was only Rs. 5.40 in 10 trades for 21,684 shares (0.90% of total market positive LTP). Noticee 8 has contended that its alleged positive LTP contribution was only Rs. 14.30 in 44 trades for 75,975 shares (2.38% of total market positive LTP).

viii. Noticee 2 has submitted that it has created a net positive LTP of Rs. 20.10 in 688 trades. It was further submitted that out of the said 688 trades, 596 trades have resulted into zero LTP, 32 trades have resulted into negative LTP of Rs. -25.60 and only 60 trades have resulted into positive LTP of Rs. 45.70. It was further submitted that most of the trades have resulted into zero LTP. If it was the intention of the Noticee to inflate the price of the scrip, the Noticee would have executed every trade at a positive LTP.

ix. Noticee 2 has provided explanation for 2 trades that resulted in positive LTP as alleged in paragraph 7 of the SCN. It was submitted that on 17.02.2016 the Noticee placed a buy order of 12500 shares at the rate of Rs. 159 having buy order number 1455679800003369086. The said order got executed at various Sell order rates for 1000 shares, 40 shares, 1999 shares, 1000 shares, 2000 shares, 2000 shares, 2000 shares and 2461 shares. All these orders got executed at Sellers's rate. It is pertinent to mention that none of the counter parties to the buy trades of the Noticee are known to the Noticee. It was submitted that the Noticee keyed in its Buy order on 17.02.2016 at the rate of Rs. 159 as the Noticee wanted to buy a substantial quantity of 12500 shares and the available orders at lower rate were of very small quantity viz sell order for 42 shares available at Rs. 154.5 and sell order for 2000 shares available at Rs. 156 as can be seen from the order logs of 17.02.2016. Further it was submitted that it keyed-in its Buy order for 12500 shares on 17.02.2016 at the rate of Rs. 159. However, the LTP which took place occurred at Rs. 157.2, 154.5, 155, 155.4, 155.5, 155.9, 157.1, and 157.5 which are all sell order rates. Thus, the Noticee's placing the order at Rs. 159 can never be of any consequence or is of no consequence as the order execution has taken place on seller's price. Hence under no circumstances it can be said that the Noticee's trades have contributed to Positive LTP.

x. Noticee 3 has submitted that at paragraph 5 of the SCN it is stated that it created a net positive LTP of Rs. 1.5 in 202 trades. The Noticee states that out of the said 202 trades, 165 trades have resulted into zero LTP, 17 trades have resulted into negative LTP of Rs. 4.70 and only 20 trades have resulted into positive LTP of Rs. 6.20. The Noticee's most of the trades have resulted into zero LTP. If it was the intention of the Noticee to inflate the price of the scrip, the Noticee would have executed every trade at a positive LTP.

xi. Noticee 3 has submitted that it was providing explanation for 3 trades that resulted in positive LTP as alleged in paragraph 7 of the SCN. Further, it was submitted that on 01.03.2016, the Noticee placed a buy order of 6000 shares at the rate of Rs. 166 having buy order number 1456803000002220073. The said order got executed into 6 out of which only 1 trade got executed at a positive LTP of 1 paise. It is pertinent to mention that out of the aforementioned 6 trades, only the trade for 957 shares which got executed at positive LTP Rs. 0.1 is considered towards LTP contribution. Further none of the counter parties to the buy trades are known to us. Thus, such partial order leading to a positive LTP of Rs. 0.1 is miniscule and of no relevance and no cognizance should be taken thereof. It was further submitted that the Noticee always knew that the orders will be executed at best sell price and no matter at what price the Noticee keys in the order. It is normal market practice to put orders at higher round figure price so that the orders for sure get executed.

xii. Noticee 4 has submitted that at paragraph 5 of the SCN it is stated that it created a net positive LTP of Rs. 15.30 in 263 trades. The Noticee states that out of the said 263 trades, 232 trades have resulted into zero LTP, 11 trades have resulted into negative LTP of Rs. 1.80 and only 20 trades have resulted into positive LTP of Rs. 17.10. The Noticee's most of the trades have resulted into zero LTP. If it was the intention of the Noticee to inflate the price of the scrip, the Noticee would have executed every trade at a positive LTP.

xiii. Noticee 4 has submitted that it was providing explanation for 3 trades that resulted in positive LTP as alleged in paragraph 7 of the SCN. (i) It was submitted that on 15.03.2016 the Noticee had placed a buy order of 1000 shares at Rs. 184.5 bearing buy order number 1458012600003296025. The said order got executed into 2 different trades of 961 shares and 39 shares. The Noticee states that the trade for 961 shares got executed at Rs. 184.5 at 0 LTP. The Noticee states that for remaining 39 shares the price was modified from Rs. 184.5 to Rs. 185 in order to grab the next best order looking at the best 5 sell price on market. The Noticee states that as the order was a limit order the trade got executed at Rs. 184.9 which was the seller's price allegedly creating a positive LTP of Rs. 0.4. Hence it cannot be said that the positive LTP created by our trade was for any manipulative purpose. (ii) The Noticee states that on 26.04.2016 the Noticee had placed a buy order of 9500 shares at Rs. 221 bearing buy order number 1461641400003237060. The said order got executed into 4 different trades of 2305 shares, 3000 shares, 595 shares and 3600 shares. The trade for 3600 shares got executed at Rs. 220.7 at 0 LTP. The trades for 595 shares which created a +ve LTP of 0.2 got executed at Rs. 220.7. Here, the Sell Order rate was modified from Rs. 221 to Rs. 220.7. Since the Noticee's Buy order was a limit order, the trade got executed at the seller's price which allegedly created a +ve LTP of 0.2. The trades for 595 shares which created a +ve LTP of 0.2 got executed at Rs. 220.7. Here, the Sell Order rate was modified from Rs. 221 to Rs. 220.7. Since the Noticee's Buy order was a limit order, the trade got executed at the seller's price which allegedly created a +ve LTP of 0.2. The trades for 2035 shares and 3000 shares have been considered as two of the top three LTP contributing trades of the Noticee. The trades for 3000 shares which created a +ve LTP of 0.5 got executed at Rs. 220.5. Since the order was a limit order, the trade got executed at the seller's price that allegedly created a positive LTP of Rs. 0.5. The Noticee states that in order for the trade of 2035 shares to create a

+ve LTP of 3.5 at 220 Rs., the trade immediately preceding it must be executed at 216.5 Rs. However, the analysis of the trade logs and order logs shows that the trade immediately preceding the trade for 2035 shares was executed at 217.5 Rs. Hence, the Noticee's trade of 2035 shares created a -eve LTP of 2.5 and not 3.5. Further, the Noticee states that since the order for trade of 2035 shares was a limit order, the trade got executed at Rs. 220 which was the seller's price that allegedly created a positive LTP of Rs. 2.5. Hence it cannot be said that the positive LTP created by our trade was for any manipulative purpose.

xiv. Noticee 8 has submitted that at paragraph 5 of the SCN it is stated that it created a net positive LTP of Rs. 21.80 in 489 trades. The Noticee states that out of the said 489 trades, 403 trades have resulted into zero LTP, 21 trades have resulted into negative LTP of Rs. 7.20 and only 65 trades have resulted into positive LTP of Rs. 29. The Noticee's most of the trades have resulted into zero LTP. If it was the intention of the Noticee to inflate the price of the scrip, the Noticee would have executed every trade at a positive LTP.

xv. Noticee 8 has submitted that it was providing explanation for 2 trades that resulted in positive LTP as alleged in paragraph 7 of the SCN. It was submitted that on 17.02.2016 the Noticee placed a buy order of 13800 shares having buy order number 1455679800003369089. The said order got executed into 3 different trades of 239 shares, 10000 shares and 3561 shares. The Noticee states that the trade of 239 shares got executed at 0 LTP, the trade of 10000 shares got executed at positive LTP Rs. 1.4 and the trade of 3561 shares got executed at a positive LTP of Rs. 0.1. It is pertinent to mention that out of the aforementioned 3 trades, only the trade for 10000 shares which got executed at positive LTP Rs. 1.4 is considered towards LTP contribution. Further none of the counter parties to the buy trades of the Noticee are known to the Noticee. Thus, such partial order leading to a positive LTP of Rs. 1.4 is miniscule and of no relevance and no cognizance should be taken thereof. The Noticee states that on 17.03.2016 the Noticee placed a buy order of 4500 shares at the rate of Rs. 183.2 having buy order number 1458185400004312026. The said buy order was modified from 4500 shares to 5500 shares. The Noticee states that in order to grab the next best order looking at the best 5 sell order price on the market, the Noticee modified the buy order price from Rs. 183.2 to Rs. 193.6. The said buy order number 1458185400004312026 got executed into 2 different trades of 1000 shares and 4500 shares. The Noticee states that as the order was a limit order, the trade of 1000 shares got executed at Rs. 193.2 which was the seller's price thereby allegedly creating a positive LTP of Rs. 2.2. The other trade of 4500 shares got executed at Rs. 193.4 which was the seller's price thereby allegedly creating a positive LTP of Rs. 0.2.

25. Vide letter dated November 08, 2021, Noticee 3 made additional submissions in the matter. It was submitted that as per the allegations in Paragraph 6 of the SCN, 2 trades executed on 15th February, 2016 and 1st March, 2016 is considered objectionable towards contributing positive LTP of 30 paise. It was submitted that admittedly, Sellers were first in time and all orders of the Noticee were limit orders. Further, it was submitted that a buy limit order can only be executed at the limit price or lower depending on the seller's price, hence, the Noticee keying in the Buy Order at a higher price per se does-not have any impact on the price of the scrip. Further it was submitted that the rate at which the Noticee keyed-in its Buy order had previously prevailed on the same trading session. Further, it was submitted that from the order logs of 15.02.2016, it can be seen that prior to the Noticee's Buy order placement at 15:26:44, buyers and sellers were available between Rs. 153.5 - Rs 154, therefore, the Noticee may have keyed-in its order at the rate of Rs. 154 and no wrongdoing can be attributed to the Noticee for placing its Buy order at Rs. 154. Further, it was submitted that similarly, from the order logs of 01.03.2016, it can be seen that prior to the Noticee's Buy order placement at 14:53:40, Buyers were available between the Rs. 165 - Rs 166 and the Sellers were available between Rs.

166 — Rs. 166.5, and therefore, the Noticee may have keyed-in its order at the rate of Rs. 166. Further, the Noticee reiterated certain submissions made already in its previous reply dated September 21, 2021. Further, the Noticee placed reliance on the judgements of Hon'ble SAT in the matters of Indivar Traders Pvt. Ltd. vs SEBI, and Vasudev Ramchandra Kamat vs SEBI.

26. I note that Noticee 11 has submitted reply to the SCN, however he has not appeared for personal hearing in the matter.

27. I note that the following Noticees viz. Noticee 1, 4, 5, 6, 9, 10, 12 and 13 have not submitted their reply on merits nor have availed the opportunity of personal hearing provided to them. Considering the above, I am of the view that that they have nothing to submit and in terms of rule 4(7) of the Rules, the matter can be proceeded ex-parte on the basis of material available on record. In absence of any response from the said Noticees to the SCN, I presume that that they have admitted the charges levelled against them. In this regard, it is pertinent to note that the Hon'ble Securities Appellate Tribunal (SAT) in the matter of *Classic Credit Ltd. vs. SEBI* (Appeal No. 68 of 2003 decided on December 08, 2006) has, inter alia, observed that,

"......the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show cause notice were admitted by them".

28. Further, the Hon'ble SAT in the matter of *Sanjay Kumar Tayal & Others vs SEBI* (Appeal No. 68 of 2013 decided on February 11, 2014), has also, inter alia, and observed that:

"...appellants have neither filed reply to show cause notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges leveled against them in the show cause notices..."

29. Further, the same position is reiterated by the Hon'ble SAT in the matter of *Dave Harihar Kirtibhai Vs SEBI* (Appeal No. 181 of 214 dated December 19, 2014), wherein the Hon'ble SAT observed as under:

"...further, it is being increasingly observed by the Tribunal that many persons/entities do not appear before SEBI (Respondent) to submit reply to SCN or, even worse, do not accept notices/letters of Respondent and when orders are passed ex-parte by Respondent, appear before Tribunal in appeal and claim non-receipt of notice and do not appear and/or submit reply to SCN but claim violation of principles of natural justice due to not being provided opportunity to reply to SCN or not provided personal hearing. This leads to unnecessary and avoidable loss of time and resources on part of all concerned and should be eschewed, to say the least. Hence, this case is being decided on basis of material before this Tribunal..."

30. In the absence of any response from the Noticees mentioned at para 27 above, to the SCN, the matter can be proceeded ex-parte on the basis of the material available on record, in terms of Rule 4(7) of the Adjudication Rules. Further, in view of the aforesaid observations made by the Hon'ble SAT, I find no reason to take a different view and therefore, I deem it appropriate to proceed against them ex-parte, based on the material available on record.

ISSUES FOR CONSIDERATION AND FINDINGS

31. I have taken into consideration the facts and circumstances of the case, the material on record, the reply submitted by the Noticees, and also the submissions made by the AR on behalf of the Noticees during the course of personal hearing. The issues that arise for consideration in the present case are:

    a) Whether the Noticees have violated the provisions of Regulation 3(a), (b), (c), (d), 4(1), 4(2)(a) and (e) of PFUTP Regulations?

b) Do the violations, if any, attract monetary penalty under Section 15HA of SEBI Act, 1992?

c) If so, what would be the monetary penalty that can be imposed taking into consideration the factors mentioned in Section 15J of SEBI Act, 1992?

32. It is pertinent to mention here the relevant provisions of PFUTP Regulations and SEBI Act, 1992 alleged to have been violated by the Noticees:-

<u>PFUTP Regulations, 2003</u>

Regulation 3. Prohibition of certain dealings in securities.

"No person shall directly or indirectly—

(a) *buy, sell or otherwise deal in securities in a fraudulent manner;*

(b) *use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;*

(c) *employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;*

(d) *engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under."*

Regulation 4. Prohibition of manipulative, fraudulent and unfair trade practices.

"(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practice in securities.

(2) Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely:—

***(a)** indulging in an act which creates false or misleading appearance of trading in the securities market;*

..

***(e)** any act or omission amounting to manipulation of the price of a security;*

..

"

33. Before moving forward, I note that Noticees have raised the preliminary issue regarding delay in the matter. Noticees 2, 3, 5, 7 and 8 have contended that the trades were executed in March 2012 and May 2012 and that the SCN was issued on 08th / 17th November, 2017 i.e., after an inordinate delay of 5 1/2 years. I note that the Noticees have placed reliance on the order of Hon'ble SAT in the matter of *Rajeev Bhanot & Anr. Versus SEBI* (Order dated July 09, 2021). In this regard, I find it relevant to note that the investigation period in the present matter was for the period from March 01, 2014 to May 31, 2016 and the SCN came to be issued on November 17, 2017. Thus, I find the claim of the Noticees that the transactions pertained to the year 2012 and there was a delay of 5 ½ years in issuance of SCN to be incorrect. I note that the SCN has been issued post completion of investigation in 2017. I note that investigation generally is a detailed process involving analysis of various data, gathering of evidences, etc. This, generally, consumes considerable time and efforts depending on the number of entities involved, the complexity of the transactions, correspondences with the entities involved etc. Further, in the interest of natural justice the Noticees have been provided opportunities to make their

submissions and opportunities of hearing in the instant proceeding which has been elaborated in the previous paragraphs. Therefore, I find that there was no inordinate delay in the issuance of SCN as claimed by the Noticees. In this regard, I place my reliance on the judgment of Hon'able SAT, in the matter of *Girrajkumar Gupta HUF v/s. SEBI* (Appeal no. 424/2019), order dated August 11, 2021, wherein it was held by Hon'ble SAT that, "*We find that the investigation started in the year 2015 which involved examining several entities in the order logs, trade logs, off market transactions and gathering evidence from the Stock Exchange. The show cause notice was issued in the October, 2017 and accordingly we find that there is no inordinate delay in the initiation of the proceedings*.". Further, I would like to rely upon the judgement of Hon'ble SAT in the case of *Ravi Mohan & Ors. vs. SEBI* (SAT Appeal No. 97 of 2014, DoD 16/12/2015) wherein it was held that : -

> *"...................Based on decision of this Tribunal in case of HB Stockholdings Ltd. vs. SEBI (Appeal no.114 of 2012 decided on 27.08.2013) it is contended on behalf of the appellants that in view of the delay of more than 8 years in issuing the show cause notice, the impugned order is liable to be quashed and set aside. There is no merit in this contention, because, this Tribunal while setting aside the decision of SEBI on merits has clearly held in para 20 of the order, that delay itself may not be fatal in each and every case. Moreover, the Apex Court in case of Collector of Central Excise, New Delhi vs. Bhagsons Paint Industry (India) reported in 2003 (158) ELT 129 (S.C) has held that if there no statutory bar for adjudicating the matter beyond a particular date, the Tribunal cannot set aside the adjudication order merely on the ground that the adjudication order is passed after a lapse of several years from the date of issuing notice................."*

34. Having dealt with the preliminary issue raised by the Noticees, I now proceed to deal with the matter on merits.

35. I note that the main allegation against the Noticees is that they have manipulated the price of the scrip of SSAL and hence their trading in the scrip of SSAL was

manipulative and unfair. I note that investigations identified a group of 21 entities (hereinafter referred to as "**suspected group entities**") which includes all the Noticees in the present order. The details of the connections that were observed to be existing amongst various Noticees during the relevant period, are reproduced herein below:

Table -1

Sr. No	Connected Entities name	Directors Name	Connection Details
1	Orange Mist Productions Pvt. Ltd.	Kumar Raichand Madan, Athistamani Velu, Sadashiv Pawar	Entities at Sr. No. 1, 2, 3, 4, 5 are connected to each other through common director i.e. Kumar Raichand Madan. Connection through Fund transfers: Fund transaction between Orange Mist (Corporation bank, acc no: 146901601000344) and Tushar P Jadhav (acc no: 146900101002398, Corporation Bank). Fund transaction between Adamina Traders (Axis Bank acc. No. : 914020029287819) and Matulya Traders (Acc no: 146901601000200, Corporation Bank), Tushar P Jadhav (acc no: 146900101002398, Corporation Bank).
2	Magan Mercantile Pvt. Ltd.	Prakash R Naik, Ranjankumar R Rajbhar, Kumar Raichand Madan, Sumit V Salvi	
3	Roho Real Estate Private Limited	Kumar Raichand Madan, Paresh B Gharat, Prashant S Indlkar	
4	Adamina Traders Pvt. Ltd.	Rajesh P Malgaonkar , Ranjankumar R Rajbhar, Raichand Kumar Madan	
5	Yogita Trading LLP	Raichand Kumar Madan, Chetan S Bhelekar	
6	Abjayoni Trading P Ltd.	Sunil B Rajbhar, Shivsharan Yulidra, Sajid Sayed	Kumar Raichand Madan, Sunil Rajbhar and Shyam Kadam are common directors of Patel & Patel Team Developers LLP. Hence, the entities at Sr. No. 6 to 7

Sr. No	Connected Entities name	Directors Name	Connection Details
7	Jeshna Muiltitrade Pvt Ltd.	Sunil Rajbhar, Shyam kadam	are connected to Kumar Raichand Madan and part of suspected entities.
8	Anvita Real Estate P Ltd.	Mahesh Hirji Jogadia , Reshma R Malagavakar	Kumar Raichand Madan and Reshma Malagavakar are common directors of Jeet Commosales LLP and Avantika Commosales LLP. Hence, the entities at Sr. No. 8 to 10 are connected to Kumar Raichand Madan and part of the suspected entities.
9	Meritorious Realty Private Limited	Ajitkumar S Singh, Reshma R Malagavakar	
10	Haritima Infrastructure Private Limited	Reshma R Malagavakar, Deepak Jambodaker,	
11	Sally Real Estate Private Limited	Chetan S Bhelekar, Sunita Poojary, Reshma R Surve.	Kumar Raichand Madan and Chetan S Bhelekar are common directors of Yogita Trading LLP and Moonlight Trading LLP. Hence, entity at sr. no 11 is connected to Kumar Raichand Madan and part of suspected entities.
12	White text Infrastructure Pvt. Ltd.	Mukhtar Shaikh, Pradeep Tak, Chandrakant Gaikwad	Kumar Raichand Madan and Chandrakant Gaikwad are common directors of By method Reality Pvt Ltd. Hence, the entities at Sr. No 12-13 are connected to Kumar Raichand Madan and part of suspected entities.
13	Vihar Infrastructure Private Limited	Hanmant Ranjane, Chandrakant Gaikwad, Kirtikumar Sidhpura	
14	Nirvana Mall Management co Pvt Ltd.	Sunil V Vachharajani, Vilas Antu Yadav, Athistamani M Velu, Sadashiv D Pawar	Kumar Raichand Madan and Athistamani M Velu are common directors of Orange Mist Productions P ltd. Hence the entities at sr. no 14-15 are connected to Kumar Raichand Madan and part of suspected entities:
15	Dizzystone Trading Pvt. Ltd.	Athistamani M Velu, Ganesh S Budbadkar,	

Sr. No	Connected Entities name	Directors Name	Connection Details
		Nilesh D Pagare	
16	A S B N Commodities & Fineserve Pvt. Ltd.	Mahesh Hirji Jogadia, Rajesh P Malgaonkar,	Kumar Raichand Madan and Rajesh Malgaonkar are common directors of Adamnia Traders P Ltd. Hence entities at Sr. no 16-17 are connected to Kumar Raichand Madan and part of suspected entities.
17	Black Horse Media and Entertainment Pvt. Ltd	Rajesh P Malgaonkar, Hiralal K Bhardwaj	
18	Wellman Tradelinks Private Limited	Sunil sukum, Meena Kamani, Suryanath Singh	Kumar Raichand Madan and Meena C Kamani are common directors of Samyak Multitrade PLtd. Hence, the entity at Sr. No 18 is connected to Kumar Raichand Madan and part of the suspected entity.
19	Naseen Tradelink Private Limited	Nathuram Plakar, Ranjan kumar Rajbhar, Priti Thakkar	Kumar Raichand Madan and Ranjankumar Rajbhar are common director of Magan Mercantile Pvt Ltd. Also the email id of these entities are common. Hence the entity at Sr. no. 19 is connected to Kumar Raichand Madan and part of the suspected entities.
20	Matulya Trading Pvt. Ltd.	Geeta Varma, Rakesh Naik, Priti M Thakkar, Kartik S Thakkar	Matulya (Acc no: 146901601000200, Corporation Bank) received funds from Adamina Traders (acc no: 914020029287819, Axis Bank) in which Kumar Raichand Madan is director. Hence, the entity at Sr. no. 20 is part of suspected entities.
21	Tushar P Jadhav		Tushar Jadhav (acc no: 146900101002398, Corporation Bank) Received funds from Orange Mist Productions (acc no: 146901601000344, Corporation Bank) / Adamina Traders P Ltd (acc no: 914020029287819, Axis Bank) in which Kumar Raichand Madan is director. Hence, the entity at Sr. no. 21 is part of suspected entities.

36. The inter-se relationship among the suspected group entities has been brought out on the basis of a multiplicity of factors including such as common directorship, common email address, inter-se fund transactions, etc.

37. I note that Noticee 2 (Anvita Real Estate Pvt Ltd), Noticee 3 (Dizzystone Trading Pvt Ltd), and Noticee 7 (Nirvana Mall Management Pvt Ltd) have contended that Kumar Raichand Madan was never a director in their companies. Noticees 2, 3, 4, 7 and 8 have placed reliance on the judgement of Baldevsinh Vijaysinh Zala vs SEBI. In this regard, I note that one of the director of Noticee 2 viz. Reshma Malagavakar was director in 2 other suspected group entities viz. Meritorious Realty Pvt Ltd and Haritima Infrastructure Pvt Ltd. Further, Reshma Malagavakar and Mr. Kumar Raichand Madan are common directors of Jeet Commosales LLP and Avantika Commosales LLP. Similarly, Athistamani M Velu is a common director in Noticee 3, 7 and 8 and further Athistamani M Velu and Kumar Raichand Madan are directors in Noticee 8. Similarly, I note that Kumar Raichand Madan was a common director in several entities of the suspected group. Noticee 4 and 8 have also submitted that Mr. Kumar Raichand Madan passed away on 08.10.2016 and the current directors therefore do not know about the activities undertaken by Mr. Kumar Raichand Madan. In this regard, I note that Kumar Raichand Madan was the existing director of the aforesaid entities of the suspected group entities during the investigation period. Further, I note that the common directorship of Mr. Kumar Raichand Madan between a set of suspected group entities, or common directorship of Mr. Madan on some third-party company/LLP, which is also shared by a person who is one of the Director of a Noticee, has been relied upon as a ground to allege connection between the entities. The aforesaid details of connection coupled with the acts of their unusual pattern of trading, have been used to allege the indulgence in manipulative and unfair trades by the Noticees. Hence, I find no merit in the aforesaid submissions of the Noticees.

38. I note that in this regard, the Noticees have not produced any satisfactory material/documents to dispute the inferences regarding their connection other than plain denial. Further, I note from the judgement of the Hon'ble SAT in the order dated January 04, 2022 in the matter of Dizzystone Trading Private Limited vs SEBI (Misc. Application No. 695 of 2021 and Appeal no. 418 of 2021) and Anvita Real Estate

Private Limited vs SEBI (Misc. Application No. 700 of 2021 and Appeal no. 419 of 2021) regarding manipulation in the scrip of SSAL as follows –

> *"7. The impugned order would show that during the relevant period one Mr. Kumar Raichand Madan and Athistamani Velu were the Directors of noticee no. 4 Nirvana Mall Management Co. Pvt. Ltd. Out of them Athistamani Velu was also the Director of the appellant Dizzystone Trading Pvt. Ltd. Further, Mr. Kumar Raichand Madan along with one Reshma Malagavakar, were Directors of one Jeet Commosales LLP. Out of them Reshma Malagavakar was also Director of the appellant Anvita Real Estate Pvt. Ltd. The impugned order would show that said Mr. Kumar Raichand Madan had made a statement before the Income Tax Authority on April 09, 2013 explaining that he was the Director in 44 Companies. Out of them in 34 Companies he was acting as a proxy to third person. The learned WTM thus, concluded that the noticees were connected with each other."*

39. In view of the above and the connection shown in Table - 1, I find the argument of Noticee 2, 3, 4, 7 and 8 regarding not being a connected entity to the suspected group to be without merits.

40. I note that Noticee 2, 3, 4 and 8 have contended that none of the parties with whom their connection is established are counterparties to their trades. In this regard, I note there is no allegation of trading amongst the suspected group entities, or to the effect of matching / synchronising of trades. I note that the allegation against the connected Noticees is that they have repeatedly placed buy orders at a price higher than the available sell order price and have acted in a uniform manner to manipulate the price of the scrip of SSAL whose financials did not support the price movement of the scrip. I note that the SCN does not proceed with the allegation against the Noticees for indulging in trades with known counter parties. Thus, I find the contention of the Noticees in this regard to be not relevant and without merits.

Further, I note that the aforesaid Noticees have placed reliance on the order of Hon'ble SAT in the matter of Nishith M Shah HUF v. SEBI (order dated January 13, 2020) to support their claim that in order to prove manipulation, collusion between buyers and sellers needs to be demonstrated. I note that the facts of the above cited case is distinguishable from the facts of the present case. In this regard, I note in the present case, that the connected group of entities viz. the suspected group entities are observed to have indulged in abnormal and unusual way of trading in the scrip and have acted in a uniform manner to carry out price manipulation in the scrip where they have consistently placed buy orders over and above the sellers' demand price. As has already been noted the suspected group entities who are admittedly the buyers were deliberately indulging in such pattern of trading without being influenced by the sellers. Thus, I find no merits in the above contentions of the Noticees regarding no connection with counterparties.

41. Noticee 8 (Orange Mist Productions Pvt Ltd) has submitted that the fund transaction between itself and Noticee 11 (Tushar P Jadhav) was a separate transaction of commercial nature which has nothing to do with its trading in the scrip of SSAL. In this regard, I note from the bank account statements (provided as Annexure to the SCN) that Rs. 2.10 Lakh has been transferred from Noticee 8 to Noticee 11 on March 08, 2016. I note that Noticee 8 has baldly stated that the said transfer was commercial in nature without any further explanation/details or supporting documents like its ledger account etc in support of its claim. The absence of the necessary documentation which are normally required to be executed in any commercial transaction, more particularly when it involves corporate body, dosen't lend credence to the claim of Noticee 8 regarding the transaction being a commercial one. In any event, the same shows the connection / nexus between Noticee 8 and 11.

42. Further, I note that the SCN alleges inter-se fund transfers between the suspected group entities. It is observed that there have been numerous fund transfers between

Notice 1 (Adamina Traders Pvt Ltd; in which Mr. Kumar Raichand Madan was a director) and Noticee 11. For example, on August 12, 2015, Noticee 1 transferred Rs. 5 Lakh to Noticee 11 and prior to the said transfer, the balance in the account of Noticee no.11 was only Rs. 15,397. Similarly, Noticee 1 (Adamina Traders Pvt Ltd; in which Mr. Kumar Raichand Madan was a director) is also observed to have provided funds to Noticee 5 (Matulya Trading Pvt Ltd). Such inter-se fund transfers between the Noticees demonstrates that they were known to each other and shows the connection between them.

43. Further, I note that Noticee 11 has submitted that his documents have been misutilized to open the bank account in Corporation Bank, and to this effect he has filed complaints with the bank and police station and has stated that he is not concerned with the transactions with the said bank account. However, I note that Noticee 11 has not made any arguments against or has disputed the manipulative trades alleged to have been carried out by him. I note from the trade log that Noticee has traded through the trading member Swastika Investmart Ltd. I note that Noticee 11 has not made any similar argument about his trading account being misused by somebody else, along with steps taken by him including filing complaints regarding the trading account, like he did in case of his bank account. In the absence of any further reply, I am not inclined to exonerate Noticee 11 from the allegations of manipulative trades levelled against him.

44. Going forward, with respect to securities market manipulations, I note that Hon'ble Supreme Court in the matter of *SEBI vs Kishore Ajmera*, observed the following:

"It is a fundamental principle of law that proof of an allegation levelled against a person may be in the form of direct substantive evidence or, as in many cases, such proof may have to be inferred by a logical process of reasoning from the totality of the attending facts and circumstances surrounding the allegations/charges made and levelled. While direct evidence is a more certain basis to come to a conclusion, yet, in the absence thereof the Courts cannot be

helpless. It is the judicial duty to take note of the immediate and proximate facts and circumstances surrounding the events on which the charges/allegations are founded and to reach what would appear to the Court to be a reasonable conclusion therefrom. The test would always be that what inferential process that a reasonable/prudent man would adopt to arrive at a conclusion... "

45. I note that Noticee 2, 3, 4, 7 and 8 have denied manipulating the price of the scrip through the alleged trades and thereby violating the provisions of PFUTP Regulations as alleged. In this regard, it is important here to mention that in order to ascertain the "intention" behind commission of any manipulative / unfair / fraudulent trades/activities, the attending circumstances have to be taken into account. The Hon'be SAT in the case of *Ketan Parekh Vs. SEBI (Appeal No. 2 of 2004)* decided on July 14, 2006 held that –:

    "... in order to find out whether a transaction has been executed with the intention to manipulate the market or defeat its mechanism, will depend upon the intention of the parties which could be inferred from the attending circumstances of the cases, because direct evidence in such cases may not be available."

46. In other words, the manipulative intent can be derived from the circumstance / modus operandi used by the person and it would generally be case specific.

47. Moving forward, I note that based on the trading of the suspected group entities during the investigation period, it is observed that total LTP contribution of the 21 suspected group entities is 42.46% in the price rise. Details are tabulated in Table – 2 below –

Table – 2

	Net LTP				Positive LTP			Negative LTP			Zero LTP		
Buyer name	LTP impact in Rs.	QTY traded	No. of trading days	No of trades	LTP impact in Rs.	QTY traded	No of trades	LTP impact in Rs.	QTY traded	No of trades	QTY traded	No of trades	% of Positive LTP to Total MKT Positive LTP
A S B N Commodities & Fineserve Pvt. Ltd	13.60	329630	34	269	19.10	57031	41	-5.50	20280	15	252319	213	3.19
Abjayoni Trading Pvt. Ltd	15.00	457837	59	819	64.15	63947	102	-49.15	39816	94	354074	623	10.70
Adamina Traders Pvt Ltd	6.90	234570	22	166	12.90	45477	23	-6.00	48691	14	140402	129	2.15
Anvita Real Estate Pvt. Ltd	20.10	641543	46	688	45.70	73651	60	-25.60	50336	32	517556	596	7.62
Black Horse Media And Entertainment Pvt. Ltd	2.25	101495	13	77	3.10	17995	14	-0.85	14726	7	68774	56	0.52
Dizzystone Trading Pvt Ltd	1.50	159497	17	202	6.20	17130	20	-4.70	7373	17	134994	165	1.03
Haritima Infrastructure Pvt. Ltd	1.70	195987	22	163	3.10	23840	14	-1.40	8687	5	163460	144	0.52
Jeshna Muiltitrade Pvt Ltd	1.30	153315	13	136	4.60	29170	16	-3.30	4600	4	119545	116	0.77
Magan Mercantile Pvt Ltd	15.30	260056	18	263	17.10	49040	20	-1.80	34152	11	176864	232	2.85
Matulya Trading Pvt. Ltd	5.80	132710	14	121	6.10	10532	12	-0.30	6511	3	115667	106	1.02
Meritorious Realty Pvt. Ltd	7.10	327385	33	261	10.90	43532	30	-3.80	23093	13	260760	218	1.82
Naseen Tradelink Pvt. Ltd	2.40	57630	12	84	3.30	7539	11	-0.90	2469	3	47622	70	0.55
Nirvana Mall Management Co Pvt Ltd	2.70	95598	12	57	3.00	3333	3	-0.30	13310	2	78955	52	0.50

	Net LTP				Positive LTP			Negative LTP			Zero LTP		
Buyer name	LTP impact in Rs.	QTY traded	No. of trading days	No of trades	LTP impact in Rs.	QTY traded	No of trades	LTP impact in Rs.	QTY traded	No of trades	QTY traded	No of trades	% of Positive LTP to Total MKT Positive LTP
Orange Mist Productions Pvt Ltd	21.80	700963	41	489	29.00	124092	65	-7.20	60714	21	516157	403	4.84
Roho Real Estate Pvt. Ltd	1.85	165390	10	60	3.95	22068	7	-2.10	32300	5	111022	48	0.66
Sally Real Estate Pvt. Ltd	3.50	163915	20	148	7.70	25500	13	-4.20	33908	16	104507	119	1.28
Tushar Pandit Jadhav	4.30	107705	23	80	5.40	20502	9	-1.10	16510	6	70693	65	0.90
Vihar Infrastructure Pvt. Ltd	1.40	100248	12	57	2.40	29773	13	-1.00	15337	6	55138	38	0.40
Wellman Tradelinks Pvt. Ltd	2.70	26267	11	28	2.70	2550	2	0.00	0	0	23717	26	0.45
Whitetext Infrastructure Pvt. Ltd.	3.00	84029	8	28	3.40	32331	9	-0.40	16900	3	34798	16	0.57
Yogita Trading LLP	0.80	8910	2	21	0.80	2039	2	0.00	0	0	6871	19	0.13
LTP Contribution by 21 Noticees	135.00	4504680	81	4217	254.60	701072	486	-119.60	449713	277	3353895	3454	42.46
MKT LTP	255.78	7955079	207	8274	599.68	1046241	922	-343.90	721208	559	6187630	6793	100

48. I note that during the investigation period 21 suspected group entities carried out 4217 (total) trades, which was 50.96% of the market trades (total 8274 trades). Out of 4217 trades, in 4028 trades the suspected group entities placed buy orders subsequent to the sell orders. Out of these 4028 trades, in 1252 trades the buy orders were placed at a price higher than the available sell order price. Further, I note that these 4028 trades of the suspected group entities were carried out during the period from February 01, 2016 to May 31, 2016. During this period (February 01, 2016 - May 31, 2016), the scrip price increased from Rs. 141 (February 01, 2016) to

Rs. 260.50 (May 31, 2016). The above noted trades of the suspected group entities had further involved purchase of 44.07 Lakh shares, which was 55.39% of the total market volume (79.55 Lakh shares) traded during the period.

49. Considering the significant contribution to the positive LTP and substantial volume of shares purchased during this period by the suspected group entities, order placement pattern of the 4028 trades of the suspected group entities was examined and the details of the same are as follows:

Table - 3

Sr. No	Name of Noticees	Total Trades	No of instance of trades in which buy orders were placed after sell orders (excluding mkt orders)	No of trades in which buy order price > sell order Price (modified price) (excluding mkt orders)	No of trades out of 1252 trades which contributed to the price rise (+ Ve LTP)	Positive LTP contribution (in Rs.)in 225 trades.
1	A S B N Commodities & Fineserve P Ltd.	269	266	135	24	11.40
2	Abjayoni Trading P Ltd.	819	720	123	27	16.00
3	Adamina Traders Pvt Ltd	166	161	47	11	2.60
4	Anvita Real Estate P Ltd.	688	669	133	25	13.30
5	Black Horse Media And Entertainment P Ltd	77	77	44	11	1.40
6	Dizzystone Trading Pvt Ltd	202	185	24	2	0.30
7	Haritima Infrastructure P Ltd.	163	163	74	10	2.10
8	Jeshna Muiltitrade Pvt Ltd	136	122	46	8	1.60
9	Magan Mercantile Pvt Ltd	263	256	36	10	5.40
10	Matulya Trading P Ltd.	121	121	70	5	0.90
11	Meritorious Realty P Ltd.	261	258	62	9	5.30
12	Naseen Tradelink P Ltd.	84	84	26	7	2.80
13	Nirvana Mall Management Co. Pvt. Ltd.	57	56	2	-	-
14	Orange Mist Productions Pvt. Ltd.	489	487	260	44	14.3
15	Roho Real Estate P Ltd.	60	60	33	5	1.45
16	Sally Real Estate P Ltd.	148	134	34	7	5.2
17	Tushar Pandit Jadhav	80	80	38	5	4.80
18	Vihar Infrastructure P Ltd.	57	52	30	6	0.80
19	Wellman Tradelinks P Ltd.	28	28	6	-	-
20	Whitetext Infrastructure P Ltd	28	28	18	8	2.90
21	Yogita Trading LLP	21	21	11	1	0.20
	Total	4217	4028	1252	225	92.75
	Market Trades	8274	6009	1876		
	Total buy order Qty of the Noticees of 1252 trades			36,38,537 (809 buy orders)		
	Total sell order qty of the market of the 1252 trades			98,98,073		

50. Noticee 2, 3, 4 and 8 have contended that such reduction of investigation period to the period February 01, 2016 to May 31, 2016 is devoid of logic. I find the said argument to be without merits as the aforesaid period was the one in which a pattern of trades emerged from analysis wherein the suspected group entities were observed to have placed buy orders subsequent to the sell orders and at prices higher than the available sell price as explained above.

51. As observed from the above Table – 3, it is observed that the 21 suspected group entities carried out 4217 trades of which in 4028 trades, the buy orders of the suspected group entities were placed subsequent to the sell orders. Further, I note that out of these 4028 trades, in 1252 trades the suspected group entities have not only placed their respective buy orders after the sell orders were available on the stock exchange, but even the buy orders were placed at a price higher than the available sell order price. As shown in Table – 3, it is observed that the suspected group entities placed buy orders for total quantity of 36.38 lac shares at a higher price compared to the total market sell quantity of 98.98 lac shares available at a lesser price in the market. Therefore, I note that the suspected group entities attempted to inflate the scrip price in 1252 trades by placing a buy order at a price higher than prevailing sell order price. Further, in 225 trades out of such 1252 trades, it is observed that the suspected group entities succeeded in increasing the price by Rs 92.75 (positive LTP), which is 15.64% of the total market positive LTP. At this juncture, I also note that that out of the aforementioned 225 trades, 2 Noticees viz. Noticee 7 (Nirvana Mall Management Co Pvt Ltd) and Noticee 12 (Wellman Tradelinks Pvt Ltd), have not carried out any trades.

52. I note that Noticee 2, 3, 4 and 8 have made a similar comtention that their contribution to the positive LTP is miniscule. Noticee 2 has contended that its +ve LTP contribution was only Rs. 13.30 in 25 trades for 35,899 shares (2.10% of total market +ve LTP); Noticee 3 has contended that its +ve LTP contribution was only Rs. 0.30 in 2 trades (0.05% of total market +ve LTP); Noticee 4 has contended that

its +ve LTP contribution was only Rs. 5.40 in 10 trades for 21,684 shares (0.90% of total market +ve LTP); and Noticee 8 has contended that its +ve LTP contribution was only Rs. 14.30 in 44 trades for 75,975 shares (2.38% of total market +ve LTP). In regard to the above submissions, I note that by virtue of connection established in Table -1, the contribution to the positive LTP by the group as a whole has to be considered. Having established the Group of Suspected Entities, there is no meaning in looking at the contribution of the Noticees individually, especially when manipulation has been alleged as a group. In this regard, reliance is placed on the judgement of the Hon'ble SAT in the matter of *Giriraj Kumar Gupta HUF Vs. SEBI* (Order dated February 25, 2020) –

> *"9. Though, we note that the appellants have raised the issue of delay, the same is not argued by the learned counsel. Hence we do not propose to go into the issue and deal with only the merit of the matter. Having heard the learned counsel for the parties, we are of the considered view that the impugned transactions, in the facts and circumstances of the matter, would fall in the realm of violations of PFUTP Regulations. Individual argument that each entity's trade is miniscule and only on a few days alone etc. is not sufficient to rebut the findings in the impugned order."*

53. Noticee 3 has placed reliance on the judgement of the Hon'ble SAT in the matter of *Indivar Traders Pvt Ltd vs SEBI* (Order dated October 05, 2020) while arguing that its 2 trades resulting in 30 paise positive LTP which is 0.05% to market positive LTP is miniscule. In this regard, I note that the aforesaid judgement cited by the Noticee is distinguishable from the present case. In the said case, it was held there was no trading pattern of the appellant since he had executed one single trade. In the present case, the pattern of Noticee 3 who is part of the larger connected suspected group entities has executed more than one manipulative trades. Further, I note that the Noticee was acting uniformly with other Noticees to manipulate the price of the scrip through their abnormal and unusual way of trading in securities, where they were noticed to have placed buy orders over and above the sellers' demand price.

54. I note that Noticee 2, 3, 4 and 8 have made a common submission that their contribution to positive LTP was of no significance/relevance and that during the investigation period, they were a net buyer in the market. In this regard, I note that the suspected group entities have repeatedly entered buy order prices higher than the sell order prices and have acted in a uniform manner to effect price rise in the scrip and contributing to positive LTP in the scrip. Against this backdrop, the contention of them being net buyers in the scrip during the investigation period is of no relevance. I would like to place reliance on the judgement of Hon'ble SAT in the matter of *Shailesh Jain vs SEBI* (Order dated May 01, 2012) wherein it was held that – *"5. …. The comparison with the counter party Mr. Sanjeev Khare may not be of any assistance to the appellant. The appellant's role has been one of conscious indulgence in manipulation of the trade in a crude and preplanned manner. The very fact that the appellant has placed orders above the last traded price when sell orders were available in the market at a lower price shows the intention behind the trade.".*

55. Further, in the SCN, 50 instances of 19 suspected group entities were provided for which it was alleged that orders were placed at a price higher than the available sell order price and the buy quantity lower than the available sell order quantity. Noticee 2, 3, 4 and 8 have tried to explain their respective individual instances which were alleged to be manipulative. I note that similar explanations have been given by the said Noticees. For illustration, Noticee 4 (Magan Mercantile Pvt. Ltd.) has submitted that on March 15, 2016, it placed a buy order (Order no. 1458012600003296025) for 1000 shares at a price of Rs. 184.50. I note that the said order was executed in two different trades involving 961 and 39 shares, respectively. The first trade of 961 shares was executed at the rate of Rs. 184.50 and LTP contribution was zero and was executed at 12:29:56 Hrs. For remaining order of 39 shares, the price was modified by Noticee 4 to Rs. 185 and the said modified buy order resulted in trade at the rate of Rs. 184.90, and resulted in a LTP contribution of Rs. 0.40. In this regard, it is noted from the trade log that the first trade of 961 shares got executed

immediately after placing of the order at 12:29:56 pm at Rs. 184.50 with no change in the LTP. I note that despite the Noticee acquiring almost 96% of his desired quantity, has immediately modified its buy price without making any change in buy quantity and has contributed Rs. 0.40 to the LTP. Had the design of Noticee 4 been to acquire more shares than it would have modified its buy quantity also. The aforesaid explicit impatient act of modifying the price even for a smaller quantity without waiting for some time to observe the direction of the market, specifically when 96 % of its desired quantity had already been bought indicates that the Noticee was not trading in a fair manner. As an another illustration, I note that Noticee 8 (Orange Mist Productions Ltd) on March 17, 2016 placed a buy order at 11:24:05 AM for 4500 shares at Rs. 183.20. The said order was modified by Noticee 8 to 5500 shares at a price of Rs. 193.60, even though sufficient sell order quantities (1000-10,000) were available at the sell price order range of Rs. 193.20 – Rs. 193.40. The above order of Noticee 8 got executed at prices of Rs. 193.20 (1000 shares) which contributed a positive LTP of Rs. 2.20 (1.15%) in the scrip. The said order also got executed for the remaining 4500 shares at Rs. 193.40 which contributed Rs. 0.20 (0.1%) to the LTP. The above Noticees have also stated that the trades were executed at sellers' prices and under no circumstances it can be said that Noticee's trades have contributed to positive LTP. In this regard, I note that as per the rule of the trading mechanism the trades would get executed through Price-Time priority. However, I note that if buyer places orders at prices higher than the best sellers' price, then it will reflect in the order book and the sellers will place orders at increased prices or will try to modify their sell order prices to increased prices and in this manner the scrip price will get driven up. Therefore, I find no merit in the above contentions of the Noticees that since the trades would always get executed at the seller's prices, the buy order price are of no consequence. In the present case, it is observed that despite higher quantity of shares available at a lower price, suspected group entities had placed buy orders for a lower quantity at a higher price indicating the manipulative intent of suspected group entities. Further, regarding the allegation of manipulation in the scrip of SSAL, I would like to place reliance on the order dated

January 04, 2022 in the matter of *Dizzystone Trading Private Limited vs SEBI* and *Anvita Real Estate Private Limited vs SEBI* (quoted supra) wherein it was held as follows –

"15. The record would show that the Company in question was in red zone. While it had very negligible profit for three years on one occasion it had suffered a tremendous loss of Rs. 8.52 crores. It was already under the surveillance measure of the stock exchanges and there was nothing positive justifying rise of the price. Despite this, both the appellants on many occasions placed buy orders above the already available sell orders thereby increasing the price of the share for no reason. It is merely stated that since the appellants wanted to buy considerable number of shares, orders for higher price was quoted by them. As already pointed out though the connection of Mr. Kumar Raichand Madan with any other outsider is not shown, the connection table no. 4 in the impugned order would show that the said Mr. Kumar Raichand Madan had his footprints in almost all the noticees/ entities in the present case. It would show that all the noticees who had traded in the similar fashion had a common unusual pattern."

56. I note that Noticee 2, 3, 4 and 8 have made a common submission that the scrip of SSAL was in 'T' Group and hence was under continuous surveillance. In this regard, I note that in a 'T' Group or trade-for-trade category, all trades have to be compulsorily settled and no netting of trades is allowed. In other words, only a person holding the shares can sell it on the market platform by way of compulsory delivery of shares. Apart from the same, there is no difference between a 'T' group stock and other stocks. The other factors of stock trading like demand and supply, matching of trades on price-time priority are exactly the same for a T Group stock as for the other regular stocks. Hence, I don't find any merit in the contentions of the aforesaid Noticees that scrip in 'T' Group cannot be manipulated. It is not the case of the Noticees that sellers were not possessing the requisite shares and placed shares for sale on short selling basis and thereby induced the buyer entities including the suspected group entities herein to match their buy orders placed by such sellers. I

also note from table 3, that during the analysis period from February 01, 2016 to May 31, 2016, in 1252 trades the suspected group entities placed buy orders for a quantity of 36,38,537 shares against the total sell order quantity of 98,98,073 shares in those 1252 trades. I note from the SCN that during the aforesaid period, the suspected group entities collectively bought 44.07 lac shares which was 55.39% of the market volume of 79.55 lac shares. I note that in the present case, the suspected group entities despite having sufficient sell orders at lower price, willingly bought shares at higher prices, by placing orders at prices higher than the prevailing market price and thus contributed to positive LTP and price rise in the scrip. Thus, I find no merit in the submissions of the Noticees that there was no manipulation since the scrip was in ‘T’ Group.

57. I note that Noticee 2, 3, 4 and 8 have made a common submission that the trading system does not make available the particulars — such as quantity of shares, prices and time of counter party's keyed-in orders against which their orders got matched and that in the absence of these particulars, the Noticees could not know or ascertain any pattern at the relevant time. In this regard, I note that the trading system of the stock exchange reflects the best 5 sell/buy orders and the quantities offered in such orders. However, in the present case, it has been observed by investigations that despite availability of shares at lower prices, the suspected group entities have placed buy order at higher prices than the sell orders and such instances have been detailed in Table -3 of this order. In as many as 1252 such trades, the buy order prices were entered higher than the sell order price. Further, out of such 1252 trades, through as many as 225 trades, the suspected group entities have been able to actually increase the price of the scrip by Rs. 92.75. It is pertinent to note here that if the intention of the suspected group entities to buy shares at any price point, then they could have placed market orders. However, as observed in the present case, in all the trades wherein the suspected group entities are alleged to have contributed to the positive LTP in the scrip, the Noticees have not placed any market orders, but have placed limit orders at higher buy order price than the sell order prices. Thus, I

find no merit in the contention of the above Noticees that they could not know about any pattern/ pending sell orders while placing their buy orders.

58. Further, I note that Noticee 2, 3, 4 and 8 have made a common submission that every trade results either in +ive LTP, -ive LTP or zero LTP, and there is no embargo on placing orders at +ive LTP. I find no merits in the said submissions, since the trading pattern of the Noticees was unusual wherein they were placing buy orders after sell orders and that too at higher prices than the sellers' demand price and were contributing to the +ive LTP in the scrip. The same was observed to have been done consistently as detailed in the previous paragraphs of this order. Such trading pattern has aided in the price rise in the scrip and shows the manipulative intention of the Noticees. Further, the above Noticees have contended that none of their trades have been alleged to have resulted into New High Price (NHP). In this regard, I note that the same has not been alleged in the SCN. As has been detailed previously, the 225 trades of the suspected group entities have contributed to +ive LTP of Rs. 92.75 in the scrip during the period February 01, 2016 to May 31, 2016. Such trades were observed to be manipulative. I note that trades not creating NHP do not imply the trades were non-manipulative and fair. Thus, I find no merits in the above submissions of the above Noticees.

59. Noticee 2, 3, 4 and 8 have made a common submission that most of their trades have resulted into zero LTP, and if it was the intention of the Noticee to inflate the price of the scrip, the Noticee would have executed every trade at a positive LTP. In this regard, I note that the Noticees have not been able to controvert the main charge in the SCN about carrying out manipulative trades in a uniform pattern by placing buy orders after sell orders and above the price quoted by the sellers. Reference by the Noticees to their trades carried at negative LTP and zero LTP are of no consequence, as no charge regarding the same has been made in the SCN. Thus, I find no merit in the above contentions of the Noticees. Further, at this juncture, I find it relevant to note that the details of LTP contribution of the suspected group

entities is elaborated in Table 2 at previous paragraph 47. In this regard, I note that it is a fact that the suspected group entities have carried out trades at +ive LTP, zero LTP and –ve LTP during the investigation period and upon considering all such trades, it is observed that the suspected group entities have contributed net positive LTP. The suspected group entities have made a positive LTP contribution of Rs. 254.60 against negative LTP contribution of Rs. 119.60, i.e. a net positive LTP impact of Rs. 135.00. Further, I note that the positive LTP contribution of the suspected group entities (Rs. 254.60) as a percentage to the market positive LTP (Rs. 599.68) was 42.46%, which is a significant share of the total market positive LTP. The same denotes that the suspected group entities as buyers were especially responsible for the price rise in the scrip.

60. Further, I note that Noticee 2, 3, 4 and 8 have made a common submission that there was a substantial time difference in placing the buy order by them and the sell orders placed by the counterparty. I note that the said contention dosen’t support the case of the Noticees. It has been alleged in the present case that the suspected group Noticees were indulging in a particular order placement pattern, wherein the buy orders were placed after sell order orders and the buy order prices were higher than the seller’s demanded price resulting in trades contributing to +ive LTP in the scrip. The manipulative intent of the suspected group entities is evident from the facts as narrated previously wherein it is noted that all of them have acted in an identical manner to buy the shares of the scrip of a company at prices higher than the prices demanded by the sellers, more so when the bleak financial health of the Company at that time did not justified the strong interest that was displayed by the suspected group entities to buy the shares of the Company. Thus, I find no merit in the above contention of the above Noticees.

61. At this juncture, I also note from the SCN that the financials of SSAL were not at all promising and no major corporate announcement was made by it during the investigation period and the profits earned by the SSAL during the relevant financial

years were also meagre. It has been observed that SSAL earned a total income of Rs.1.57 crore and Rs. 1.81 crore for the Financial Year 2014 - 2015 and 2015 - 2016 respectively. Considering the negligible income and the poor financials of SSAL, the sharp rise in the scrip price of SSAL was not supported by its fundamentals or any other major corporate development. Thus, I note that it cannot be a mere coincidence that the suspected group entities repeatedly bought substantial volume of shares at a price higher than the Last Traded Price without any *bona fide* reasons and in the process manipulated the scrip price of SSAL whose financials did not support the price movement of the scrip. Thus, I conclude that Noticees had manipulative intention to inflate the scrip price.

62. With regard to denial of the Noticees that they have violated the provisions of PFUTP Regulations, it is relevant to note that Hon'ble Supreme Court in the case of *SEBI vs Shri Kanaiyalal Baldevbhai Patel* has held that *"The definition of 'dealing in securities' is broad and inclusive in nature. Under the old regime the usage of term 'to mean' has been changed to 'includes', which prima facie indicates that the definition is broad. Moreover, the inclusion of term 'otherwise transacting' itself provides an internal evidence for being broadly worded so as to include situations such as the present one".* In the same matter it was also held that -

   "31 Although unfair trade practice has not been defined under the regulation, various other legislations in India have defined the concept of unfair trade practice in different contexts. A clear cut generalized definition of the 'unfair trade practice' may not be possible to be culled out from the aforesaid definitions. <u>Broadly trade practice is unfair if the conduct undermines the ethical standards and good faith dealings between parties engaged in business transactions. It is to be noted that unfair trade practices are not subject to a single definition; rather it requires adjudication on case to case basis. Whether an act or practice is unfair is to be determined by all the facts and circumstances surrounding the transaction. In the context of this regulation a trade practice may be unfair, if the conduct undermines the good faith dealings involved in the transaction. Moreover</u>

the concept of 'unfairness' appears to be broader than and includes the concept of 'deception' or 'fraud'."

63. Hon'ble Supreme Court further observes the following in the case of *SEBI vs Rakhi Trading*:

"Having regard to the fact that the dealings in the stock exchange are governed by the principles of fair play and transparency, one does not have to labour much on the meaning of unfair trade practices in securities. Contextually and in simple words, it means a practice which does not conform to the fair and transparent principles of trades in the stock market."

64. Further, I note that the Hon'ble Supreme Court in its Order dated April 26, 2013 in the matter of *N. Narayanan vs Adjudicating Officer, SEBI*, has laid down that *"……….Prevention of market abuse and preservation of market integrity is the hallmark of Securities Law. Section 12A read with Regulations 3and 4 of the Regulations 2003 essentially intended to preserve 'market integrity' and to prevent 'Market abuse'. The object of the SEBI Act is to protect the interest of investors in securities and to promote the development and to regulate the securities market, so as to promote orderly, healthy growth of securities market and to promote investors protection. Securities market is based on free and open access to information, the integrity of the market is predicated on the quality and the manner on which it is made available to market. 'Market abuse' impairs economic growth and erodes investor's confidence. Market abuse refers to the use of manipulative and deceptive devices, giving out incorrect or misleading information, so as to encourage investors to jump into conclusions, on wrong premises, which is known to be wrong to the abusers. The statutory provisions mentioned earlier deal with the situations where a person, who deals in securities, takes advantage of the impact of an action, may be manipulative, on the anticipated impact on the market resulting in the "creation of artificiality"*.

65. From the foregoing, I note that the suspected group of entities were all connected and acted in a nexus. Further, the suspected group entities by placing buy orders at prices higher than the available sell orders in 1252 instances have attempted to inflate the price of the SSAL scrip and the same shows a clear manipulative intent. The aforesaid attempt to inflate the price of the scrip so made by the suspected group entities through 1252 trades resulted in 225 trades, in which the suspected group entities purchased the shares at prices higher than the last traded price and contributed Rs. 92.75 positive LTP. I note that out of the 225 manipulative trades, Noticee 7 and 12 have not executed any trades contributing to positive LTP. In this regard, I note that though it is established that Noticee 7 and 12 are part of the suspected group entities, keeping in view that they have not executed manipulative trades contributing positive LTP, I am willing to take a lenient view against the said Noticees. Under the circumstances, I now hold that Noticee 1 to 6, 8 to 11 and 13 have executed trades which were fraudulent and intended to manipulate the scrip price of SSAL, and have therefore, violated Regulation 3 (a), (b), (c), (d) and 4(1),4(2)(a) and (e) of PFUTP Regulations.

66. Further, I note that in the matter of ***SEBI vs Kishore R. Ajmera***, ***(supra)*** the Hon'ble Supreme Court observed that *"the SEBI Act and the Regulations framed there under are intended to protect the interests of investors in the Securities Market which has seen substantial growth in tune with the parallel developments in the economy. Investors' confidence in the Capital/Securities Market is a reflection of the effectiveness of the regulatory mechanism in force. All such measures are intended to pre-empt manipulative trading and check all kinds of impermissible conduct in order to boost the investors' confidence in the Capital market. The primary purpose of the statutory enactments is to provide an environment conductive to increased participation and investment in the securities market which is vital to the growth and development of the economy. The provisions of the SEBI Act and the Regulations will, therefore, have to be understood and interpreted in the above light".*

67. The aforesaid violation of the provisions of Regulation 3(a), (b), (c), (d), 4(1), 4(2)(a) and (e) of PFUTP Regulations by Noticee 1 to 6, 8 to 11 and 13 attract monetary penalty under Section 15HA of the SEBI Act, 1992 and the same reads as follows:

> ***98**[**Penalty for fraudulent and unfair trade practices.***
>
> ***15HA.** If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty **99**[which shall not be less than five lakh rupees but which may extend to twenty - five crore rupees or three times the amount of profits made out of such practices, whichever is higher].*
>
> ---
>
> ***98** Inserted by the SEBI (Amendment) Act, 2002, w.e.f.29-10-2002.*
>
> ***99** Substituted for the words —twenty-five crore rupees or three times the amount of profits made out of such failure, whichever is higher ‖ by the Securities Laws (Amendment) Act, 2014, w.e.f. 08-09-2014*

68. 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 the SEBI Act, which reads as under:-

> **"15J - Factors to be taken into account while adjudging quantum of penalty**
>
> *While adjudging quantum of penalty under section 15-I or section 11 or section 11B, the Board or 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*
>
> ***Explanation –** For the removal of doubts, it is clarified that the power 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."

69. I note that the material made available on record has not quantified the amount of disproportionate gain or unfair advantage made by the Noticees and the loss suffered by the investors as a result of the Noticees's default.

70. I note that Noticee 2, 3, 4, 7 and 8 have submitted that multiple enforcement actions have been initiated against the said Noticees w.r.t the same cause of action, and that they had been issued Show Cause Nofice under Section 11(1), 11(4) and 11B of the SEBI Act, 1992 in the matter and the Whole Time Member of SEBI had already issued directions vide Order dated June 01, 2021. I note the arguments of the above Noticees that they have already been issued with the SCN and debarred (except Noticee 8) under Section 11B of the SEBI Act, 1992. In this regard, I note that proceedings under Section 11B and adjudication proceedings are different and can be parallely initiated. In this regard, I note that the Hon'ble SAT, in its order dated April 21, 2017 in the matter of *Sunita Gupta vs. SEBI*, has held as follows:

    "6. Where a person violates the provisions contained in the SEBI Act and the regulations made thereunder, then, SEBI is empowered to initiate penalty proceedings against that person under Chapter VIA of SEBI Act and also issue directions in the interests of investors or securities market as it deems fit under Chapter IV of SEBI Act. Thus, the powers conferred on the Board under Chapter IV are independent from the powers to impose penalty under Chapter VIA of SEBI Act. Accordingly, in the present case, since the appellant had indulged in synchronized/ circular trades in gross violation of SEBI Act/ PFUTP Regulations and the same was detrimental to the interests of the investors and securities market, the Board deemed it fit to issue direction under Chapter IV in addition to the penalty imposed under Chapter VIA of SEBI Act. Therefore, in the facts of present case, initiation of proceedings under Chapter IV even after initiating proceedings under Chapter VIA cannot be faulted."

71. Further, in light of recent order dated August 02, 2019 of Hon'ble SAT in the matter of *P G Electroplast vs SEBI*, I also note that, vide order dated June 01, 2021, Hon'ble Whole Time Member (WTM) of SEBI also prohibited the suspected group entities as defined in this order, except Noticee 7 and Noticee 12, from accessing the securities market and further prohibit them from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of three months.

72. Further, Noticee 2 (Anvita Real Estate Pvt Ltd) and Noticee 3 (Dizzystone Trading Pvt Ltd) have also submitted that they had preferred appeal w.r.t aforesaid WTM order dated June 01, 2021 before the Hon'ble SAT and vide order dated June 18, 2021, Hon'ble SAT was pleased to grant stay on the effect and operation of the impugned order during the pendency of their appeals. In this regard, I note that subsequently vide order dated January 04, 2022, Hon'ble SAT has upheld the WTM order and ruled as follows – *"Both the appeals are hereby dismissed without any order as to costs. In view of the dismissal of the appeals the misc. applications for stay are also disposed of."*.

<u>ORDER</u>

73. After taking into consideration the nature and gravity of the charges established in the preceding paragraphs, factors mentioned under Section 15J of the SEBI Act and in exercise of the powers conferred upon me under Section 15-I of the SEBI Act, read with Rule 5 of the SEBI Adjudication Rules, I hereby impose the following penalty on the below Noticees for violation of Regulation 3(a), (b), (c), (d), 4(1), 4(2)(a) and (e) of PFUTP Regulations –

Sl. No.	Noticee	Penal Provisions	Penalty
1	Adamina Traders Pvt. Ltd. (Noticee 1)	Section 15HA of	Rs. 20,00,000/- (Rupees Twenty Lakh
2	Anvita Real Estate Pvt. Ltd. (Noticee 2)		

3	Dizzystone Trading Pvt. Ltd. (Noticee 3)	SEBI Act, 1992	Only) to be paid jointly and severally by Noticees 1 to 6, 8 to 11 and 13
4	Magan Mercantile Pvt. Ltd. (Noticee 4)		
5	Matulya Trading Pvt. Ltd. (Noticee 5)		
6	Naseen Tradelink Pvt. Ltd. (Noticee 6)		
7	Orange Mist Productions Pvt. Ltd. (Noticee 8)		
8	Roho Real Estate Pvt. Ltd. (Noticee 9)		
9	Sally Real Estate Pvt. Ltd. (Noticee 10)		
10	Tushar Pandit Jadhav (Noticee 11)		
11	Yogita Trading LLP (Noticee 13)		

No penalty is imposed on Noticee 7 (Nirvana Mall Management Co Pvt Ltd) and Noticee 12 (Wellman Tradelinks Pvt Ltd) for reasons explained previously in this order.

74. The above 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.

75. The above Noticees shall forward said Demand Draft or the details / confirmation of penalty so paid to "The Division Chief (Enforcement Department - DRA-II), 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:

a) Name and PAN of the Noticees
b) Name of the case / matter
c) Purpose of Payment – Payment of penalty under AO proceedings

d) Bank Name and Account Number

e) Transaction Number

76. 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.

77. In terms of Rule 6 of the SEBI Adjudication Rules, copy of this Order is sent to the Noticees and also to the Securities and Exchange Board of India.

Date : May 06, 2022 **Parag Basu**

Place : Mumbai **Adjudicating Officer**