BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

ADJUDICATION ORDER NO. ORDER/VV/PSS/2022-23/25283-25366

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 the matter of

Bhageria Industries Limited

In respect of:

Noticee No.	Name of the Noticee	PAN
1	Kirodi Mal Modi	AFAPM2021E
2	Sunita Modi	ACTPM0448F
3	Karun Modi	AJQPM4885J
4	Gaurav Modi	AJQPM4886M
5	Pawan C Agarwal	ADVPA0128P
6	Darshanik Valueserve Private Limited	AADCD4715F
7	Anil Chothmal Patodia HUF	AAAHA4542B
8	Anil Chothmal Patodia	AFMPP7771G
9	Archana Anil Patodia	AGZPP2397L
10	Kamal Poddar HUF	AAHHK1927M
11	Hemlata Kamal Poddar	AMJPP9451H
12	Rajendra Radhakishanji Upadhyaya	AAMPU3767G
13	Govind Ram Patodia	AJDPP3342C
14	Satyanarayan Patodia	AAKPP8753B
15	Natwar Lal Patodia	AAKPP8755H
16	Manju Devi Patodiya	ALGPP7131G
17	Vinita Sunil Patodia	ADTPP7048M
18	Kamal Santosh Poddar	AJNPP5353K
19	Manasvi Consultancy Private Limited	AAGCM5766J
20	Futurage Corporate Care Private Limited	AABCF6594J
21	Prism Scan Express Private Limited	AAECP0762H
22	Hifi Trading Private Limited (Now Known As W Spaces Private Limited)	AADCH4666D
23	Reform Trading Co Private Limited	AAGCR4553G
24	Bhageria Trade Invest Private Limited	AAACB3544P
25	Dinesh Vishamberlal Bhageria	AABPB0526F

26	Chandraprabha Suresh Bhageria	AEUPB3503P
27	Niranjanlal Bhageria HUF	AABHN2017H
28	Krishna A Agarwal	AACPA0195Q
29	Anjani Kumar Chirania	AABPC9301P
30	Sonika Rakesh Bhageria	AFZPB9322A
31	Paath Financial Services Private Limited	AAHCP2103K
32	Niranjanlal Keshavdeo Bhageria	AAFPB0892A
33	Vijay Manohar Kodam	BQUPK3902L
34	Manjula Vinod Lohiya	ACDPL9211B
35	Manohar Gauraian Kodam	AAZPK9846M
36	Suresh K Bhageria HUF	AADHS0496K
37	Abhilasha Money Operations Pvt Ltd (represented by Florence Securities Private Limited)	AABCA8262G
38	Zenith Speciality Private Limited	AAACZ2666G
39	Rahul Niranjanlal Bhageria	AGAPB0874F
40	Akashdeep International Private Limited	AAECA0649J
41	Vanita Ashish Saraf	AFZPB1274M
42	Archana Deepak Bhageria	ADSPB5258L
43	Vishwambharlal Keshaodev Bhageria	AABPB0178P
44	Asha Dinesh Bhageria	AFZPB1519D
45	Kanchan Kamlesh Dave	AHGPD0957N
46	Sakshi Anjani Chirania	ALEPC0190L
47	Suresh Keshavdeo Bhageria	AABPB0527E
48	Deepakkumar Vishwambharlal Bhageria	AABPB0179N
49	Vikas Sureshkumar Bhageria	AFBPB3345K
50	Harshita Vikas Bhageria	ALOPB8277H
51	Prabhudayal Rewatlal Chawla	AGAPC4806E
52	Bodal Chemicals Ltd	AAACD5352M
53	Blissful Traders Private Limited (represented by Chartered Capital Research Private Limited)	AAACF9204G
54	Aditya Vinod Bhageria	AJDPB4921D
55	Yogesh Shrinivas Jadhav	ALFPJ5077Q
56	Sangita Ramratan Chirania	AACPC0731E
57	Ashok Kumar Ramnath Chirania	AEVPC5715K
58	Lalit Kumar Saraf	AAKPS8896G
59	Kali Mohan Bhattacharya	ACWPB8270B
60	Babita Ajay Kejriwal	AMAPK4906D
61	Abhishek Ashok Chirania	AJAPC4463G
62	Bikram Keshari Mohanty	AIRPM0621N

63	Narendra Kumar Saini	AAKPS1599Q
64	Ealdor Retails Private Limited (represented by Florence Securities Private Limited)	AABCE9439P
65	Kamlesh Dharmdutt Dave	ADTPP7048M
66	Choice Equity Broking Private Limited	AADCC8390B
67	Satya Shakambari Securities Private Limited	AAGCS6220B
68	Ankur Anjani Chirania	AGGPC2590R
69	Dhwani Rahul Bhageria	AKIPD4568J
70	Vikas Bhageria HUF	AAGHV9911D
71	Signora Finance Private Limited (represented by Chartered Capital Research Private Limited)	AAHCS4031R
72	Rahulkumar Kamlesh Dave	CDDPD7596J
73	Anjani Kumar Chirania HUF	AAAHA1184P
74	Rakesh Bhageria HUF	AAOHR1475C
75	Rahul Bhageria HUF	AAOHR1476B
76	Chanda Devi Bhageria	AEUPB3499J
77	Deepak Bhageria HUF	AAGHD8696D
78	Renu Saraf	ABDPS4889H
79	Nidhi A Chirania	AHAPC2945D
80	Sapna Vinod Lohiya	AKEPL5908Q
81	Abhishek Vinod Bhageria	AFZPB0801N
82	Hemant Kumar Saraf	BUUPS3100A
83	Gajanan Enterprises	AAKFG7595A
84	GRD Securities Limited	AABCG7534M

(Noticees no. 1 to 84 are individually known by their respective name or Noticee no. and are collectively referred to as "Noticees")

A. BACKGROUND

1. Securities and Exchange Board of India ('***SEBI***') has initiated adjudication proceedings under section 15HA and 15HB of Securities and Exchange Board of India Act, 1992 (**'*SEBI Act*'**) against the Noticees for violation of provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 ("***PFUTP Regulations***") and SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 ("***Broker Regulations***").

2. Office of the Deputy Commissioner of Income Tax, Jaipur, observed that during the course of assessment proceedings in the case of Smt. Sunita Modi, Jaipur,

it was noted that she claimed exempt income u/s 10(38) of the Income Tax Act on sale of scrip, M/s. Bhageria Dye-Chem Limited (*now Bhageria Industries Limited*). The shares were purchased at meagre prices and sold at abnormally high prices. It was also observed that the prices of the scrip were continuously rising since 2013. Accordingly, based on Income Tax reference and price volume statement, BSE investigated the scrip of Bhageria Industries Limited. Based on BSE findings, SEBI conducted a detailed investigation into the trading activities of certain entities in the scrip of Bhageria Industries Limited (hereinafter referred to as the "***BIL/the Company"***) to ascertain any violation of the provisions of SEBI Act 1992, PFUTP Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015 by the suspected entities in trading in the scrip of BIL, during the period April 17, 2014, to October 25, 2016 (hereinafter referred to as the '***investigation period***').

3. During the course of investigation, it was observed as follows :-

3.1) SEBI observed that during the investigation period, on BSE, the price of the scrip moved from ₹30.90 to ₹711.35, registering an increase of ₹680.45 (i.e. 2,202.10%). Given the price movement in the scrip, four price patches were formed. Average trading volume was highest during Patch 1 and lowest during Patch 3. Total trading volume in the scrip during the investigation period was 1,66,09,485. Number of unique PANs trading in the scrip during the investigation period was 13,816. Whereas on NSE, during the investigation period, the price of the scrip moved from ₹108.70 to ₹710.55, registering an increase of ₹601.85 (i.e. 553.68%). Total trading volume in the scrip during the investigation period was 1,02,45,923. Number of unique PANs trading in the scrip during the investigation period was 16,459.

3.2) Summary of price volume data on BSE and NSE is given below :-

Table - 1

BSE

Period	Dates		Opening Price (volume) on first day	Closing price (volume) on last day	Low price (volume) during the period	High Price (volume) during the period	Avg. no. of (shares) traded daily during the period
Investigation Period	(17/04/2014 – 25/10/2016)	Price (₹)	30.90	711.35	29.90	711.35	26,833
		Vol.	1,070	98,482	22	3,41,482	
Patch 1	(17/04/2014 - 03/09/2014)	Price (₹)	30.90	207.00	29.90	215.00	34,283
		Vol.	1,070	80,880	22	2,54,382	
Patch 2	(04/09/2014 – 27/10/2014)	Price (₹)	202.90	91.00	89.00	208.40	32,806
		Vol.	3,652	2,01,741	269	2,09,745	
Patch 3		Price (₹)	94.90	99.40	86.45	194.50	23,635

Period	Dates		Opening Price (volume) on first day	Closing price (volume) on last day	Low price (volume) during the period	High Price (volume) during the period	Avg. no. of (shares) traded daily during the period
	(28/10/2014 - 01/03/2016)	Vol.	2,48,773	12,248	317	3,13,772	
Patch 4	(02/03/2016 – 25/10/2016)	Price (₹)	110.00	711.35	99.30	711.35	27,912
		Vol.	5,269	98,482	160	3,41,482	

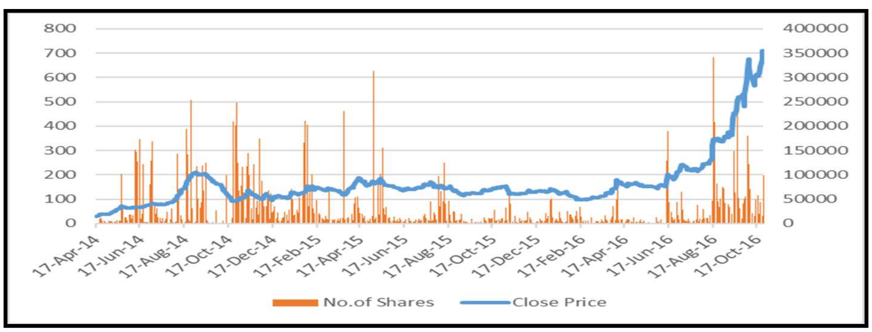
Table – 2 NSE

Period	Dates		Opening Price (volume) on first day	Closing price (volume) on last day	Low price (volume) during the period	High Price (volume) during the period	Avg. no. of (shares) traded daily during the period
Patch 4	(02/03/2016 – 25/10/2016)	Price (₹)	108.70	710.55	86.90	710.55	64,848
		Vol.	4,087	2,19,241	100	8,75,016	

3.3) Total trading volume in the scrip during the investigation period was 1,66,09,485. Number of unique PANs trading in the scrip during the investigation period was 13,816.

3.4) SEBI observed that the price movement was most significant during Patch 4. SEBI observed that the prices of the scrip were mostly in synch with the prices of the sectoral movement, except around September – October 2016.

3.5) The price-volume chart, for BSE price volume data, for the investigation period is given below:



Modus operandi:

3.6) SEBI observed that Bhageria Industries Limited made two preferential allotments, during 2011 and 2012, across promoter and non-promoter allottees and it is further observed by SEBI that most of these non-promoter allottees were connected to the Company promoters and were connected entities, through common directorships, monetary transactions, off market transactions, etc. In particular, most BIL promoters were observed to have regular dealings with Choice International Limited, holding company of Choice Equity Broking Private Limited. Infact multiple promoters and some directors of Choice International Limited were featuring among the list of allottees.

3.7) SEBI observed that post completion of lock-in for the shares allotted to non-promoter allottees, Company's promoter connected entities, through off market transactions, acquired the shares allotted to 4 non-promoter allottees. Further, during the time period, May 2014 to August 2016, promoters, promoter group and connected entities, further acquired the shares allotted to the non-promoter allottees, on market, majorly through synchronised trades. It is alleged that the promoter and related entities consolidated their own shareholding in the Company and thereby provided exit to the non-promoter allottees.

3.8) SEBI observed that over the course of close to two years, all the non-promoter allottees exited their shareholding and almost all sold their shares trading through the broker, Choice Equity Broking Private Limited, including entities which did not otherwise have dealings through the said broker or had their shares lying with some other Depository Participant (which they now brought to Choice Equity Broking Private Limited). The directors and promoters of Choice International Limited who were allottees also sold their shares during such time.

3.9) SEBI observed that most promoters and their connected entities bought shares from the non-promoter allottees, trading through the sub-broker, Satya Shakambari Securities Private Limited (affiliated to the broker, Nirmal Bang Securities Private Limited). The dealer for all such buy transactions was director of Satya Shakambari Securities Private Limited. SEBI observed that the sub-broker was operating out of an office which it had acquired on lease from Company promoter.

3.10) SEBI Observed that the majority of the allottee sales happening through broker, Choice Equity Broking Private Limited and buy happening through promoter and connected entities, through sub-broker, Satya Shakambari Securities Private Limited, were synchronised trades. Family members of directors of broker and sub-broker also purchased shares from the allottees and thereby facilitated exit to the non-promoter allottees.Part of the money received by the allottees from their sales was observed to have been sent back to the Company's promoter entities and its shareholders. It is observed by SEBI that in two instances money so received from the allottees was used by promoter entity to pay its stock broker for the shares purchased from other allottees.

3.11) It is alleged that there was clear meeting of minds of the promoters and connected entities, to consolidate their shareholding in the Company and thereby provide exit to the non-promoter allottees, by misusing the stock exchange platform. It is alleged that they entered into fraudulent synchronised trades thereby generating artificial volume in the scrip on market. It is observed that the broker and sub-broker assisted the alllotees, promoters and connected entities in the said scheme.

Preferential Allotment of shares:

3.12) SEBI observed that on August 23, 2011, the Company allotted 36,50,000 shares (i.e. 1st allotment) on preferential basis to 38 entities at a price of ₹30. Out of this, 14,00,000 shares were allotted to 21 promoter entities & 22,50,000 shares were allotted to 17 non-promoter entities. The promoters' shares were locked-in till August 22, 2014 while the non-promoters shares were locked-in till August 22, 2012. SEBI further observed that on March 02, 2012, the Company allotted 8,50,000 shares (i.e. 2nd allotment) on preferential basis to 6 non-promoter entities at a price of ₹30. The said shares were locked-in till March 2, 2013.

3.13) SEBI observed that only 1 non-promoter allottee (viz. Manasvi Consultancy Private Limited) had sold 29,748 shares on market prior to the investigation period. Balance 2,20,252 shares were sold by it on market during the investigation period. Shareholding, before the investigation period, and trade details for the investigation period, for 19 non-promoter allottees is summarised below:

Table - 3

Name of preferential allottee	No of Shares allotted	Holding before IP (as on 16/04/2014)	Shares net bought (sold) during						% of allotted shares sold during IP
			Patch 1 (17/04/2014-03/09/2014)	Patch 2 (04/09/2014-27/10/2014)	Patch 3 (28/10/2014-01/03/2016)	Patch 4 (02/03/2016-25/10/2016)		IP (17/04/2014-25/10/2016)	
						BSE	NSE		
Vinita Patodia	300000	375050	0	0	-232050	-62316	-80684	-375050	100.00
Anil Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Anil Patodia HUF	100000	100000	0	0	-100000	0	0	-100000	100.00
Archana Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Kamal Poddar HUF	100000	100700	0	0	-100700	0	0	-100700	100.00
Kamal Poddar	100000	104950	-4545	405	-32410	-76445	8045	-104950	100.00
Hemlata Poddar	100000	173845	0	0	-173845	0	0	-173845	100.00
Rajendra Upadhyay	100000	100000	0	0	-100000	0	0	-100000	100.00
Pawan Agarwal	100000	100000	0	0	-100000	0	0	-100000	100.00
Govind Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Manasvi Consultants Pvt. Ltd.	250000	220252	-219650	-2605	0	0	0	-222255	88.10
Karodimal Modi	150000	150000	-150000	0	0	0	0	-150000	100.00
Sunita Modi	150000	150000	-150000	0	0	0	0	-150000	100.00
Satyanarayan Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Natwarlal Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Manju Devi Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Karun Modi	150000	150000	-150000	0	0	0	0	-150000	100.00
Gaurav Modi*	150000	0	-150000	0	0	0	0	-150000	100.00
Darshanik Valueserve Pvt Ltd.	250000	250000	-198274	-51726	16519	-21587	5068	-250000	100.00
Total No of shares	**2600000**	**2594797**	**-1022469**	**-63926**	**-1432486**	**-160348**	**-67571**	**-2746800**	**99.37**

3.14) SEBI observed that all 19 non-promoter allottees sold all the allotted shares primarily on BSE during Patch 1 and Patch 3. Out of 19 non-promoter allottees, 13 allottees only sold shares while 6 allottees both bought and sold shares during the investigation period. However, at the end of the investigation period, all non-promoter allottees shareholding in the scrip was nil.

3.15) The counterparties to the trades of the non-promoter allottees, during the investigation period are summarised below: Table 4

Name of allottee	No. of shares bought	Counterparty within Group 3	%bought by Group 3	No. of shares sold	Counterparty within Group 3	% bought by Group 3
Vinita Patodia	4549	2306	50.69	379599	208267	54.87
Anil Patodia	0	0	0.00	100000	99850	99.85
Anil Patodia HUF	0	0	0.00	100000	96695	96.70
Archana Patodia	0	0	0.00	100000	100000	100.00
Kamal Poddar HUF	300	0	0.00	101000	100000	99.01
Kamal Poddar	24265	21485	88.54	129215	58572	45.33
Hemlata Poddar	910	147	16.15	174755	174198	99.68
Rajendra Upadhyay	0	0	0.00	100000	99696	99.70
Pawan Agarwal	0	0	0.00	100000	99631	99.63
Govind Patodia	0	0	0.00	100000	99780	99.78
Manasvi Consultants Pvt. Ltd.	84062	30153	35.87	306317	217225	70.92
Kirodimal Modi	0	0	0.00	150000	89598	59.73
Sunita Modi	0	0	0.00	150000	74505	49.67
Satyanarayan Patodia	0	0	0.00	100000	78424	78.42
Natwarlal Patodia	0	0	0.00	100000	97420	97.42
Manju Devi Patodia	0	0	0.00	100000	92253	92.25
Karun Modi	0	0	0.00	150000	93025	62.02
Gaurav Modi	0	0	0.00	150000	112654	75.10
Darshanik Valueserve Pvt Ltd.	22542	3996	17.73	272542	210363	77.19
Total	**136628**	**58087**	**42.51**	**2863428**	**2202156**	**76.91**

3.16) SEBI observed that during the investigation period, out of 1,36,628 shares bought by the non-promoter allottees, 58,087 shares (i.e. 42.51%) were sold by their group entities. Out of 28,63,428 shares sold by the non-promoter allottees, 22,02,156 (i.e. 76.91%) shares were bought by Group 3 entities. Out of 22,02,156 shares sold within the group, for 15,62,164 shares (i.e. 70.94%) client order time and counterparty order time was less than one minute.

3.17) It is observed by SEBI that Bhageria Trade Invest Private Limited, Reform Trading Company Private Limited, Futurage Corporate Care Private Limited, Prism Scan Express Private Limited and Hi Fi Trading Private Limited were the top 5 counterparties who together bought 17,60,478 shares (i.e. 79.94%) out of the total shares sold by the non-promoter allottees. Bhageria Trade Invest Private Limited is promoter entity of Bhageria Industries Limited. Reform Trading Company Private Limited and Futurage Corporate Care Private Limited are shareholders in Bhageria Trade Invest Private Limited. Prism Scan Express Private Limited has same directors as Reform Trading Company Private Limited. Dircetors of Hi Fi Trading Private Limited are parents of Harshita Bhageria, promoter of Bhageria Industries Limited. Other 42 group entities together bought approx. 20% of the shares sold by the non-promoter allottees.

3.18) SEBI observed that 5 lakhs shares that were transferred in off market by 4 non-promoter allottees before the investigation period to Group 3 entities viz. Abhilasha Money Operations Private Limited and Alken Management and Financial Services Private Limited, were sold by these entities, on BSE, during the investigation period. It was further observed by SEBI that approx. 50% of the shares (i.e. 1,99,675) sold by Alken Management and

Financial Services Private Limited were bought by Futurage Corporate Care Private Limited, Prism Scan Express Private Limited and Reform Trading Co Private Limited. Approx. 89.34% of the shares (i.e. 89,342) sold by Abhilasha Money Operations Private Limited were also bought by the said 3 entities.

Observations w.r.t. Broker concentration for the allottees trades:

3.19) SEBI observed Out of 19 non-promoter allottees, 16 allottees sold their shares through the same stock broker, Choice Equity Broking Private Limited. Out of these, 4 allottees (viz. Archana Patodia, Pawan C Agarwal, Satyanarayan Patodia and Natwar Lal Patodia) did not have any trade through this broker one year before and after the said sales.

3.20) It was observed by SEBI that 4 allottees (viz. Rajendra Upadhyay, Pawan Agarwal, Manju Devi Patodia and Karun Modi) shifted their shares from demat account with a different DP to Choice Stock Broking Private Limited just prior to the said sales. Further, it was observed that Pawan Agarwal opened new demat account (1206690000030698) with Choice Equity Broking Private Limited (on December 2, 2014) and transferred shares (on December 11, 2014) of Bhageria Industries Limited from his existing active demat account (IN30090710475482) with Kapol Co Operative Bank to his new demat account with Choice Equity Broking Private Limited. Just after the said transfer, he sold shares of Bhageria Industries Limited on market on December 15, 2014 onwards.

3.21) SEBI observed that 12 allottees (viz. Darshanik Valueserve Private Limited, Rajendra Upadhyaya, Manju Devi Patodiya, Govind Ram Patodia, Pawan C Agarwal, Satyanarayan Patodia, Natwar Lal Patodia, Anil Chothmal Patodia, Anil Chothmal Patodia (HUF), Archana Anil Patodia, Vinita Sunil Patodia and Kamal Poddar) have made early pay in of shares to their DP – Choice Stock Broking Private Limited. It is alleged that the allottees promptly made pay in of shares as they were assured about their sell trades getting executed and bought by their related entities.

3.22) SEBI observed that out of 22,02,156 shares sold by non-promoter allottees that were bought by Group 3 entities, 18,20,828 shares (i.e. 82.68%) were sold through the stock broker, Choice Equity Broking Private Limited and 20,40,369 shares (i.e. 92.65%) were bought through the stock broker, Nirmal Bang Securities Private Limited.

3.23) SEBI observed that Choice Equity Broking Private Limited's director viz. Kamal Poddar, his wife, Hemlata Poddar, his HUF – Kamal Poddar HUF were themselves allottees who sold their shares during such time. Other director, Ramratan Chirania's family member viz. Sangita Chirania, also bought shares from the allottees. Other director, Sunil Bagaria was brother of allottee, Manju Devi Patodia who also sold shares during such time. Babita Kejriwal, wife of Ajay Rajendra Kejriwal, dealer at Choice Equity Broking Private Limited also bought shares from the allottees. It is observed that the family members of directors of Choice Equity Broking Private Limited were also assisting in providing exit to the preferential allottees.

3.24) Choice Equity Broking Private Limited vide letter dated October 6, 2020, confirmed that Choice International Limited is the holding company of Choice Equity Broking Private Limited. Further, Choice International Limited vide email dated March 4, 2021 inter alia submitted that it had borrowed certain shares from certain family members of the Bhageria family as loan, during April 2015 wherein it had also passed on the dividends received for the said shares to the Bhageria family during August 2015. Despite enquiring vide emails dated March 4, 2021 and reminder dated March 9, 2021, it failed to provide any contract/ documents in this regard. It was further observed from demat transaction statements that there were numerous off market transactions between Choice International Limited and Bhageria family members during 2014 – 2017.

3.25) SEBI observed that Company and its promoters/ directors of were constantly associated/ entering into transactions with Choice International Limited and Choice Equity Broking Private Limited.

3.26) It is observed by SEBI that Kamal Poddar is the common director between Choice International Limited and Choice Equity Broking Private Limited. Other Directors, Ajay Kejriwal is also common between the two entities. Director, Kali Mohan Bhattacharya also bought shares from the allottees. SEBI observed that certain promoters of Choice International Limited (viz. Anil Patodia, Archana Patodia, Anil Poddar HUF, Vinita Patodia, Hemlata Poddar, Kamal Poddar, Kamal Poddar HUF) were all allottees who exited their shareholding during such time. It is alleged that Choice International Limited directors also assisted in providing exit to the allottees.

3.27) SEBI observed that Kamlesh Dharamdutt Dave was the dealer for all the shares brought from the allottees, by connected entities through the stock broker, Nirmal Bang Securities Private Limited. Nirmal Bang Securities Private Limited confirmed vide emails dated January 25 and 27, 2021 that Kamlesh Dharamdutt Dave is Director in Satya Shakambari Securities Private Limited (AAGCS6220B), its Authorised Person (AP) having Registration number – AP0104980161194. BSE vide email dated March 15, 2021 confirmed that Satya Shakambari Securities Private Limited was registered as a sub-broker (having SEBI Registration number – INS013866434) of Nirmal Bang Securities Private Limited from May 31, 2007 and as an AP since February 3, 2017. All buy orders were placed from the addresses – 70 Maker Arcade, Cuffe Parade Mumbai – 400005 and 21/169 Unnat Nagar No. 4 Opposite Jain Hospital M G Road Goregaon West Mumbai – 400090 which are registered for Satya Shakambari Securities Private Limited.

3.28) Based on copy of lease and license agreement copy submitted by Satya Shakmabari Securities Private Limited for the address – 21/169 Unnat Nagar No. 4 Opposite Jain Hospital M G Road Goregaon West Mumbai – 400090, it is observed by SEBI that the licensor is Bimla Bhageria, promoter of Bhageria Industries Limited.

3.29) SEBI observed that Kamlesh Dharamdutt Dave has signed as an introducer on behalf of Satya Shakambari Securities Private Limited while account opening in clients' KYC documents for majority of the Bhageria family members. Many of the Bhageria family members, Govind Patodia and Manju Devi Patodia shifted their accounts from other AP to Satya Shakambari Securities Private Limited.

3.30) SEBI observed that Anjani Chirania and Narendra Kumar Saini are other directors of Satya Shakambari Securities Private Limited. It is further observed that family members of the directors viz. Kanchan Dave, Ashok Chirania, Sakshi Chirania and others have all bought shares from the allottees during such time, trading through broker, Nirmal Bang Securities Private Limited.

3.31) Further, SEBI observed multiple bank transactions between Ashok Chirania (cousin of Anjani Chirania who is director of Satya Shakambari Securities Private Limited) and HUF account of Ramratan Chirania (director of Choice Equity Broking Private Limited). Clarification about their connection/ asscoaition/ relation was sought vide emails dated March 15 and March 17, 2021 to Ashok Chirania, emails dated March 3, March 5, March 9 and March 15, 2021 to Choice Equity Broking Private Limited/ Ramratan Chirania. Choice Equity Broking Private Limited/ Ramratan Chirania replied vide email dated March 9, 2021 that Ramratan Chirania is not in any manner connected to Ashok Chirania. Then vide email dated March 19, 2021, submitted that the monetary transfers pertained to a loan transaction but failed to provide any supporting documents.

<u>Observations from analysis of sample bank statements:</u>

3.32) SEBI observed from analysis of sample statements that some allottees, transferred back part of the money received from sale of shares to the Company, promoter and connected entities. Details of some are as follows:

3.33) SEBI observed Natwarlal Patodia sold shares of the Company through stock broker, Choice Equity Broking Private Limited on January 29, 2015. He received ₹30 lakhs from broker on February 3, 2015 in his State Bank of India account (00000051094229974) and on the next day transferred it to Ealdor Retails Private Limited PMC bank account (050110100000029). Ealdor Retails Private Limited transferred the money on the same day (February 4, 2015) to Bhageria Trade Invest Private Limited Oriental Bank of Commerce account (05301010003910), who in turn transferred the money on the same day to Nirmal Bang Securities Private Limited – Client HDFC bank account (00600340011630).

3.34) SEBI observed that Satyanarayan Patodia sold shares of the Company through stock broker, Choice Equity Broking Private Limited during January 23 – 29, 2015. He received ₹50 lakhs from the broker during January 27 – 28, 2015 in his State Bank of India account (00000051094178359) and transferred ₹30 lakhs on February 2, 2015 to Ealdor Retails Private Limited PMC bank account (050110100000029). Ealdor Retails Private Limited transferred the money on the next day (i.e. February 3, 2015) to Bhageria Trade Invest Private Limited Oriental Bank of Commerce account (05301010003910), who in turn transferred the money on the same day to Nirmal Bang Securities Private Limited – Client HDFC bank account (00600340011630).

3.35) SEBI observed that Ealdor Retails Private Limited is shareholder in Bhageria Trade Invest Private Limited i.e. promoter of Bhageria Indutries Limited. An email seeking explanation for the aforesaid fund transactions, was sent to Ealdor Retails Private Limited on March 25, 2021 on its registered email id, ealdor_retails@yahoo.com. It is alleged that no reply was received thereof.

3.36) It is alleged that the money received from sale of shares by the preferential allottees was used by promoter entity (Bhageria Trade Invest Private Limited) to pay for the purchase of shares from other allottees on market. Further, It is alleged that Ealdor Retails Private Limited facilitated the promoter, Bhageria Trade Invest Private Limited in the scheme of providing exit to the preferential allottees**.**

3.37) SEBI observed that Manju Devi Patodia sold shares of Bhageria Industries Limited through Choice Equity Broking Private Limited during November 28, 2014 to December 4, 2014 and received approx. ₹1.05 crores in her Bank of Baroda account (08010100021931) from the broker during February 3 to March 20, 2015. She did not have other trades through the broker during such time. On February 4, 2015, she transferred ₹30 lakhs to Ealdor Retails Private Limited PMC bank account (050110100000029) one day after receiving said amount from the broker. On February 5, 2015, Ealdor Retails Private Limited transferred ₹59.65 lakhs to Choice Exterio and Interio Private Limited Canara Bank account (2675201001288). On the same day, Choice Exterio and Interio Private Limited transferred the money to the promoter entity, Nipur Chemicals Limited.

3.38) SEBI observed Karun Modi sold shares of the Company through stock broker, Choice Equity Broking Private Limited during July 1 – 24, 2014. He received approx. ₹53 lakhs from the broker during July 7 – 9, 2014 in his Kotak Mahindra bank account (2411294696) and transferred ₹30 lakhs on July 14, 2014 to Ealdor Retails Private Limited Dhanlaxmi Bank account (014406700002301). On the same day, Ealdor Retails Private Limited transferred ₹93 lakhs to Futurage Corporate Care Private Limited Thane Janata Sahakari Bank account (02312010000391), which had brought shares from the allottees and is also a shareholder in promoter entity, i.e Bhageria Trade Invest Private Limited Limited i.e. promoter of Bhageria Indutries Limited.

3.39) SEBI observed Gaurav Modi sold shares of the Company through stock broker, Choice Equity Broking Private Limited during July 1 – 24, 2014. He received approx. ₹61 lakhs from the broker during July 7 – 14, 2014 in his Kotak Mahindra bank account (02710010018127) and transferred ₹40 lakhs during July 14 – 16, 2014 to Abhilasha Money Operations Private Limited Dhanlaxmi bank account (014406700002313). Abhilasha Money Operations Private Limited is shareholder in Bhageria Trade Invest Private Limited i.e. promoter of Bhageria Indutries Limited.

3.40) SEBI observed that Rajendra Upadhyay sold shares of the Company through stock broker, Choice Equity Broking Private Limited on November 28, 2014. He did not have any other trade through that broker around that time. He received ₹1.1 crore from broker on January 9, 2015 in his Corporation bank account (045500101007768). He transferred approx. ₹80 lakhs during January 10 – 12, 2015 to Ealdor Retails Private Limited PMC bank account (050110100000029). Ealdor Retails Private Limited transferred ₹20 lakhs on January 12, 2015 to Abhilasha Money Operations Private Limited who in turn transferred the amount on same day to Choice International Limited. Same day, Ealdor Retails Private Limited transferred ₹65 lakhs to Modern Trading Business Private Limited, which is shareholder in Bhageria Trade Invest Private Limited i.e. promoter of Bhageria Indutries Limited.

3.41) Hence, It is alleged that the money received from sale of shares by the allottees from broker was transferred back to Promoter of Bhageria Industries Limited, its shareholders and related entities.

3.42) SEBI observed that the top 5 buyers (viz. Bhageria Trade Invest Private Limited, Reform Trading Company Private Limited, Futurage Corporate Care Private Limited, Prism Scan Express Private Limited and Hi Fi Trading Private Limited), made payment for their share purchases from the allottees, during the investigation period, through bank transactions. It is alleged that before making payments to the stock broker, the buyers were receiving funds from multiple related entities through numerous circuitous transactions.

3.43) It is alleged that, the Company's promoters, promoter group and connected entities in collaboration with the stock broker, Choice Equity Broking Private Limited and sub-broker, Satya Shakambari Securities Private Limited devised the scheme of providing exit to the preferential allottees through pre-planned structured trades and consolidating their own shareholding in the Company by misuse of the stock exchange platform.

3.44) SEBI observed that almost all the allottees disposed off all the shares allotted to them through the same broker, Choice Equity Broking Private Limited. Even allottees who were not active with the said broker, brought their shares to the DP, Choice Equity Broking Private Limited and It is alleged that allottees made prompt pay in of shares, being well aware that their sell trades will get executed as counterparty is available to buy their shares. SEBI observed that Choice Equity Broking Private Limited and its, holding company Choice International Limited had common management and its promoters/ directors were allottees and associated with Bhageria Industries Limited's promoters/ directors and directors of sub-broker, Satya Shakambari Securities Private Limited through regular monetary and off market transactions. 76.91% of the shares sold by non-promoter allottees were bought by their Group 3 entities. For 92.65% of these within Group 3 sales by the non-promoter allottees, Nirmal Bang Securities Private Limited was the stock broker for the buyer entities. For all such trades, dealer was Kamlesh Dharamdutt Dave, director of Satya Shakmabari Securities Private Limited, whose registered address is under lease from promoter entity, Bimla Bhageria. For 70.94% of these trades, client order time and counterparty order time was within less than a minute's gap. Part of the money received by the allottees from their sales was observed to have been sent back to the Company's promoter and its shareholders. In two instances money so received from the allottees was used by promoter entity to pay its stock broker for the shares purchased from other allottees. Based on above information and modus operandi it is alleged that there was clear meeting of minds of the promoters, stock broker, sub-broker and connected entities to provide exit to the preferential allottees and consolidate shareholding of promoter and related entities by misusing the stock exchange platform. It is also alleged that they have entered into fraudulent trades thereby showing artificial volume in the market.

3.45) Hence, it is alleged that the 19 preferential allottees (viz. 1. Kirodimal Modi, 2. Sunita Modi, 3. Karun Modi, 4. Gaurav Modi, 5. Pawan Agarwal, 6. Darshanik Valueserve Private Limited, 7. Anil Chothmal Patodia HUF, 8. Anil Patodia, 9. Archana Patodia, 10. Kamal Poddar HUF, 11. Hemlata Poddar, 12. Rajendra Upadhyay, 13. Govind Patodia, 14. Satyanarayan Patodia, 15. Natwarlal Patodia, 16. Manju Devi Patodia, 17. Vinita Sunil Patodia, 18. Kamal Poddar and 19. Manasvi Consultants Private Limited), 47 entities who provided exit to the allottees (viz. 1. Vinita Sunil Patodia, 2. Kamal Santosh Poddar, 3. Manasvi Consultancy Private Limited, 4. Futurage Corporate Care Private Limited, 5. Prism Scan Express Private Limited, 6. Hi Fi Trading Private Limited, 7. Reform Trading Co Private Limited, 8. Bhageria Trade Invest Private Limited, 9. Dinesh Vishamberlal Bhageria, 10. Chandraprabha Suresh Bhageria, 11. Niranjanlal Bhageria HUF, 12. Krishna Agarwal, 13. Anjani Kumar Chirania, 14. Sonika Rakesh Bhageria, 15. Paath Financial Services Private Limited, 16. Niranjanlal Keshavdeo Bhageria, 17. Vijay Manohar Kodam, 18. Manjula Vinod Lohiya, 19. Manohar Gauraian Kodam, 20. Suresh Kumar Bhageria HUF, 21. Abhilasha Money Operations Private Limited, 22. Zenith Speciality Private Limited, 23. Rahul Niranjanlal Bhageria, 24. Akashdeep International Private Limited, 25. Vanita Ashish Saraf, 26. Archana Deepak Bhageria, 27. Vishwambharlal Keshaodev Bhageria, 28. Asha Dinesh Bhageria, 29. Blissful Traders Private Limited, 30. Kanchan Kamlesh Dave, 31. Sakshi Anjani Chirania, 32. Suresh Keshavdeo Bhageria, 33. Deepak Vishambharlal Bhageria, 34. Vikas Sureshkumar Bhageria, 35. Harshita Vikas Bhageria, 36. Prabhu Dayal Chawla, 37. Aditya V Bhageria, 38. Jadhav Yogesh Shrinivas, 39. Sangita Ramratan Chirania, 40. Ashok Kumar Ramnath Chirania, 41. Lalit Saraf, 42. Kali Mohan Bhattacharya, 43. Babita Ajay Kejriwal, 44. Abhishek Ashok Chirania, 45. Bikram Keshari Mohanty, 46. Narendrakumar Saini and 47. Bodal Chemicals Limited), Ealdor Retails Private Limited and Kamlesh Dharamdutt Dave who facilitated the exit of the allottees and Bhageria Trade Invest Private Limited who used allottees money to purchase shares from them, have violated Sections 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) and Regulation 4 (1) and (2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations.

3.46) It is alleged that Choice Equity Broking Private Limited facilitated in devising and implementing the scheme to provide exit to the preferential allottees through pre planned trades and thereby violated Sections 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) and Regulation 4 (1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. It is also alleged Choice Equity Broking Private Limited also failed to exercise due skill, care and diligence as required in the conduct of business as a stock broker and hence, did not comply with Clauses A(2) and (5) of the Code Of Conduct for Stock Brokers, as stipulated in Schedule II read with Regulation 9 of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992.

3.47) It is alleged that Satya Shakambari Securities Private Limited facilitated in devising and implementing the scheme to provide exit to the preferential allottees through pre planned trades and thereby violated Sections 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) and Regulation 4 (1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. It is also that Satya Shakambari Securities Private Limited failed to exercise due skill, care and diligence in the conduct of business as a Sub Broker and hence, did not comply with Clause A(2) of the Code Of Conduct for Sub Brokers, as stipulated in Schedule II read with Regulation 15(1)(b) of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992.

Synchronized Trades:

3.48) SEBI observed the following related to the suspected entities trading pattern for synchronized trades (where the buy and sell order were placed within time gap of one minute, at the same rate and the quantity was same),

Table 5: Summary of Synchronised trades by Group 3 entities on BSE

Gross Buy Qty. of suspected entities	Gross Sell Qty. of suspected entities	Total traded Qty. among the suspected entities	Synchronized traded Qty. by suspected entities	Sync Trades as % of total traded Qty. among the suspected entities	Sync Trades as % of Total Mkt. Vol.	Sum of LTP contribution through Sync Trades
3495990	3992187	2765090	1290094	46.66%	7.77%	-5.35

3.49) SEBI observed that the suspected entities have executed among themselves synchronized trades for 12,90,094 shares (7.77% of total market volume) on BSE during the investigation period. These synchronized trades have resulted in LTP contribution of ₹(5.35). Out of 114 suspected entities of Group 3 who have traded on BSE during the investigation period, 62 entities have entered into synchronized trades.

3.50) SEBI observed Group 3’s trading pattern(where the buy and sell order were placed within time gap of one minute, at the same rate and the quantity was same or similar), that out of total of 14,97,932 structured traded quantity by the Group 3 entities on BSE during the investigation period, 13,91,534 shares (i.e. 92.90%) occurred during Patch 3 i.e. October 28, 2014 to March 1, 2016. Details are summarized below:

Table 6: Summary of Structured trades by Group 3 entities on BSE during Patch 3

Gross Buy Qty. of suspected entities	Gross Sell Qty. of suspected entities	Total traded Qty. among the suspected entities	Structured traded Qty. by suspected entities	Sync Trades as % of total traded Qty. among the suspected entities	Sync Trades as % of Total Mkt. Vol.	Sum of LTP contribution through Sync Trades
2096120	1910957	1578961	1391534	88.13%	17.63%	-10.05

3.51) SEBI observed that the suspected entities have executed among themselves structured trades for 13,91,534 shares (i.e. 17.63% of total market volume) on BSE during Patch 3. These structured trades have resulted in LTP contribution of ₹(10.05). Out of 92 suspected entities of Group 3 who have traded on BSE during Patch 3, sixty two entities have entered into structured trades across 40 trading days

3.52) SEBI observed few instances wherein promoter entities have bought shares from preferential allottees and connected entities through synchronized trades on market with no difference in buy price and sell price, buy quantity and sell quantity and time difference of hardly 1 second, are given below:

Batch Date	Buyer Name	Seller Name	Buy Order Time	Sell Order Time	Trade Time	Trade Price	Buy Order LMP	Sell Order LMP	Trade Quantity	Buy Order Original Volume	Sell Order Original Volume
11.11.2015	VIKAS SURESHKUMAR BHAGERIA	KAMAL PODDAR	18:01:34.7914960	18:01:34.1245070	18:01:34.7914960	124.10	124.10	124.10	7200	7200	7200
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	14:04:27.4531720	14:04:26.0826040	14:04:27.4531720	124.40	124.40	124.40	600	1600	1600
29.01.2015	DEEPAK VISHAMBHARLAL BHAGERIA	NATWAR LAL PATODIA	14:22:47.4535500	14:22:46.2774360	14:22:47.4535500	125.00	125.00	125.00	5000	5000	5000
29.01.2015	ASHA DINESH BHAGERIA	SATYANARAYAN PATODIA	13:37:54.7407150	13:37:53.7185920	13:37:54.7407150	124.00	124.00	124.00	1000	1000	1000
11.11.2015	VIKAS BHAGERIA HUF	PRABHU DAYAL CHAWLA	18:05:59.7896230	18:08:24.2007970	18:08:24.9069370	122.40	122.40	122.40	4000	4000	4000
11.11.2015	CHANDRAPRABHA SURESH BHAGERIA	PRABHU DAYAL CHAWLA	18:09:47.4774100	18:13:03.0606330	18:13:03.8028060	122.50	122.50	122.50	1200	1200	1200
11.11.2015	HARSHITA VIKAS BHAGERIA	KAMAL PODDAR	18:13:23.7030680	18:13:56.8268900	18:13:57.5377470	122.70	122.70	122.70	2400	2400	2400
11.11.2015	VANITA SURESH BHAGERIA	KAMAL PODDAR	18:13:39.8942110	18:14:13.0020790	18:14:13.7437500	122.20	122.20	122.20	2000	2000	2000
29.01.2015	DEEPAK VISHAMBHARLAL BHAGERIA	NATWAR LAL PATODIA	14:23:25.4911380	14:23:24.2581860	14:23:25.4911380	125.00	125.00	125.00	5000	5000	5000
29.01.2015	DEEPAK VISHAMBHARLAL BHAGERIA	NATWAR LAL PATODIA	14:23:39.9597250	14:23:40.8455090	14:23:40.8455090	125.00	125.00	125.00	3400	3400	3400
29.01.2015	DINESH VISHAMBERLAL BHAGERIA	NATWAR LAL PATODIA	14:24:41.1943990	14:24:40.0628770	14:24:41.1943990	125.00	125.00	125.00	5000	5000	5000
29.01.2015	DINESH VISHAMBERLAL BHAGERIA	NATWAR LAL PATODIA	14:26:08.8227600	14:26:08.5601890	14:26:08.8227600	124.90	124.90	124.90	3420	3420	3420
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	13:56:33.6926340	13:56:32.4944450	13:56:33.6926340	124.40	124.40	124.40	5000	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	12:57:31.3716780	12:57:32.1417010	12:57:32.1417010	126.80	126.80	126.80	5000	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	12:59:22.5275770	12:59:22.9551540	12:59:22.9551540	126.50	126.50	126.50	5000	5000	5000
17.08.2015	CHANDRAPRABHA SURESH BHAGERIA	VINITA SUNIL PATODIA	14:14:12.2827370	14:14:11.5088360	14:14:12.2827370	144.30	144.30	144.30	3500	3500	3500
17.08.2015	HARSHITA VIKAS BHAGERIA	VINITA SUNIL PATODIA	14:14:50.7856770	14:14:49.8260890	14:14:50.7856770	144.30	144.30	144.30	6500	6500	6500
10.08.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	VINITA SUNIL PATODIA	11:42:50.9764020	11:42:50.1400640	11:42:50.9764020	157.00	157.00	157.00	10000	10000	10000
10.08.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	VINITA SUNIL PATODIA	11:43:01.9367620	11:43:00.8282160	11:43:01.9367620	157.00	157.00	157.00	2500	2500	2500
10.08.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	VINITA SUNIL PATODIA	11:43:16.0615970	11:43:15.2740580	11:43:16.0615970	157.00	157.00	157.00	500	500	500
12.08.2015	DEEPAK VISHAMBHARLAL BHAGERIA	VINITA SUNIL PATODIA	11:52:08.5805970	11:52:07.8685790	11:52:08.5805970	145.40	145.40	145.40	11000	11000	11000
12.08.2015	DEEPAK VISHAMBHARLAL BHAGERIA	VINITA SUNIL PATODIA	11:52:25.4789340	11:52:24.3892280	11:52:25.4789340	145.60	145.60	145.60	2000	2000	2000
12.08.2015	NIRANJANLAL BHAGERIA HUF	VINITA SUNIL PATODIA	12:19:16.8327150	12:19:15.8639750	12:19:16.8327150	145.70	145.70	145.70	11000	11000	11000
12.08.2015	NIRANJANLAL BHAGERIA HUF	VINITA SUNIL PATODIA	12:19:32.1694290	12:19:31.6061920	12:19:32.1694290	145.60	145.60	145.60	1099	1099	1099
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	13:26:23.9238960	13:26:24.7201390	13:26:24.7201390	126.00	126.00	126.00	5000	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	13:27:48.3773910	13:27:49.5132880	13:27:49.5132880	125.60	125.60	125.60	5000	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	13:28:11.6044530	13:28:12.7189580	13:28:12.7189580	125.70	125.70	125.70	5000	5000	5000
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	13:56:55.2659640	13:56:55.8468560	13:56:55.8468560	124.40	124.40	124.40	5000	5000	5000
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	13:57:06.2044670	13:57:05.0231460	13:57:06.2044670	124.40	124.40	124.40	5000	5000	5000
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	13:57:48.2924630	13:57:47.0734620	13:57:48.2924630	124.50	124.50	124.50	5000	5000	5000
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	13:58:05.9035620	13:58:06.6721930	13:58:06.6721930	124.50	124.50	124.50	5000	5000	5000
07.08.2015	HARSHITA VIKAS BHAGERIA	VINITA SUNIL PATODIA	14:37:12.0343770	14:37:13.4935920	14:37:13.4935920	157.80	157.80	157.80	4385	4400	4400
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	13:29:57.6684040	13:29:58.4833210	13:29:58.4833210	125.70	125.70	125.70	5000	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	13:30:16.5165060	13:30:17.5094480	13:30:17.5094480	125.80	125.80	125.80	4989	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	13:32:20.9125470	13:32:21.2717870	13:32:21.2717870	125.60	125.60	125.60	5000	5000	5000
10.08.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	VINITA SUNIL PATODIA	13:25:50.0888850	13:25:50.8154240	13:25:50.8154240	156.40	156.40	156.40	9000	9000	9000
10.08.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	VINITA SUNIL PATODIA	13:26:00.1082090	13:26:00.3012790	13:26:00.3012790	156.50	156.50	156.50	1000	1000	1000
11.08.2015	NIRANJANLAL KESHAVDEO BHAGERIA	VINITA SUNIL PATODIA	14:33:34.4759990	14:33:35.3189590	14:33:35.3189590	149.00	149.00	149.00	2500	2500	2500
11.08.2015	SONIKA RAKESH BHAGERIA	VINITA SUNIL PATODIA	14:40:10.5984590	14:40:10.0040040	14:40:10.5984590	148.40	148.40	148.40	10000	10000	10000
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	13:58:50.6914070	13:58:51.6400180	13:58:51.6400180	123.80	123.80	123.80	4900	5000	5000
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	14:00:50.0373600	14:00:50.2958080	14:00:50.2958080	124.20	124.20	124.20	5000	5000	5000
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	14:01:09.3914640	14:01:08.2672410	14:01:09.3914640	124.40	124.40	124.40	5000	5000	5000
29.01.2015	SURESH KESHAVDEO BHAGERIA	NATWAR LAL PATODIA	14:03:06.5376940	14:03:07.1862500	14:03:07.1862500	124.00	124.00	124.00	4900	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	13:34:17.1930390	13:34:18.6886040	13:34:18.6886040	125.60	125.60	125.60	5000	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	ANIL CHOTHMAL PATODIA	13:34:38.5632680	13:34:39.2779640	13:34:39.2779640	125.40	125.40	125.40	5000	5000	5000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:01:29.6951020	14:01:30.0293450	14:01:30.0293450	125.50	125.50	125.50	2146	2146	2146
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:01:46.2284270	14:01:46.7626370	14:01:46.7626370	125.50	125.50	125.50	2500	2500	2500
11.08.2015	RAHUL NIRANJANLAL BHAGERIA	VINITA SUNIL PATODIA	14:40:36.6816510	14:40:36.0856710	14:40:36.6816510	148.40	148.40	148.40	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:01:55.0954720	14:01:56.0370980	14:01:56.0370980	125.50	125.50	125.50	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:02:05.3626760	14:02:06.0363000	14:02:06.0363000	125.60	125.60	125.60	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:02:13.8991140	14:02:14.7778280	14:02:14.7778280	125.60	125.60	125.60	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:02:23.0533630	14:02:22.6214240	14:02:23.0533630	125.60	125.60	125.60	2500	2500	2500
07.08.2015	CHANDRAPRABHA SURESH BHAGERIA	VINITA SUNIL PATODIA	14:51:05.7247290	14:51:06.0169090	14:51:06.0169090	157.70	157.70	157.70	5700	5700	5700
07.08.2015	SURESH KESHAVDEO BHAGERIA	VINITA SUNIL PATODIA	14:51:42.5722880	14:51:42.2188980	14:51:42.5722880	157.60	157.60	157.60	15000	15000	15000
11.08.2015	RAHUL BHAGERIA HUF	PRABHU DAYAL CHAWLA	14:57:07.3466930	14:57:06.6389370	14:57:07.3466930	148.70	148.70	148.70	3000	3000	3000
11.08.2015	VISHWAMBHARLAL KESHAODEV BHAGERIA	PRABHU DAYAL CHAWLA	14:58:46.0624900	14:58:45.4040740	14:58:46.0624900	148.80	148.80	148.80	1000	1000	1000
11.08.2015	CHANDA DEVI BHAGERIA	PRABHU DAYAL CHAWLA	14:59:12.0991640	14:59:11.3999190	14:59:12.0991640	148.70	148.70	148.70	2500	2500	2500
11.08.2015	DINESH VISHAMBERLAL BHAGERIA	PRABHU DAYAL CHAWLA	15:00:44.8273830	15:00:43.8362130	15:00:44.8273830	148.60	148.60	148.60	2000	2000	2000
11.08.2015	ASHA DINESH BHAGERIA	PRABHU DAYAL CHAWLA	15:01:23.8015120	15:01:23.3208170	15:01:23.8015120	148.80	148.80	148.80	2000	2000	2000
11.08.2015	VANITA SURESH BHAGERIA	PRABHU DAYAL CHAWLA	15:02:44.4410550	15:02:44.1312240	15:02:44.4410550	148.60	148.60	148.60	4000	4000	4000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:02:43.4731220	14:02:42.9475560	14:02:43.4731220	125.60	125.60	125.60	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:04:27.5746440	14:04:26.2912930	14:04:27.5746440	126.00	126.00	126.00	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:04:51.7258020	14:04:51.7900980	14:04:51.7900980	125.80	125.80	125.80	2500	2500	2500
17.08.2015	VIKAS SURESHKUMAR BHAGERIA	KAMAL PODDAR	14:18:47.5916610	14:18:47.7144760	14:18:47.7144760	144.20	144.20	144.20	10000	10000	10000
17.08.2015	VIKAS SURESHKUMAR BHAGERIA	KAMAL PODDAR	14:19:03.6606290	14:19:02.5458960	14:19:03.6606290	144.30	144.30	144.30	3000	3000	3000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:09:38.1777840	14:09:38.9364880	14:09:38.9364880	126.60	126.60	126.60	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:10:39.3487410	14:10:40.2723710	14:10:40.2723710	126.60	126.60	126.60	3000	3000	3000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:11:00.1525750	14:11:00.7100240	14:11:00.7100240	126.60	126.60	126.60	3000	3000	3000
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:14:53.1251460	14:14:54.7425830	14:14:54.7425830	126.60	126.60	126.60	2424	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:16:44.8750200	14:16:45.7460800	14:16:45.7460800	126.60	126.60	126.60	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:17:38.9548000	14:17:39.5558010	14:17:39.5558010	126.60	126.60	126.60	2500	2500	2500
30.01.2015	BHAGERIA TRADE INVEST PRIVATE LIMITED	HEMLATA KAMAL PODDAR	14:18:54.5507980	14:18:55.4329720	14:18:55.4329720	126.60	126.60	126.60	2500	2500	2500

3.53) SEBI observed that all the above mentioned buy orders were placed through same location (Shree Shakambhari Corporate Park, Plot No. 156 158, J B Nagar Mumbai – 400099 i.e. head office of Choice Group) of buy broker – Choice Equity Broking Private Limited through dealer – Ajaykumar Vijaykumar Agarwal. All the above mentioned sell orders were placed through same location (21/169 Unnat Nagar No 4 Opposite Jain Hospital M G Road Goregaon West Mumbai – 400090) of sub-broker, Satya Shakambari Securities Private Limited, of the stock broker, Nirmal Bang Securities Private Limited through the dealer, Kamlesh Dharamdutt Dave.

3.54) Hence it is alleged that the Company's promoters and their connected entities in collaboration with the stock broker, Choice Equity Broking Private Limited and sub-broker, Satya Shakambari Securities Private Limited, planned and devised the scheme of providing exit to the preferential allottees through pre-planned structured trades, misusing the stock exchange platform, thereby generating artificial volume in the scrip and giving the impression of increased volume in the market.

3.55) Hence, it is alleged that 62 entities of Group 3 have placed buy and sell orders within a gap of less than one minute with common intention to create a misleading appearance of trading in the scrip and traded in scrip without intention to change the ownership and to give exit to the preferential allottees. Therefore, 62 entities from Group 3 (viz. 1. Anil Chothmal Patodia HUF, 2. Anil Patodia, 3. Archana Patodia, 4. Kamal Poddar HUF, 5. Hemlata Poddar, 6. Rajendra Upadhyay, 7. Govind Patodia, 8. Satyanarayan Patodia, 9. Natwarlal Patodia, 10. Manju Devi Patodia, 11. Vinita Sunil Patodia, 12. Kamal Santosh Poddar, 13. Manasvi Consultancy Private Limited, 14. Futurage Corporate Care Private Limited, 15. Prism Scan Express Private Limited, 16. Hi Fi Trading Private Limited, 17. Reform Trading Co Private Limited, 18. Bhageria Trade Invest Private Limited, 19. Dinesh Vishamberlal Bhageria, 20. Chandraprabha Suresh Bhageria, 21. Niranjanlal Bhageria HUF, 22. Krishna Agarwal, 23. Anjani Kumar Chirania, 24. Sonika Rakesh Bhageria, 25. Paath Financial Services Private Limited, 26. Niranjanlal Keshavdeo Bhageria, 27. Vijay Manohar Kodam, 28. Manjula Vinod Lohiya, 29. Manohar Gauraian Kodam, 30. Suresh Kumar Bhageria HUF, 31. Abhilasha Money Operations Private Limited, 32. Zenith Speciality Private Limited, 33. Rahul Niranjanlal Bhageria, 34. Akashdeep International Private Limited, 35. Vanita Ashish Saraf, 36. Archana Deepak Bhageria, 37. Vishwambharlal Keshaodev Bhageria, 38. Asha Dinesh Bhageria, 39. Kanchan Kamlesh Dave, 40. Sakshi Anjani Chirania, 41. Suresh Keshavdeo Bhageria, 42. Deepak Vishambharlal Bhageria, 43. Vikas Sureshkumar Bhageria, 44. Harshita Vikas Bhageria, 45. Prabhu Dayal Chawla, 46. Bodal Chemicals Limited, 47. Ankur Anjani Chirania, 48. Kamlesh Dharamdutt Dave, 49. Dhwani Rahul Bhageria, 50. Vikas Bhageria HUF, 51. Signora Finance Private Limited, 52. Rahul Kumar Dave, 53. Anjani Kumar Chirania HUF, 54. Rakesh Bhageria HUF, 55. Rahul Bhageria HUF, 56. Chanda Devi Bhageria, 57. Deepak Bhageria HUF, 58. Renu Saraf, 59. Nidhi A Chirania, 60. Sapna Vinod Lohiya, 61. Abhishek Vinod Bhageria and 62. Hemant Kumar Saraf) have violated Sections

12A(a), (b), (c) of SEBI Act, 1992 and Regulations 3(a), (b), (c), (d), Regulations 4(1) and 4(2) (a) of SEBI (PFUTP) Regulations, 2003.

Positive LTP contribution by Gajanan Enterprises (group 1 entity):

3.56) SEBI observed that Gajanan Enterprises did not have any shareholding in the scrip before or after the investigation period. During Patch 1, it bought 1,51,898 shares and sold 1,51,374 shares, with net trade of 524 shares. During Patch 2, it bought 43,022 shares and sold 37,166 shares with net trade of 5,856 shares.

3.57) SEBI observed that during Patch 1, the price of the scrip opened at ₹30.90 on April 17, 2014 reached a period high of ₹215.00 and closed at ₹207.00 on September 3, 2014. During Patch 2, the price of the scrip opened at ₹202.90 on September 4, 2014, reached a period high of ₹208.40 and closed at ₹91.00 on October 27, 2014. It was observed by SEBI that Gajanan Enterprises was constantly putting small orders of quantity 1-50 or less, both as buyer and seller, in both, Patch 1 and Patch 2 and contributing to price rise in the scrip. Details thereof are summarised below:

Table 7: Positive LTP contribution by Gajanan Enterprises, during Patch 1

Buy/ Sell trades	**Category (trade quantity)**	**Number of trades**	**Positive LTP (in ₹)**	**%of total Market Positive LTP**
Through buy trades	Total	42	54	5.55%
	Through order quantity 1-50	29	37.7	3.87%
	Through order quantity 1-10	25	23.3	2.39%
Through sell trades	Total	131	64.95	6.67%
	Through order quantity 1-50	106	55.95	5.75%
	Through order quantity 1-10	94	45.5	4.67%
Both buy and sell trades	**Total**	**173**	**118.95**	**12.22%**
	Through order quantity 1-50	**135**	**93.65**	**9.62%**
	Through order quantity 1-10	**119**	**68.8**	**7.07%**

3.58) SEBI observed that Gajanan Enterprises through 25 small trades (quantity 1 – 10) as a buyer and 94 small trades as a seller contributed 7.07% to market positive LTP. It traded on 42 trading days during Patch 1 and on 30 trading days it contributed to market positive LTP, out of which on 24 trading days such positive LTP was generated through small orders (1-10).

3.59) SEBI observed that during Patch 1, through 11 trades as buyer, Gajanan Enterprises contributed ₹32.60 (i.e. 17.71%) to market NHP. Through 13 first trades as buyer and 5 first trades as seller, contributed ₹38.25 to market positive LTP.

Table 8: Positive LTP contribution by Gajanan Enterprises, during Patch 2

Buy/ Sell trades	**Category (trade quantity)**	**Number of trades**	**Positive LTP (in ₹)**	**%of total Market Positive LTP**
Through buy trades	Total	28	26.1	6.44%
	Through order quantity 1-50	21	23.7	5.85%
	Through order quantity 1-10	14	16.7	4.12%
Through sell trades	Total	57	40.65	10.03%
	Through order quantity 1-50	45	31.55	7.78%
	Through order quantity 1-10	39	26	6.42%
Both buy and sell trades	**Total**	**85**	**66.75**	**16.47%**
	Through order quantity 1-50	**66**	**55.25**	**13.63%**
	Through order quantity 1-10	**53**	**42.7**	**10.54%**

3.60) SEBI observed that Gajanan Enterprises through 14 small trades (quantity 1 – 10) as a buyer and 39 small trades as a seller contributed 10.54% to market positive LTP. It traded on 13 trading days during Patch 2 and on 10 trading days it contributed to market positive LTP, on all days through small orders (1-10). SEBI observed during Patch 2 Gajanan Enterprises, through 4 first trades as seller and 1 first trade as buyer, contributed ₹13.90 to market positive LTP.

3.61) SEBI observed that the Gajanan Enterprises placed orders on 64 trading days during Patch 1 and 33 trading days during Patch 2 and on all these days, it placed buy and sell orders of small quantities (1-10). It was further observed that during Patch 1, Gajanan Enterprises deleted approx. 65% of its added quantity (i.e. 6,80,850 out of 10,45,198) and accounted for approx. 9.39% of the total deleted quantity in the market. During Patch 2, Gajanan Enterprises deleted approx. 53.50% of its added quantity (i.e. 92,258 out of 1,72,446) and accounted for approx. 1.02% of the total deleted quantity in the market.

3.62) Hence, It is allege from the trading pattern that Gajanan Enterprises was not acting as genuine trader and had no bona fide intention to buy or sell because in-spite of sufficient sell/ buy order quantity being available in the market, it kept on buying/ selling small quantities (1 – 10) of shares. Further, by these small trades, it was instrumental in establishing a price higher than the last traded price and thus contributed to increased scrip price with most of such trades. It is alleged that Gajanan Enterprises contributed to manipulation in the scrip price and deliberately created a misleading appearance of trading and increased demand in the scrip by such trades. Hence it is alleged that Gajanan Enterprises by manipulating the price of the scrip and by creating a misleading appearance of trading in the scrip during Patch 1 (i.e. April 17, 2014 to September 3, 2014) and Patch 2 (September 4, 2014 to October 27, 2014) violated the Sections 12 A (a), (b), (c) of SEBI Act 1992, Regulations 3 (a), (b), (c), (d), Regulations 4(1), 4 (2)(a), (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

Positive LTP contribution by GRD Securities Limited:

Table 9 - Positive LTP contribution by GRD Securities Limited, during Patch 4

Buy/ Sell trades	Category (trade quantity)	Number of trades	Positive LTP (in ₹)	%of total Market Positive LTP
Through buy trades	Total	1979	1091.70	7.66%
	Through order quantity 1-50	1912	1047	7.34%
	Through order quantity 1-10	789	406.45	2.85%
Through sell trades	Total	703	258.3	1.81%
	Through order quantity 1-50	672	250.55	1.76%
	Through order quantity 1-10	186	89.1	0.62%
Both buy and sell trades	**Total**	**2682**	**1350.00**	**9.47%**
	Through order quantity 1-50	**2584**	**1297.55**	**9.10%**
	Through order quantity 1-10	**975**	**495.55**	**3.48%**

3.63) SEBI observed that, GRD Securities Limited through 1,912 small trades (quantity 1 – 50) as a buyer and 672 small trades as a seller contributed 9.10% to market positive LTP. It traded on 58 trading days during Patch 4 – BSE and on 57 days it contributed to market positive LTP and on all days such positive LTP was generated through small orders (1-50).

3.64) SEBI observed that, GRD Securities Limited through 1,912 small trades (quantity 1 – 50) as a buyer and 672 small trades as a seller contributed 9.10% to market positive LTP. It traded on 58 trading days during Patch 4 – BSE and on 57 days it contributed to market positive LTP and on all days such positive LTP was generated through small orders (1-50).

Table 10: Positive LTP contribution by GRD Securities Limited, during steep price rise patch (i.e. September 8, 2016 to October 25, 2016)

Buy/ Sell trades	**Category (trade quantity)**	**Number of trades**	**Positive LTP (in ₹)**	**%of total Market Positive LTP**
Through buy trades	Total	1106	649.95	8.35%
	Through order quantity 1-50	1080	632	8.12%
	Through order quantity 1-10	467	258.45	3.32%
Through sell trades	Total	345	123	1.58%
	Through order quantity 1-50	334	119.95	1.54%
	Through order quantity 1-10	104	47.4	0.61%
Both buy and sell trades	**Total**	**1451**	**772.95**	9.93%
	Through order quantity 1-50	**1414**	**751.95**	9.66%
	Through order quantity 1-10	**571**	**305.85**	3.93%

3.65) SEBI observed that, GRD Securities Limited through 1,080 small trades (quantity 1 – 50) as a buyer and 334 small trades as a seller contributed 9.66% to market positive LTP. It traded on 22 trading days during this time perod and on 21 days it contributed to market positive LTP and on all days such positive LTP was generated through small orders (1-50). SEBI observed that GRD Securities Limited during Patch 4 – BSE, through 244 trades as buyer, GRD Securities Limited contributed ₹111.10 (i.e. 15.11%) to market NHP. Hence, it is alleged from the trading pattern that GRD Securities Limited was not acting as genuine trader and had no bona fide intention to buy or sell because in-spite of sufficient sell/ buy order quantity being available in the market, it kept on buying/ selling small quantities (1 – 10) of shares. Further, by these small trades, it was instrumental in establishing a price higher than the last traded price and thus contributed to increased scrip price with most of such trades. In view of the repeated nature of such trades by GRD Securities Limited, the culpability in increasing the price is established. It is further that GRD Securities Limited contributed to manipulation in the scrip price and deliberately created a misleading appearance of trading and increased demand in the scrip by such trades. Hence it is alleged that GRD Securities Limited by manipulating the price of the scrip and by creating a misleading appearance of trading in the scrip during Patch 4 – BSE (i.e. March 2, 2016 to October 25, 2016) violated Sections 12 A (a), (b), (c) of SEBI Act 1992, Regulations 3 (a), (b), (c), (d), Regulations 4(1), 4 (2)(a), (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

B. APPOINTMENT OF ADJUDICATING OFFICER

4. CGM Prashanta Mahapatra was appointed as the Adjudicating Officer vide communique order dated May 25, 2021 under section 15-I of the SEBI Act read with rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (‘**SEBI Rules**’) to inquire into and adjudge under sections 15HA and 15HB of SEBI Act. SCN dated March 31, 2022 was issued in the matter. Pursuant to transfer of Shri Mahapatra, the matter was transferred to CGM Ms.Asha Shetty vide communique order dated June 7, 2022. The instant matter was transferred to the Undersigned vide communique order dated October 6, 2022.

C. SHOW CAUSE NOTICE, REPLY AND HEARING

5. Show Cause Notice dated March 31, 2022 (“**SCN**”) was duly served upon the Noticees under Rule 4(1) of the SEBI Rules to show cause as to why an inquiry should not be held and penalty be not imposed against the Noticees under the provisions of section 15HA and 15HB (as applicable) of SEBI Act .The contents of the SCN relating to violations alleged with respect to the Noticees are reproduced as under :-

> *“102. Hence, it is alleged that the 19 preferential allottees (viz. 1. Kirodimal Modi, 2. Sunita Modi, 3. Karun Modi, 4. Gaurav Modi, 5. Pawan Agarwal, 6. Darshanik Valueserve Private Limited, 7. Anil Chothmal Patodia HUF, 8. Anil Patodia, 9. Archana Patodia, 10. Kamal Poddar HUF, 11. Hemlata Poddar, 12. Rajendra Upadhyay, 13. Govind Patodia, 14. Satyanarayan Patodia, 15. Natwarlal Patodia, 16. Manju Devi Patodia, 17. Vinita Sunil Patodia, 18. Kamal Poddar and 19. Manasvi Consultants Private Limited), 47 entities who provided exit to the allottees (viz. 1. Vinita Sunil Patodia, 2. Kamal Santosh Poddar, 3. Manasvi Consultancy Private Limited, 4. Futurage Corporate Care Private Limited, 5. Prism Scan Express Private Limited, 6. Hi Fi Trading Private Limited, 7. Reform Trading Co Private Limited, 8. Bhageria Trade Invest Private Limited, 9. Dinesh Vishamberlal Bhageria, 10. Chandraprabha Suresh Bhageria, 11. Niranjanlal Bhageria HUF, 12. Krishna Agarwal, 13. Anjani Kumar Chirania, 14. Sonika Rakesh Bhageria, 15. Paath Financial Services Private Limited, 16. Niranjanlal Keshavdeo Bhageria, 17. Vijay Manohar Kodam, 18. Manjula Vinod Lohiya, 19. Manohar Gauraian Kodam, 20. Suresh Kumar Bhageria HUF, 21. Abhilasha Money Operations Private Limited, 22. Zenith Speciality Private Limited, 23. Rahul Niranjanlal Bhageria, 24. Akashdeep International Private Limited, 25. Vanita Ashish Saraf, 26. Archana Deepak Bhageria, 27. Vishwambharlal Keshaodev Bhageria, 28. Asha Dinesh Bhageria, 29. Blissful Traders Private Limited, 30. Kanchan Kamlesh Dave, 31. Sakshi Anjani Chirania, 32. Suresh Keshavdeo Bhageria, 33. Deepak Vishambharlal Bhageria, 34. Vikas Sureshkumar Bhageria, 35. Harshita Vikas Bhageria, 36. Prabhu Dayal Chawla, 37. Aditya V Bhageria, 38. Jadhav Yogesh Shrinivas, 39. Sangita Ramratan Chirania, 40. Ashok Kumar Ramnath Chirania, 41. Lalit Saraf, 42. Kali Mohan Bhattacharya, 43. Babita Ajay Kejriwal, 44. Abhishek Ashok Chirania, 45. Bikram Keshari Mohanty, 46. Narendrakumar Saini and 47. Bodal*

Chemicals Limited), Ealdor Retails Private Limited and Kamlesh Dharamdutt Dave who facilitated the exit of the allottees and Bhageria Trade Invest Private Limited who used allottees money to purchase shares from them, have violated Sections 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) and Regulation 4 (1) and (2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations."

"103. It is alleged that Choice Equity Broking Private Limited facilitated in devising and implementing the scheme to provide exit to the preferential allottees through pre planned trades and thereby violated Sections 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) and Regulation 4 (1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. It is also alleged Choice Equity Broking Private Limited also failed to exercise due skill, care and diligence as required in the conduct of business as a stock broker and hence, did not comply with Clauses A(2) and (5) of the Code Of Conduct for Stock Brokers, as stipulated in Schedule II read with Regulation 9 of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992."

"104. It is alleged that Satya Shakambari Securities Private Limited facilitated in devising and implementing the scheme to provide exit to the preferential allottees through pre planned trades and thereby violated Sections 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) and Regulation 4 (1) and 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. It is also that Satya Shakambari Securities Private Limited failed to exercise due skill, care and diligence in the conduct of business as a Sub Broker and hence, did not comply with Clause A(2) of the Code Of Conduct for Sub Brokers, as stipulated in Schedule II read with Regulation 15(1)(b) of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992."

"112. Hence, It is alleged that 62 entities of Group 3 have placed buy and sell orders within a gap of less than one minute with common intention to create a misleading appearance of trading in the scrip and traded in scrip without intention to change the ownership and to give exit to the preferential allottees. Therefore, 62 entities from Group 3 (viz. 1. Anil Chothmal Patodia HUF, 2. Anil Patodia, 3. Archana Patodia, 4. Kamal Poddar HUF, 5. Hemlata Poddar, 6. Rajendra Upadhyay, 7. Govind Patodia, 8. Satyanarayan Patodia, 9. Natwarlal Patodia, 10. Manju Devi Patodia, 11. Vinita Sunil Patodia, 12. Kamal Santosh Poddar, 13. Manasvi Consultancy Private Limited, 14. Futurage Corporate Care Private Limited, 15. Prism Scan Express Private Limited, 16. Hi Fi Trading Private Limited, 17. Reform Trading Co Private Limited, 18. Bhageria Trade Invest Private Limited, 19. Dinesh Vishamberlal Bhageria, 20. Chandraprabha Suresh Bhageria, 21. Niranjanlal Bhageria HUF, 22. Krishna Agarwal, 23. Anjani Kumar Chirania, 24. Sonika Rakesh Bhageria, 25. Paath Financial Services Private Limited, 26. Niranjanlal Keshavdeo Bhageria, 27. Vijay Manohar Kodam, 28. Manjula Vinod Lohiya, 29. Manohar Gauraian Kodam, 30. Suresh Kumar Bhageria HUF, 31. Abhilasha Money Operations Private Limited, 32. Zenith Speciality Private Limited, 33. Rahul Niranjanlal Bhageria, 34. Akashdeep International Private Limited, 35. Vanita Ashish Saraf, 36. Archana Deepak Bhageria, 37. Vishwambharlal Keshaodev Bhageria, 38. Asha Dinesh Bhageria, 39. Kanchan Kamlesh Dave, 40. Sakshi Anjani Chirania, 41. Suresh Keshavdeo Bhageria, 42. Deepak Vishambharlal Bhageria, 43. Vikas Sureshkumar Bhageria, 44. Harshita Vikas Bhageria, 45. Prabhu Dayal Chawla, 46. Bodal Chemicals Limited, 47. Ankur Anjani Chirania, 48. Kamlesh Dharamdutt Dave, 49. Dhwani Rahul Bhageria, 50. Vikas Bhageria HUF, 51. Signora

Finance Private Limited, 52. Rahul Kumar Dave, 53. Anjani Kumar Chirania HUF, 54. Rakesh Bhageria HUF, 55. Rahul Bhageria HUF, 56. Chanda Devi Bhageria, 57. Deepak Bhageria HUF, 58. Renu Saraf, 59. Nidhi A Chirania, 60. Sapna Vinod Lohiya, 61. Abhishek Vinod Bhageria and 62. Hemant Kumar Saraf) have violated Sections 12A(a), (b), (c) of SEBI Act, 1992 and Regulations 3(a), (b), (c), (d), Regulations 4(1) and 4(2) (a) of SEBI (PFUTP) Regulations, 2003."

"120. Hence, It is allege from the trading pattern that Gajanan Enterprises was not acting as genuine trader and had no bona fide intention to buy or sell because in-spite of sufficient sell/ buy order quantity being available in the market, it kept on buying/ selling small quantities (1 – 10) of shares. Further, by these small trades, it was instrumental in establishing a price higher than the last traded price and thus contributed to increased scrip price with most of such trades. It is alleged that Gajanan Enterprises contributed to manipulation in the scrip price and deliberately created a misleading appearance of trading and increased demand in the scrip by such trades. Hence it is alleged that Gajanan Enterprises by manipulating the price of the scrip and by creating a misleading appearance of trading in the scrip during Patch 1 (i.e. April 17, 2014 to September 3, 2014) and Patch 2 (September 4, 2014 to October 27, 2014) violated the Sections 12 A (a), (b), (c) of SEBI Act 1992, Regulations 3 (a), (b), (c), (d), Regulations 4(1), 4 (2)(a), (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003."

"125. Hence, it is alleged from the trading pattern that GRD Securities Limited was not acting as genuine trader and had no bona fide intention to buy or sell because in-spite of sufficient sell/ buy order quantity being available in the market, it kept on buying/ selling small quantities (1 – 10) of shares. Further, by these small trades, it was instrumental in establishing a price higher than the last traded price and thus contributed to increased scrip price with most of such trades. In view of the repeated nature of such trades by GRD Securities Limited, the culpability in increasing the price is established. It is further that GRD Securities Limited contributed to manipulation in the scrip price and deliberately created a misleading appearance of trading and increased demand in the scrip by such trades. Hence it is alleged that GRD Securities Limited by manipulating the price of the scrip and by creating a misleading appearance of trading in the scrip during Patch 4 – BSE (i.e. March 2, 2016 to October 25, 2016) violated Sections 12 A (a), (b), (c) of SEBI Act 1992, Regulations 3 (a), (b), (c), (d), Regulations 4(1), 4 (2)(a), (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003."

6. I note, from available records, that the SCN was duly delivered to all the Noticees. Inspection of documents was requested by Noticee no. 84 and the same was conducted on December 22, 2022. Inspection of documents was also requested by Noticees no.21, 23, 25, 26, 30, 36, 38, 39, 40, 42, 43, 44, 48, 47, 49, 50 and 54 and the same was conducted on January 18, 2023 by their respective Authorized Representative. Copy of investigation report along with its annexures was also provided to the aforesaid Noticees who have conducted inspection of documents. Further, investigation report was also sought by Noticees no.1, 2, 3, 4, 5, 12, 13, 14, 15, 16, 51 and 62 and the same was provided to them along with

annexures of the investigation report. The details of replies filed by the Noticees and status of hearing is given below :-

Table - 11

Noticee No.	Name of Entity	Replies/written submissions dated	Hearing Date	Hearing status
1	Kirodi Mal Modi	27/06/2022 30/12/2022	14/12/2022	Conducted
2	Sunita Modi	27/06/2022 30/12/2022	14/12/2022	Conducted
3	Karun Modi	27/06/2022 30/12/2022	14/12/2022	Conducted
4	Gaurav Modi	27/06/2022 30/12/2022	14/12/2022	Conducted
5	Pawan C Agarwal	12/08/2022 31/12/2022	09/12/2022	Conducted
6	Darshanik Valueserve Private Limited	Nil	22/11/2022 05/12/2022 19/12/2022 06/02/2023	Not Attended
7	Anil Chothmal Patodia HUF	01/06/2022 29/12/2022	16/12/2022	Conducted
8	Anil Chothmal Patodia	01/06/2022 29/12/2022	16/12/2022	Conducted
9	Archana Anil Patodia	01/06/2022 29/12/2022	16/12/2022	Conducted
10	Kamal Poddar HUF	01/06/2022 28/12/2022	16/12/2022	Conducted
11	Hemlata Kamal Poddar	01/06/2022 28/12/2022	16/12/2022	Conducted
12	Rajendra Radhakishanji Upadhyaya	16/08/2022 30/12/2022	12/12/2022	Conducted
13	Govind Ram Patodia	30/06/2022 31/12/202	12/12/2022	Conducted
14	Satyanarayan Patodia	30/06/2022 30/12/2022	12/12/2022	Conducted
15	Natwar Lal Patodia	30/06/2022 31/12/202	12/12/2022	Conducted
16	Manju Devi Patodiya	30/06/2022 30/12/2022	12/12/2022	Conducted

Noticee No.	Name of Entity	Replies/written submissions dated	Hearing Date	Hearing status
17	Vinita Sunil Patodia	01/06/2022 29/12/2022	16/12/2022	Conducted
18	Kamal Santosh Poddar	01/06/2022 28/12/2022	16/12/2022	Conducted
19	Manasvi Consultancy Private Limited	25/07/2022	12/12/2022 06/02/2023	Not Attended
20	Futurage Corporate Care Private Limited	25/01/2023	January 17, 2023	Conducted
21	Prism Scan Express Private Limited	05/03/2023	February 7, 2023	Conducted
22	Hifi Trading Private Limited (Now Known As W Spaces Private Limited)	28/01/2023	January 17, 2023	Conducted
23	Reform Trading Co Private Limited	05/03/2023	February 7, 2023	Conducted
24	Bhageria Trade Invest Private Limited	15/02/2023	February 7, 2023	Conducted
25	Dinesh Bhageria Dinesh Vishamberlal Bhageria	22/02/2023	February 7, 2023	Conducted
26	Chandraprabha Suresh Bhageria	22/02/2023	February 7, 2023	Conducted
27	Niranjanlal Bhageria HUF	26/04/2022 22/12/2022	03/01/2023	Dissolved
28	Krishna A Agarwal	15/02/2023	January 13, 2023	Conducted
29	Anjani Kumar Chirania	15/02/2023	January 13, 2023	Conducted
30	Sonika Rakesh Bhageria	22/02/2023	February 7, 2023	Conducted
31	Paath Financial Services Private Limited	23/07/2022	16/12/2022 06/02/2023	Not Attended
32	Niranjanlal Keshavdeo Bhageria	26/04/2022 22/12/2022	03/01/2023	Deceased
33	Vijay Manohar Kodam	Nil	13/01/2023 06/02/2023	Not Attended
34	Manjula Vinod Lohiya	05/03/2023	January 13, 2023	Conducted
35	Manohar Gauraian Kodam	Nil	13/01/2023 06/02/2023	Not Attended
36	Suresh K Bhageria HUF	22/02/2023	February 7, 2023	Conducted

Noticee No.	Name of Entity	Replies/written submissions dated	Hearing Date	Hearing status
37	Abhilasha Money Operations Pvt Ltd	20/07/2022 09/12/2022 04/03/2023 13/03/2023 16/03/2023 21/03/2023	12/12/2022 06/03/2023 14/03/2023 21/03/2023	Not attended
38	Zenith Speciality Private Limited	05/03/2023	February 7, 2023	Conducted
39	Rahul Niranjanlal Bhageria	22/02/2023	February 7, 2023	Conducted
40	Akashdeep International Private Limited	05/03/2023	February 7, 2023	Conducted
41	Vanita Ashish Saraf	12/01/2023 15/02/2023	January 13, 2023	Conducted
42	Archana Deepak Bhageria	22/02/2023	February 7, 2023	Conducted
43	Vishwambharlal Keshaodev Bhageria	22/02/2023	February 7, 2023	Conducted
44	Asha Dinesh Bhageria	22/02/2023	February 7, 2023	Conducted
45	Kanchan Kamlesh Dave	15/02/2023	January 13, 2023	Conducted
46	Sakshi Anjani Chirania	15/02/2023	January 13, 2023	Conducted
47	Suresh Keshavdeo Bhageria	22/02/2023	February 7, 2023	Conducted
48	Deepakkumar Vishwambharlal Bhageria	22/02/2023	February 7, 2023	Conducted
49	Vikas Sureshkumar Bhageria	22/02/2023	February 7, 2023	Conducted
50	Harshita Vikas Bhageria	22/02/2023	February 7, 2023	Conducted
51	Prabhudayal Rewatlal Chawla	30/12/2022	12/12/2022	Conducted
52	Bodal Chemicals Ltd	20/04/2022	16/12/2022	Waived
53	Blissful Traders Private Limited	25/07/2022 09/12/2022 04/03/2023 13/03/2023 16/03/2023 21/03/2023	12/12/2022 06/03/2023 14/03/2023 21/03/2023	Not attended
54	Aditya Vinod Bhageria	22/02/2023	February 7, 2023	Conducted
55	Yogesh Shrinivas Jadhav	29/12/2022	16/12/2022	Conducted

Noticee No.	Name of Entity	Replies/written submissions dated	Hearing Date	Hearing status
56	Sangita Ramratan Chirania	29/12/2022	16/12/2022	Conducted
57	Ashok Kumar Ramnath Chirania	15/02/2023	January 13, 2023	Conducted
58	Lalit Kumar Saraf	23/01/2023	January 12, 2023	Conducted
59	Kali Mohan Bhattacharya	05/01/2023	January 13, 2023	Deceased
60	Babita Ajay Kejriwal	29/12/2022	16/12/2022	Conducted
61	Abhishek Ashok Chirania	15/02/2023	January 13, 2023	Conducted
62	Bikram Keshari Mohanty	20/07/2022 30/12/2022	12/12/2022	Conducted
63	Narendra Kumar Saini	15/02/2023	January 13, 2023	Conducted
64	Ealdor Retails Private Limited	09/12/2022 04/03/2023 13/03/2023 16/03/2023 21/03/2023	12/12/2022 06/03/2023 14/03/2023 21/03/2023	Not attended
65	Kamlesh Dharmdutt Dave	15/02/2023	January 13, 2023	Conducted
66	Choice Equity Broking Private Limited	10/06/2022 16/01/2023	16/12/2022	Conducted
67	Satya Shakambari Securities Private Limited	15/02/2023	January 18, 2023	Conducted
68	Ankur Anjani Chirania	15/02/2023	January 13, 2023	Conducted
69	Dhwani Rahul Bhageria	03/01/2023 13/01/2023	03/01/2023	Conducted
70	Vikas Bhageria HUF	03/01/2023 13/01/2023	03/01/2023	Conducted
71	Signora Finance Private Limited	29/07/2022 09/12/2022 04/03/2023 13/03/2023 16/03/2023 21/03/2023	12/12/2022 06/03/2023 14/03/2023 21/03/2023	Not attended
72	Rahulkumar Kamlesh Dave	15/02/2023	January 13, 2023	Conducted
73	Anjani Kumar Chirania HUF	15/02/2023	January 13, 2023	Conducted
74	Rakesh Bhageria HUF	03/01/2023 13/01/2023	03/01/2023	Conducted
75	Rahul Bhageria HUF	03/01/2023 13/01/2023	03/01/2023	Conducted

Noticee No.	Name of Entity	Replies/written submissions dated	Hearing Date	Hearing status
76	Chanda Devi Bhageria	04/01/2023	04/01/2023	Conducted
77	Deepak Bhageria HUF	04/01/2023	04/01/2023	Conducted
78	Renu Saraf	23/01/2023	January 12, 2023	Conducted
79	Nidhi A Chirania	15/02/2023	January 13, 2023	Conducted
80	Sapna Vinod Lohiya	05/03/2023	January 13, 2023	Conducted
81	Abhishek Vinod Bhageria	04/01/2023	04/01/2023	Conducted
82	Hemant Kumar Saraf	23/01/2023	January 12, 2023	Conducted
83	Gajanan Enterprises	10/08/2022 17/01/2023	16/12/2022	Conducted
84	GRD Securities Limited	27/04/2022 06/02/2023	February 6, 2023	Conducted

7. I note that opportunity of hearing has not been availed by Noticees no. 6, 19, 31, 33, 35, 37, 53, 64 and 71. Noticee no.52 has waived the opportunity of hearing by submitting that their written reply be considered in hearing. In this regard, it is noted that Noticee no.6 vide email dated 05/07/2022 sought 2 weeks' time to file reply. No reply on merit has been received from Noticee no.6 till date. Noticee no.6 was given opportunity of hearing on 22/11/2022 to which Noticee no.6 vide email dated 21/11/2022 sought extension of hearing. Another opportunity of hearing was given to the Noticee on 05/12/2022 and the same was not attended by Noticee no.6. Vide email dated 07/12/2022, Noticee no.6 sought another opportunity of hearing. Noticee was given another opportunity of hearing on 19/12/2022 which was also not attended by him. Subsequently, one final opportunity of hearing was given to the Noticee no.6 on 06/02/2023. The said final hearing notice dated 23/01/2023 was sent to the Noticee by SPAD and email. The hearing notice was delivered by email, however, it returned undelivered by SPAD. No reply was received from the Noticee no.6 till date.

8. Noticee no.19 has filed reply dated 25/07/2022. Opportunity of hearing was given to Noticee no.19 on 12/12/2022. Hearing notice was successfully served by Email, however it returned undelivered by SPAD. The said hearing was not attended by Noticee no.19. Another opportunity of hearing was also given on 06/02/2023 which was also not attended by Noticee no.19.

9. Noticee no.31 has filed reply dated 23/07/2022. Opportunity of hearing was given to Noticee no.31 on 16/12/2022. Hearing notice was successfully served by email, however it returned undelivered by SPAD. The said hearing was not attended by Noticee no.31. Another opportunity of hearing was also given on 06/02/2023 which was also not attended by Noticee no.31.

10. Noticee no. 33 and 35 have not filed any reply to the SCN. Opportunity of hearing was given to them on 13/01/2023. Hearing notice was successfully served by email as well as SPAD. The said hearing was not attended by Noticee no.33 and 35. Another opportunity of hearing was also given to the said two Noticees on 06/02/2023 which was also not attended by them.

11. I note that Noticee no. 6, 33 and 35 have neither filed any reply on merit nor have appeared for hearing despite giving sufficient opportunities. I note that principles of natural justice have been complied with, since sufficient opportunities have been provided to the Noticees no. 6, 33 and 35 to submit replies and to appear for personal hearing. I am, therefore, of the view that the Noticees no. 6, 33 and 35 have nothing to submit in terms of rule 4(7) of the Adjudication Rules. In view of the facts and circumstances of the case, I am compelled to decide this matter ex-parte *qua* Noticees no. 6, 33 and 35 based on the documents/material and information available on record. The Hon’ble Securities Appellate Tribunal ("***SAT***") in the matter of *Classic Credit Ltd. v. SEBI [2007] 76 SCL 51 (SAT - MUM) inter alia* held 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"*. Similarly, the Hon'ble SAT also, in the case of *Sanjay Kumar Tayal & Ors. v. SEBI (in appeal No. 68/2013)* decided on February 11, 2014, held 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 levelled against them in the show cause notices".* Although, the allegations levelled in the SCN are assumed to be admitted by the Noticees no. 6, 33 and 35, I will be deciding the instant matter on merits based on the documents/material and information available on record.

12. I have perused the replies and submissions of the Noticees and note that many of the replies/submissions are almost copies of each other with minor differences in facts/figures so as to customise to the trading details pertaining to a particular Noticee. Further, some of the Noticees who are connected/related to each other by their own admission, have filed common replies/submission to the SCN. Considering the foregoing and the commonality of allegations and replies/submission received thereto, I do not deem it either feasible or necessary to iterate replies/submissions of each of the Noticees to unnecessarily overburden this Order with verbosity and reiteration of similar/common replies. Instead, I have endeavoured to classify the Noticees according to the allegations faced by them and deal with their submissions as per the classification. The key submissions made by the Noticees in their replies/written submissions are summarised as follows:

a) There has been inordinate delay in issuance of SCN and the same ought to be quashed on the preliminary ground of inordinate delay itself.

b) Complete materials/documents/statements/Trade logs/order logs in support of the allegations have not been made available to the Noticee.

c) Show cause notice is vague and does not bring out the specific role of the Noticee. No specific explanation of Noticee's role in the alleged fraud has been set out anywhere in the SCN.

d) Noticee no.37 and 64 have amalgamated/merged with Florence Securities Pvt Ltd. Noticee no.53 and 71 have amalgamated/merged with Chartered Capital Research Pvt Ltd. Due to the above amalgamation, the separate legal personalities of the Noticees cease to exist and because the present proceedings are in personam i.e. cases of personal action wherein the relief sought is personal to the entity, the right to sue/proceed against a person will not survive against the succeeding entities and the action against the Noticees also does not warrant to sustain and hence it is requested that the proceedings against the Noticees be abated. Noticees rely on order of Hon'ble Calcutta High Court in the matter of *Orbit Projects Pvt Ltd vs Income Tax Officer, Ward 5(1) Kolkata & Ors (WPA 3814 of 2023)*.

Adjudicating Officer has no jurisdiction/authority to adjudge the case against the transferee companies. Adequate opportunity of personal hearing has not been provided to the transferee companies.

e) SCN does not show how the Noticee was connected to any of the promoter/directors/related entities. SCN does not show connection of the Noticee with counterparty.

f) Noticee's trading is very less compared to market volume/Miniscule volume of trade.

g) Show cause notice does not disclose any motive or reason for such fraudulent trading, based on these observations a logical interpretation can be drawn that if the parties were acting as a group then their motive should have been the same and efforts would have been in such a manner in order to achieve the desired result.

h) In the instant case, it has not been shown that any of the parties to the transaction i.e., buying client, buying broker and selling broker had any understanding. Not even single evidence has been placed on record to prove/show that the alleged group of suspected entities had any common understanding/meeting of minds for entering into such synchronized trades.

i) New Demat account was opened by the Noticee because of the efficiency of the services that the broker was providing to its other Retail Clients. Further, opening of a new Demat Account in no manner leads to the inference that the Noticee was involved in any pre-mediated trading or were part of any pre-planned scheme

j) SCN does not allege or establish any connection between the Noticee no.5 and promoters or their connected entities. Noticee no.5 is not mentioned in either of the alleged group-1, group-2 or group-3 entities. Only connection between Noticee and Choice has been brought forward on the basis of the mere fact that the Noticee opened a new Demat Account with Choice and transferred the shares of BIL from his existing active demat account to his new demat account with Choice.

k) SCN has mentioned in para 74 that Prism Scan and Reform Trading have same directors which is not true. As per MCA records, they have different directors.

l) There is no evidence of any financial transactions or off market transfer between the two (2) families i.e. Saraf and Bhageria. Based on a plain reading of the SCN, it is submitted that the only reason the Noticees are included in the SCN is that their daughter, Harshita, is married into the Bhageria family.

m) The allegation of structured/synchronized trades fail on the ground that there are no allegations of any price or volume manipulation.

n) There is no allegation of reversal/circular/self trade, hence SCN fails to bring out any case of creation of artificial volume in the markets.

o) There is no allegation of synchronized/reversal/circular/self-trades executed by the Noticee no.1, 2, 3 and 4. In absence of such allegations against the trade of the Noticee, it can be concluded that there was no meeting of minds.

p) Funds transferred from Karun Modi to Ealdor Retails Pvt Ltd and from Gaurav Modi to Abhilash Money Operations Pvt Ltd were on account of business relation.

q) Monetary transactions of Noticee no.14, 15 and 16 with Ealdor Retails Private Limited were done in the ordinary course of business.

r) Transfer of money by Noticee no.12 to Ealdor Retails Private Limited was done in the normal course of business as a short-term loan which was received on piecemeal basis as per the requirement of the agreement. The submission that the aforesaid loan of the Noticee was repaid on piecemeal basis can be further substantiated by the fact that the SCN itself records the fact that the Noticee had received Rs. 50 Lakhs from Ealdore Retails Private Limited during May 13-14, 2015 while showing the web of connection in Table 21 on page 51 of the SCN. Further the said transaction took place in January 2015, i.e., two months after the execution of the trades by the Noticee in the scrip of BIL.

s) Receipt of Rs.93 lakh by Noticee no.20 from Ealdor Retails Pvt Ltd was towards the subscription of shares in Futurage.

t) The Amount of Rs.30 lakhs and Rs.40 lakhs received by Noticee no.24 from Ealdor was pursuant to the share application money.

u) Noticee no.64 submits that amounts received from Natwarlal Patodia, Satyanarayan Patodia and Manju Devi Patodia was received against a transaction entered into with them in the normal course of business. Noticee no.64 transferred the amount so received to Noticee no.24 for making investment in the Company and the shares were allotted for making such investment.

v) Noticee decided to make early pay-in of his securities to avoid the margin money being blocked.

w) Noticees 58, 78 and 82 have not given any shares to brokers who have a high amount of trading volume in the Company's stock, and also that the Noticees do not have any accounts with Choice or Satya. It is an established fact in the SCN that the Noticees have their accounts with NNM Securities Private Limited.

x) Bodal Chemicals purchased shares of the Company from open market through Pravin Ratilal Share and Stock Broking. Bodal has not purchased through a specific broker or through bulk/block deal or through preferential issue.

y) Being a promoter, acquisition of shares is usual and in the ordinary course of business. Promoters have constantly been making endeavors to consolidate the promoter holding within the company. The promoter / promoter group has not only bought shares during the investigation period but also during other period. It was also within the creeping acquisition limit under the SEBI (SAST) Regulations 2011.

z) There is no rationale for the promoters to give exit opportunity to the Non – Promoter Preferential Allottees. The warrants were issued by the company to both promoters as well as non-promoters at the price of Rs. 30/- each. Where the promoters continue to hold the shares till date the non – promoters started selling the shares after the lock – in period. There fits no logic for the promoters to buy these shares at higher price than what their company received.

aa) Analysis of the Trade log provides that some of the non – promoter preferential allottees actually dumped their entire holding in a single trading day viz. Satyanarayan Patodia sold his entire holding of 1,00,000 shares on 29.01.2015 where 17,600 shares got matched with the Bhageria family members. Similarly, Natwarlal Patodia, Manju Devi Patodia, Karodi Mal Modi, Sunita Modi. So, when there are only or substantial sellers in the market, whatever trades that take place, those are ought to match with them.

<u>Noticee no.66</u>

bb) The Noticee has only provided a trading platform to its clients including the alleged allottees in the present matter and has never compelled any of its clients or alleged allottees to trade in the scrip of BIL or any other scrip in the stock market. All the trades executed in the scrip of BIL during the period under consideration were executed upon receipt of instructions from the alleged allottees.

cc) It is submitted that the scrip at the relevant point of time was liquid and volatile because of which there were ample odds that the sell orders will get fully executed in the scrip and hence the mere fact that there was an early pay-in of the shares done by the alleged Early Payers does not in any way indicate there was any prior knowledge on part of the Noticee and confidence that the sell orders of the alleged entities will get matched with the alleged exit providers.

<u>Noticee no.67</u>

dd) Mr. Kamlesh Dharmdutt Dave is Director at Satya Shakambari Securities Private Limited since its incorporation. He is the Authorized Person and introducer in KYC for all the clients. Similarly, when he completed the KYC procedure norms for all the Bhageria family members, he was the introducer following due diligence. The KYC procedure which was followed was in common course of Business.

ee) The Broker has maintained Due Diligence while performing its activities. The orders were placed on the instruction of clients. Noticee relies on order of the Hon'ble SAT in the matter of *Latin Manharlal Securities Ltd v SEBI* (Appeal no. 146 of 2003, 21.11.2006) and Indiabulls Securities Limited v SEBI

<u>Noticee no.68 to 82</u>

ff) Noticees do not have any trade with preferential allotees, hence the question of acting in connivance with the promoters of Bhageria Industries Limited and providing exit opportunity to the non-promoter preferential allottees does not arise.

gg) There was no influence (positive / negative) on the scrip of the company pursuant to the said trades.

hh) No misleading appearance was created in the market by one trade.

<u>Noticee no.83 and 84</u>

ii) It is our business model to inter alia carry on proprietary trading by way of intra-day trading, jobbing, arbitraging, momentum trading etc. through a number of traders/dealers of our broker. The trading strategy of "momentum trading" or "positional trading" is a variation/ method of carrying out jobbing trades. In this trading strategy, the trader / jobber tries to predict the future movement of the price of a security by placing a series of small buy and sale orders at different prices above and below the prevailing market price as a sequence of triggers. If such orders result in trades, the same is an indicator of the market sentiment and whether it is bullish or bearish. This also includes regularly deleting orders which are not likely to result in beneficial trades or which could result in losses. It may be noted that deleting orders also frees up the margins and enables better risk management. This strategy has inter alia also been noted in other previous orders passed by SEBI, including in the following matters:- (a) *Order dated 29.9.2017* passed by the Ld. Adjudicating Officer in respect of trading in the scrip of *Apollo Tyres Ltd*. (b) *Order dated 9.1.2018* passed by the Ld. Adjudicating Officer in respect trading in the scrip of *Varun Industries Ltd*,

jj) Placing orders for miniscule quantities is a common practice adopted by jobbers/arbitragers/intra-day traders across the securities market and is usually done to verify the ongoing LTP in a particular scrip. Cognizance of this practice has also been taken by SEBI in the (a) *Order dated March 19, 2021* passed in the matter of *Nouveau Global Ventures Ltd* and (b) *Order dated February 5, 2019* in the matter of *Winsome Yarns Limited*. Noticee also relies on the order of the Hon'ble SAT passed in the matter of *BDS Stock Brockers Pvt Ltd vs SEBI*.

kk) Our trades which had a negative/nil LTP contribution have been overlooked and if the same are considered, then our net LTP contribution is miniscule and merits no comment at all.

ll) The Noticees have relied upon the several judgements of the Hon'ble Supreme Court, Hon'ble SAT, Tribunals or any other courts during the instant proceedings and same are listed as follows: Table - 12

S.No.	On the question of	Order/Judgment
1	Delay in Issuance of SCN	Rakesh Kathotia vs SEBI (SAT)
		Ashok Rupani vs SEBI (SAT)
2	Vagueness of Notice	Gorkha Securities Services vs Govt (NCT of Delhi), (2014 9 SCC 105)
		S.L. Kapoor vs Jagmohan & Ors. (1980 4 SCC 379)
		JB Shares and Stock Limited vs SEBI (SAT order dated 07-03-2006)
		Vintel Securities Pvt Ltd vs SEBI (SAT order dated 23-11-2009)
3	Non-provision of documents	Ms. Smitaben N. Shah vs SEBI (SAT order dated 30-07-2010)
		T.Takano vs SEBI (SC Civil Appeal 487-488 of 2022, 18-02-2022)

		Kanwar Natwar Singh vs Directorate of Enforcement and Anr. (MANU/SC/0795/2010)
		Vintel Securities Pvt Ltd vs SEBI (SAT order dated 23-11-2009)
4	Connection/collusion/ prior meeting of mind of Noticees	Nishit M. Shah HUF vs SEBI (SAT order dated 16-01-2020)
		Bhagwat Singh Kitawat vs SEBI (SAT order dated 28-01-2020)
		Sapna Dilip Bombaywala vs WTM (SAT order dated 28-01-2020)
		Jagruti Securities Ltd vs SEBI (SAT)
		Vikas Ganeshmal Bengani vs SEBI (SAT order dated 25-02-2010)
		Kapil Chatrabhuj Bhuptani vs SEBI (SAT order dated 10-10-2013)
		Vintel Securities Pvt Ltd vs SEBI (SAT order dated 23-11-2009)
		Santsh Kumar Poddar HUF vs SEBI (SAT order dated 24-08-2021)
		Ashlesh Shah vs SEBI (SAT order dated 18-04-2018)
		Prashant J Patel vs SEBI (SAT 2010)
		Raj Kumar Agarwal vs SEBI (SAT order dated 07-02-2022)
		Radford Global Limited (WTM order dated 29-08-2019)
5	Synchronized trades	SPJ Stock Brokers Private Limited vs. SEBI (SAT order dated September 04, 2013)
		Ketan Parekh vs SEBI (SAT order dated 14-07-2006)
6	Standard of proof in fraud/PFUTP cases	Union of India vs Chaturbai M. Patel (AIR 1976 SC 712)
		Parsoli Corporation vs SEBI (SAT order dated 12-08-2011)
		Sterlite Industries vs SEBI (SAT order dated 22-10-2001)
		KSL & Industries Ltd vs SEBI (SAT order dated 30-09-2009)
		Union of India vs HC Goel (AIR 1964 SC 364)
		L.D. Jaisinghani vs Naraindas N Punjabi (AIR 1976 SC 373)
		Razikram vs J.S. Chauhan (AIR 1975 SC 667)
		Ambalal vs Union of India (AIR 1961 SC 264)
		Seth Gulabchand vs Seth Kudilal (AIR 1966 SC 1734)
7	Imposition of Penalty	Hindustan Steel vs State of Orissa (AIR 1970 SC 253)
		Ex-Naik Sardar Singh vs Union of India (1991 3 SCC 212)
		Ranjit Thakur vs Union of India (AIR 1987 SC 2386)
		Adjudicating Officer vs Bhavesh Pabari (SC Civil appeal 11311/2013 dated 28-02-2019)

D. REVELANT PROVISIONS

13. It is relevant to reproduce the provisions of laws which have been attracted and invoked in the SCN and the same are quoted here under:

SEBI Act

"Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.
12A. No person shall directly or indirectly—
(a) use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of this Act or the rules or the regulations made thereunder;
(b) employ any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange;
(c) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which are listed or proposed to be listed on a recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder;"

SEBI (PFUTP) Regulations, 2003:

"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.

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 including, influencing or manipulating the reference price or bench mark price of any securities;"

SEBI (Stock Brokers and Sub Brokers) Regulations, 1992

"Conditions of registration.
9. Any registration granted by the Board under regulation 6 shall be subject to the following conditions, namely,-
…..
(f) he shall at all times abide by the Code of Conduct as specified in Schedule II; and
….."

"15. (1) The sub-broker shall—
…….
(b) abide by the Code of Conduct specified in Schedule II;
……"

"Code of Conduct For Stock Brokers [Regulation 9]
A. General.
…..
(2) Exercise of due skill and care : A stock-broker shall act with due skill, care and diligence in the conduct of all his business.
…..
(5) Compliance with statutory requirements: A stock-broker shall abide by all the provisions of the Act and the rules, regulations issued by the Government, the Board and the Stock Exchange from time to time as may be applicable to him."

"Code of Conduct For Sub-Brokers [Regulation 15]
A. General
…..
(2) Exercise of due Skill and Care: A sub-broker, shall act with due skill, care and diligence in the conduct of all investment business."

E. ISSUES

14. I have carefully perused the allegations levelled against the Noticees in the SCN, the replies of the Noticees and also the documents/evidence available on record. The following issues arise in the matter: -

i) Whether the Noticees have violated the provisions as alleged in paragraph 5 of this order.

ii) If the answer to Issue No.(i) is in affirmative, do the violations, if any on the part of the Noticees would attract monetary penalty?

iii) If the answer to Issue No.(ii) is in affirmative, what would be quantum of the monetary penalty that should be imposed upon the Noticees?

F. CONSIDERATION AND FINDINGS

15. In this matter before me, the entities can be grouped/categorized as follows :-

a) Noticee no.1 to 82 are part of the Group-3.

b) Noticee no.1 to 67 are alleged to be part of the scheme of providing exit to the preferential allottees.

c) Noticee no. 1 to 19 are non-promoter preferential allottees, alleged to have sold their shares during the investigation period in furtherance of the alleged scheme.

d) Noticee no.20 to 63 are promoters and connected entities, who are alleged to have bought the shares from Noticee no.1 to 19 and, thereby, provided exit to them.

e) Noticee no.64 has not traded during IP but is alleged to be in involved in suspicious fund transactions.

f) Noticee no.65, being the dealer and director in sell side sub-broker is alleged to have facilitated the scheme. He is also alleged to have been involved in synchronized/strucutured trades.

g) Noticee no.66 is the broker for most of the entities from Noticee no.1 to 19.

h) Noticee no.67 is the sub-broker for most of the entities from Noticee no.20 to 63.

i) Noticee no.68 to 82 have been charged for artificial volume pursuant to synchronized and structured trades carried out by them.

j) Noticee no. 83 and 84 have individually been charged for causing artificial volume and price manipulation.

16. Before proceedings to deal with the issues in the matter, I note that I am in receipt of a letter dated December 22, 2022 from Mr.Rakesh Bhageria, son of Niranjanlal Bhageria (Noticee no. 32) wherein he has informed to the Undersigned that Noticee no.32 has passed away on March 4, 2018. Death Certificate in this regard is also available on record. Noticee no.32 was the Karta of Noticee no.27 HUF. Vide the said letter, it is also informed that Niranjanlal Bhageria HUF (Noticee no.27) has also been dissolved. Partition Deed of the said HUF dated December 27, 2016 is also available on record. Further, vide email dated December 30, 2022 received from Mr.Anil Narang, it has been informed to the Undersigned that Kali Mohan Bhattacharya (Noticee no.59) has passed away on September 26, 2015. Death Certificate in this regard is also available on record.

17. In this regard, it is relevant to note that the Hon'ble Supreme Court in the case of *Girijandini vs. Bijendra Narain (AIR 1967 SC 1124)*, inter-alia, observed that in case of personal action, i.e. the actions where the relief sought is personal to the deceased, the right to sue will not survive to or against the representatives, and in such cases, the maxim "*actio personalis moritur cum persona*" (personal action dies with the death of the person) would apply. Further, I note that Noticee no. 27 Niranjanlal Bhageria HUF also does not exist anymore.

18. Relying on the aforesaid Order of the Hon'ble Supreme Court, I am of the view that the adjudication proceedings initiated against the Noticee no. 27, 32 and 59 do not survive and are liable to be abated without going into the merits of the case. Consequently, no penalty is imposed and the Adjudication Proceedings against the Noticee stand abated *qua* Noticee no.27, 32 and 59.

19. I note that the Noticees have raised certain preliminary objections and it would be appropriate first to deal with certain preliminary objections raised by Noticees in the matter as under: -

Inordinate delay in issuance of SCN

20. Noticees have submitted that there has been inordinate delay in issuance of SCN and the same ought to be quashed on this preliminary ground. In this regard, I note that investigation period in the instant matter ranges from April 17, 2014, to October 25, 2016. Investigation in the matter was initiated by BSE pursuant to a letter dated April 26, 2017 received from the Income Tax Department. BSE

submitted its report on May 22, 2018. NSE also submitted its report on May 22, 2018. Pursuant to reports of the exchanges, the matter was taken up for detailed investigation by SEBI. After completion of investigation, adjudication was approved in the matter on April 8, 2021. Also, the proceedings in the present matter have been affected owing to spread of Covid-19 Pandemic. CGM Prashanta Mahapatra was appointed as the Adjudicating Officer vide communique order dated May 25, 2021 and Show Cause Notice dated March 31, 2022 was issued to the Noticees.

21. The Noticees have also relied on several orders/judgments passed by the Higher Courts and Tribunal in support of their contention. In this regard, I am of the view that the present case, can be factually distinguishable from the aforementioned cases cited by the Noticees. I note that it has been continuously reiterated by the appellate courts in the catena of cases that SCN would be issued within the reasonable time period and the reasonable time period depends on each case facts and circumstance and no hard and fast rule can be laid down in this regard. The same has been affirmed by the appellate court in **Ashlesh Gunvantbhai Shah** (supra) order cited by the Noticee. The relevant para of the aforesaid order is as follows:

> *"It is no doubt true that no period of limitation is prescribed in the Act or the Regulations for issuance of a show cause notice or for completion of the adjudication proceedings. The Supreme Court in Government of India vs, Citedal Fine Pharmaceuticals, Madras and Others, [AIR (1989) SC 1771] held that in the absence of any period of limitation, the authority is required to exercise its powers within a reasonable period. What would be the reasonable period would depend on the facts of each case and that no hard and fast rule can be laid down in this regard as the determination of this question would depend on the facts of each case. This proposition of law has been consistently reiterated by the Supreme Court [..]. (emphasis applied)"*

Further, in the matter of *SEBI vs Bhavesh Pabari*, the Hon'ble Supreme Court held as follows :-

> *"There are judgments which hold that when the period of limitation is not prescribed, such power must be exercised within a reasonable time. What would be reasonable time, would depend upon the facts and circumstances of the case, nature of the default/statute, prejudice caused, whether the third-party rights had been created etc."*

22. I also note that the Hon'ble SAT in the matter of ***Bipin R Vora vs SEBI*** (decided on March 22, 2006) held that,

"As regards the plea of delay and latches and submission that the show cause notice is barred by limitation, I do not find any merit in these contentions as the time and efforts involved in an investigation though may vary from case to case, generally investigations per-se is a time consuming process which invariably involve collection, scrutiny and careful examination of voluminous records/ order-trade details of all the concerned including the exchanges/recording of statements etc. and therefore no time limit can be fixed in this regard to enable a regulator to take appropriate disciplinary action for the safeguard and improvement of the system/market".

23. It is pertinent to note that the time taken for completion of collective investigation into such a large number of entities and also for issuing SCNs to a large number of Noticees is fairly understandable. I further note that, initiating a proceeding under the appropriate provisions of SEBI Act is a regulatory prerogative of SEBI depending upon the outcome of the fact finding exercise, which is the investigation done in this case, and just because the alleged violation was committed in a distant past cannot be a ground to vitiate these proceedings. Notwithstanding the requirements mentioned in the different provisions, in the present matter Noticees have not been prejudiced in any manner pursuant to any alleged delay. Further, I note that Hon'ble SAT has qualified through aforesaid rulings by saying that the reasonable period would depend on the facts and circumstances of each case and that no hard and fast rule can be laid down in this regard. In my view, complexities encountered during the investigation or for that matter during the proceedings in the instant case far outweigh the delay, if any, caused in the initiation or conclusion of the proceedings. I am of the view that present proceedings do not suffer from any infirmity on the ground of delay. In view of the above, the contention of the Noticees cannot be accepted.

Non-provision of documents

24. Several Noticees have contended that complete material/documents have not been provided to them. In this regard, I note that all the documents relied upon in the SCN have already been provided to the Noticees along with the SCN. In the present matter, request for inspection of documents was also made by 19 Noticees and the inspection of documents was duly provided to them. Furthermore, copy of investigation report has also been provided to the Noticees as per their request. Some of the Noticees have specifically submitted that

complete order log and trade log for all the trade executed during investigation period has not been provided. I note that complete trade logs for the investigation period have already been provided as annexure-4 to the SCN. Further, with regard to order logs, it is observed that the imputations made against the Noticees in the SCN are not emanating from the 'orders' placed by them but are based on the actual 'trades' executed in the scrip of Bhageria which can be traced from the trade log of the scrip made available with the SCN and the same can be traceable by the clients from their respective stock brokers as well. Since the charges levelled in the SCN are based on the trade log, the same was duly provided with the SCN as Annexure. As mentioned earlier, all the documents, which have been relied upon to impute the allegations against the Noticees have already been provided to them along with the SCN. The Noticees have also relied on several orders/judgments passed by the Higher Courts and Tribunal in support of their contention. In this regard, I am of the view that the present case, can be factually distinguishable from the cases cited by the Noticees. In this regard, I deem it appropriate to be guided by the findings recorded by the Hon'ble Supreme Court of India in the matter of SEBI Vs. Monarch Networth Capital Limited [(2016) 6 SCC 368], wherein the Hon'ble Supreme Court, while dealing with the issue of principles of natural justice, has, inter alia, observed that : "*…In so far as the plea of violation of principles of natural justice, as raised on behalf of the respondent in C.A.No.282/2014 (Monarch Networth Capital Ltd.) is concerned, we do not think the same to be justified in any manner. The relevant extracts of the trade log which have been perused by us, in view of the clear picture disclosed with regard to the particulars of the offending transactions, must be held to be sufficient compliance of the requirement of furnishing adverse materials to the affected party."*

25. I note that the submission of the Noticees is purely academic and has been made only to create a ground for challenging the order. In view of the above, I am of the firm view that the principles of natural justice have been adequately complied with in the present matter, as all documents which have been relied upon in the SCN and used against the Noticees have been duly provided to them.

Vagueness of Show Cause Notice

26. Several Noticees have contended that the Show cause notice is vague and does not bring out the specific role of the Noticee and that no specific explanation of Noticee's role in the alleged fraud has been set out anywhere in the SCN. The Noticees have also relied on several orders/judgments passed by the Higher Courts and Tribunal in support of their contention. In this regard, I am of the view the facts of the said orders relied upon by the Noticees do not apply to the present case. In this regard, I note that the SCN contains detailed enumeration of the allegations, the basis of each of those allegations, the documents relied upon for making such allegations as well as the relevant provisions of the SEBI Act, 1992 and the PFUTP Regulations, 2003 supporting those allegations. Without prejudice to the foregoing, the Hon'ble Supreme Court has held in the case of *Fortune Impex Vs. Commissioner - 2004 (167) ELT A 134 (SC)*, that "*non-mentioning of particular Section of Customs Act 1962 would not vitiate the proceedings when allegations and charges against all the appellants were mentioned in clear terms in the show cause notice*." This position has been reiterated by the Hon'ble Supreme Court in several cases. I reiterate that in the instant case the SCN contains detailed charges against each of the Noticees and basis of each allegation duly supported by the documentary evidence. Hence, the contention raised by such Noticees in this regard lacks even a shred of truth. I, therefore, do not find any merit in the contention of such Noticees that charges laid out in the SCN are vague.

Sustenance of proceedings *qua* the amalgamated Entities

27. It has been submitted on behalf of Noticee no.37, 53, 64 and 71 that they have amalgamated with other entities and that due to the above amalgamation the separate legal personalities of the Noticees cease to exist and because the present proceedings are in personam i.e. cases of personal action wherein the relief sought is personal to the entity, the right to sue/proceed against a person will not survive against the succeeding entities and the proceedings against the Noticees be abated.

28. In this regard, I note that Noticee no.37 and 64 have amalgamated with Florence Securities Pvt Ltd (hereinafter "***Florence***"). Vide reply dated December 9, 2022,

Florence has informed that Noticee no.37 and 64 got amalgamated with Choice Office Solutions Private Limited vide an order of Hon'ble High Court of Bombay dated October 23, 2015. Later, name of Choice Office Solutions Pvt Ltd was changed to Synergy Tradevista Pvt Ltd which got merged with Florence vide order of Hon'ble National Company Tribunal, Mumbai dated July 13, 2017.

29. Similarly, Noticee no.53 and 71 have amalgamated with Chartered Capital Research Pvt Ltd (hereinafter "***Chartered***"). Vide reply dated December 9, 2022, Chartered has informed that Noticee no.53 and 71 got amalgamated with Chartered vide an order of Hon'ble National Company Tribunal, Mumbai dated July 20, 2017. The respective orders of amalgamation and scheme of amalgamation are available on record.

30. I note that that contention of the Noticees that the proceedings against the amalgamated companies be abated, is devoid of any merit. In this regard, I may refer to amalgamation scheme submitted by Florence and Chartered which clearly states that upon the scheme becoming effective, all legal and other proceedings including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Transferor Companies pending and/or arising at the appointed date shall be continued and/or enforced by or against the Transferee Company only, to the exclusion of the Transferor Companies in the manner and to the same extent as would have been continued and enforced by or against the Transferor Companies. I note that the said clause being part of the amalgamation scheme, Florence and Chartered are aware of the same.

31. In this regard, I seek further guidance from a recent judgment of the Hon'ble Supreme Court (hereinafter "***SC***") in the matter of *Principal Commissioner of Income Tax (Central)-2 vs M/s. Mahagun Realtors (P) Ltd*. In the said judgment the Hon'ble SC held as follows :-

> "*18. Amalgamation, thus, is unlike the winding up of a corporate entity. In the case of amalgamation, the outer shell of the corporate entity is undoubtedly destroyed; it ceases to exist. Yet, in every other sense of the term, the corporate venture continues – enfolded within the new or the existing transferee entity. In other words, the business and the adventure lives on but within a new corporate residence, i.e., the transferee company. It is, therefore, essential to look beyond the mere concept of destruction of corporate entity which brings to an end or terminates any assessment proceedings. There are analogies in civil law and procedure where upon*

amalgamation, the cause of action or the complaint does not per se cease – depending of course, upon the structure and objective of enactment. Broadly, the quest of legal systems and courts has been to locate if a successor or representative exists in relation to the particular cause or action, upon whom the assets might have devolved or upon whom the liability in the event it is adjudicated, would fall."

32. In view of the aforesaid judgment and the scheme of amalgamation, it is abundantly clear that, in case of amalgamation, unlike a winding up, there is no end to the enterprise, with the entity. The enterprise in the case of amalgamation, continues with the transferee company. Florence and Chartered have relied on order of the Calcutta High Court, which case is factually very different from the facts of the present case. In view of the aforesaid judgment of the Hon'ble Supreme Court, I hold that the proceedings against the transferor companies i.e. Noticee no.37, 53, 64 and 71 do not abate and the same may be continued against the transferee companies i.e. Florence and Chartered.

33. It has also been contended on behalf of the said four Noticees that the Adjudicating Officer has no jurisdiction/authority to adjudge the case against the transferee companies. Further, it is contended that adequate opportunity of personal hearing has not been provided to the transferee companies. In this regard, I find it appropriate to revisit the facts of the instant proceedings. SCN dated March 31, 2022 was issued to all the Noticees. Pursuant to receipt of the SCN, the said 4 Noticees vide their separate emails dated June 30, 2022 sought time of two weeks to submit a detailed reply to the SCN. Noticee no.37, 53, 64 and 71 submitted their separate detailed replies dated June 22, 2022, July 25, 2022, July 25, 2022 and July 29, 2022, respectively. It is pertinent to mention here that in the said replies, nowhere it was mentioned by the said Noticees that they have amalgamated with Florence or Chartered. Further, the said replies in their header bore the name of the Noticee no. 37, 53, 64 and 71. Vide the said replies, the aforesaid 4 Noticees also stated that they would like to avail the opportunity of personal hearing before the Adjudicating Officer.

34. The said four Noticees were given opportunity of hearing on December 12, 2022. In reply to the hearing notice, Florence (on behalf of Noticee no.37 and 64) and Chartered (on behalf of Noticee no.53 and 71) vide emails dated December 12, 2022 and December 11, 2022 sent their separate replies dated December 9,

2022. Vide the said replies dated December 9, 2022 , Florence and Chartered informed about the fact of amalgamation of Noticee no.37, 53, 64 and 71 with themselves and also submitted relevant documents in relation to the amalgamation. Vide the said reply, Florence and Chartered submitted that the proceedings against the transferor companies be abated owing to the said amalgamation. Vide their replies dated December 9, 2022, Florence and Chartered acknowledged the previous replies dated July, 2022 filed on behalf of the four transferor companies. Further, it was also mentioned therein that the reply dated December 9, 2022 is in addition to the previous replies filed on behalf of the aforesaid 4 Noticees. It is to be noted that vide their reply dated December 9, 2022 Florence and Chartered did not mention that they do not wish to avail the opportunity of hearing. Accordingly, online links, to join the hearing dated December 12, 2022 via video-conferencing, were sent to the respective email ids of Florence and Chartered, however, the said hearing was not attended by them. I note that the opportunity of hearing was specifically sought for the 4 Noticees vide their replies dated July, 2022, which have been acknowledged by transferee companies). When the opportunity of hearing was provided to them, the same was not availed by Florence and Chartered.

35. Another opportunity of hearing was provided on March 6, 2023 to Florence and Chartered vide hearing notice dated February 27, 2023. Florence and Chartered vide email dated March 5, 2023 submitted their separate response dated March 4, 2023. Vide the said response, Florence and Chartered sought adjournment of hearing scheduled on March 6, 2023. Accordingly, the hearing scheduled on March 6, 2023 was adjourned and Florence and Chartered were informed vide email dated March 6, 2023 that hearing in the matter was scheduled for March 14, 2023.

36. In response to the notice of hearing scheduled on Mach 14, 2023, Florence and Chartered vide their email dated March 14, 2023, sent their letters dated March 13, 2023. Vide the said letters, Florence and Chartered again sought adjournment of hearing along with certain documents. This was the third opportunity of hearing that was made available to Florence and Chartered. Nonethless, online links to join the hearing dated March 14, 2023 were sent to Florence and Chartered but the same was not attended by them. Considering

that enough opportunity of hearing has already been provided, the said request of adjournment was not acceded to by the Undersigned and minutes of hearing dated March 14, 2023 were sent to Florence and Chartered vide email dated March 15, 2023 mentioning therein that no one appeared for hearing on behalf of the Noticees and the hearing has been concluded. In the said minutes it was also informed to Florence and Chartered that all the relevant documents have already been provided to the Noticees along with the SCN. It is also pertinent mention here that Florence and Chartered have never contended that they are not in possession of Show Cause Notice. Further, vide the said minutes Noticees were also informed that they may file written submissions, if any, by March 17, 2023.

37. Vide email dated March 20, 2023 and March 21, 2023, respectively, Chartered and Florence submitted their detailed written submissions which were dated March 16, 2023. In the said written submission, both Florence and Chartered contended that adequate opportunity of hearing was not provided to them. Considering the aforesaid contention, one final opportunity of hearing was provided to Chartered and Florence on March 21, 2023 at 4:00 PM and 4:30 PM respectively and hearing link was also sent simultaneously. I may mention here this opportunity of hearing was also not availed by Florence and Chartered. Instead, vide emails dated March 21, 2023, Florence and Chartered contended that it would not be possible for them or their counsel to be present for hearing on such a short notice. It was further submitted vide the said email that representations and written submission made by them may be considered as final representations in the matter.

38. I observe that Florence and Chartered have been provided four opportunities of hearing on December 12, 2022, March 6, 2023, March 14, 2023 and March 21, 2021, yet hearing has not been availed by them even on one occasion. Florence and Chartered have continuously sought adjournment of hearing and tried to hide behind the fact of amalgamation of transferor companies. The scheme of amalgamation of the Noticees clearly provides that all legal and other proceedings including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Transferor Companies pending and/or arising at the appointed date shall be continued and/or enforced by or against

the Transferee Company and, Florence and Chartered, being the transferee companies, are supposed to be aware of the same. From the conduct of Florence and Chartered, it emerges that they have been continuously avoiding the hearing so that the same may be made a ground for challenging the proceedings. I note that ample opportunity of hearing has been provided to Florence and Chartered and the contention that, adequate opportunity of hearing has not been provided, is untenable.

39. Noticees have relied on order of the Hon'ble Kolkata High Court in *Notticees Orbit Projects Pvt Ltd vs Income Tax Officer, Ward 5(1) Kolkata & Ors and* orders of Adjudicating Officer of SEBI in support of their contentions. I note that the facts of this case are distinguishable from the aforesaid orders. Further, I reiterate that Noticees have been given ample opportunity to defend their case and in view of the same their contentions cannot be accepted.

40. Further, it is important to mention here that replies on merit were filed on behalf of Noticee no.37, 53, 64 and 71 in the month of July, 2022 without mentioning the fact of amalgamation of the said Noticees. Florence and Chartered have acknowledged the said replies. In the said replies, opportunity of hearing was also sought for the said 4 Noticees. I may refer again the judgment of the Hon'ble SC in Mahagun Developers (supra) wherein it was held as follows :-

> "*41. In the light of the facts, what is overwhelmingly evident- is that the amalgamation was known to the assessee, even at the stage when the search and seizure operations took place, as well as statements were recorded by the revenue of the directors and managing director of the group. A return was filed, pursuant to notice, which suppressed the fact of amalgamation; on the contrary, the return was of MRPL. Though that entity ceased to be in existence, in law, yet, appeals were filed on its behalf before the CIT, and a cross appeal was filed before ITAT. Even the affidavit before this court is on behalf of the director of MRPL. Furthermore, the assessment order painstakingly attributes specific amounts surrendered by MRPL, and after considering the special auditor's report, brings specific amounts to tax, in the search assessment order. That order is no doubt expressed to be of MRPL (as the assessee) - but represented by the transferee, MIPL. All these clearly indicate that the order adopted a particular method of expressing the tax liability. The AO, on the other hand, had the option of making a common order, with MIPL as the assessee, but containing separate parts, relating to the different transferor companies (Mahagun Developers Ltd., Mahagun Realtors Pvt. Ltd., Universal Advertising Pvt. Ltd., ADR Home Décor Pvt. Ltd.). The mere choice of the AO in issuing a separate order in respect of*

> *MRPL, in these circumstances, cannot nullify it. Right from the time it was issued, and at all stages of various proceedings, the parties concerned (i.e., MIPL) treated it to be in respect of the transferee company (MIPL) by virtue of the amalgamation order – and Section 394 (2). Furthermore, it would be anybody's guess, if any refund were due, as to whether MIPL would then say that it is not entitled to it, because the refund order would be issued in favour of a non-existing company (MRPL). Having regard to all these reasons, this court is of the opinion that in the facts of this case, the conduct of the assessee, commencing from the date the search took place, and before all forums, reflects that it consistently held itself out as the assessee. The approach and order of the AO is, in this court's opinion in consonance with the decision in Marshall & Sons (supra), which had held that:*
>
> > *"an assessment can always be made and is supposed to be made on the Transferee Company taking into account the income of both the Transferor and Transferee Company."* "

41. I note that detailed written submissions have also been filed by Florence and Chartered. Going by the same, I hold that ample opportunity to defend their case has been provided to Florence and Chartered and no prejudice of any kind has been caused to them. In view of the above, I hold that principles of natural justice have been fully complied with.

42. Since, the preliminary submissions of the Noticees have been dealt with, accordingly, I now proceed to deal with the other issues in the matter.

<u>Noticee no.1 to 67</u>

43. I find it appropriate to reiterate the summary of allegations and modus operandi adopted in the matter to provide a bird's eye with over the facts of the case.

44. Bhageria Industries Limited made two preferential allotments, during 2011 and 2012, across promoter and non-promoter allottees. First and second preferential allotment was made to 38 entities and 6 entities, respectively. Taking both the preferential allotments together, there were 21 promoter allottees and 23 non-promoter allottees. Most of these non-promoter allottees were connected to the Company promoters and connected entities, through common directorships, monetary transactions, off market transactions, etc. In particular, most BIL promoters were observed to have regular dealings via off-market transactions with Choice International Limited, holding company of Choice Equity Broking Private Limited. Infact multiple promoters and some directors of Choice International Limited were featuring among the list of allottees.

45. It was observed that post completion of lock-in for the shares allotted to non-promoter allottees, Company's promoter connected entities, through off market transactions, acquired the shares allotted to 4 non-promoter allottees. It was observed that 5 lakhs shares that were transferred in off market by 4 non-promoter allottees before the investigation period to Group 3 entities viz. Abhilasha Money Operations Private Limited (Noticee no.37) and Alken Management and Financial Services Private Limited (**Alken**), were sold by these entities on BSE during the investigation period. It was further observed by SEBI that approx. 50% of the shares (i.e. 1,99,675) sold by Alken Management and were bought by Futurage Corporate Care Private Limited (Noticee no.20/***Futurage***), Prism Scan Express Private Limited (Noticee no.21/***Prism***) and Reform Trading Co Private Limited (Noticee no.23/***Reform***). Approx. 89.34% of the shares (i.e. 89,342) sold by Abhilasha Money Operations Private Limited were also bought by the said 3 entities.

46. Further, during the time period, May 2014 to August 2016, promoters, promoter group and connected entities, further acquired the shares allotted to the non-promoter allottees, on market, majorly through synchronised and/or structured trades. It is alleged that the promoter and related entities consolidated their own shareholding in the Company and thereby provided exit to the non-promoter allottees (Noticee no.1 to 19).

47. It was observed that all 19 non-promoter allottees sold all the allotted shares primarily on BSE during Patch 1 and Patch 3. Out of 19 non-promoter allottees, 13 allottees only sold shares while 6 allottees both bought and sold shares during the investigation period. It is pertinent to mention here that 1 non-promoter allottee (viz. Noticee no.19/Manasvi Consultancy) had sold 29,748 shares on market prior to the investigation period, whereas, balance 2,20,252 shares were sold by it on market during the investigation period. However, it is to be emphasized that at the end of the investigation period, shareholding of all non-promoter allottees (Noticee no.1 to 19) in the scrip was nil. Summary of the trades of non-promoter allottees during investigation period is given below :-

Table - 13

Name of preferential allottee	No of Shares allotted	Holding before IP (as on 16/04/2014)	Shares net bought (sold) during: Patch 1 (17/04/2014-03/09/2014)	Patch 2 (04/09/2014-27/10/2014)	Patch 3 (28/10/2014-01/03/2016)	Patch 4 (02/03/2016-25/10/2016) BSE	Patch 4 (02/03/2016-25/10/2016) NSE	IP (17/04/2014-25/10/2016)	% of allotted shares sold during IP
Vinita Patodia	300000	375050	0	0	-232050	-62316	-80684	-375050	100.00
Anil Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Anil Patodia HUF	100000	100000	0	0	-100000	0	0	-100000	100.00
Archana Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Kamal Poddar HUF	100000	100700	0	0	-100700	0	0	-100700	100.00
Kamal Poddar	100000	104950	-4545	405	-32410	-76445	8045	-104950	100.00
Hemlata Poddar	100000	173845	0	0	-173845	0	0	-173845	100.00
Rajendra Upadhyay	100000	100000	0	0	-100000	0	0	-100000	100.00
Pawan Agarwal	100000	100000	0	0	-100000	0	0	-100000	100.00
Govind Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Manasvi Consultants Pvt. Ltd.	250000	220252	-219650	-2605	0	0	0	-222255	88.10
Karodimal Modi	150000	150000	-150000	0	0	0	0	-150000	100.00
Sunita Modi	150000	150000	-150000	0	0	0	0	-150000	100.00
Satyanarayan Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Natwarlal Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Manju Devi Patodia	100000	100000	0	0	-100000	0	0	-100000	100.00
Karun Modi	150000	150000	-150000	0	0	0	0	-150000	100.00
Gaurav Modi*	150000	0	-150000	0	0	0	0	-150000	100.00
Darshanik Valueserve Pvt Ltd.	250000	250000	-198274	-51726	16519	-21587	5068	-250000	100.00
Total No of shares	**2600000**	**2594797**	**-1022469**	**-63926**	**-1432486**	**-160348**	**-67571**	**-2746800**	**99.37**

48. Further, it is pertinent to reproduce details of counterparties of trades done by non-promoter preferential allottees during the investigation period as under :-

Table - 14

Name of allottee	No. of shares bought	Counterparty within Group 3	%bought by Group 3	No. of shares sold	Counterparty within Group 3	% bought by Group 3
Vinita Patodia	4549	2306	50.69	379599	208267	54.87
Anil Patodia	0	0	0.00	100000	99850	99.85
Anil Patodia HUF	0	0	0.00	100000	96695	96.70
Archana Patodia	0	0	0.00	100000	100000	100.00
Kamal Poddar HUF	300	0	0.00	101000	100000	99.01
Kamal Poddar	24265	21485	88.54	129215	58572	45.33
Hemlata Poddar	910	147	16.15	174755	174198	99.68
Rajendra Upadhyay	0	0	0.00	100000	99696	99.70
Pawan Agarwal	0	0	0.00	100000	99631	99.63
Govind Patodia	0	0	0.00	100000	99780	99.78
Manasvi Consultants Pvt. Ltd.	84062	30153	35.87	306317	217225	70.92
Kirodimal Modi	0	0	0.00	150000	89598	59.73
Sunita Modi	0	0	0.00	150000	74505	49.67
Satyanarayan Patodia	0	0	0.00	100000	78424	78.42
Natwarlal Patodia	0	0	0.00	100000	97420	97.42

Name of allottee	No. of shares bought	Counterparty within Group 3	%bought by Group 3	No. of shares sold	Counterparty within Group 3	% bought by Group 3
Manju Devi Patodia	0	0	0.00	100000	92253	92.25
Karun Modi	0	0	0.00	150000	93025	62.02
Gaurav Modi	0	0	0.00	150000	112654	75.10
Darshanik Valueserve Pvt Ltd.	22542	3996	17.73	272542	210363	77.19
Total	**136628**	**58087**	**42.51**	**2863428**	**2202156**	**76.91**

49. I note from the last column of the above table that majority of the shares sold by non-promoter allottees were bought by group 3 entities. In particular, it was observed that Bhageria Trade Invest Private Limited (Noticee no.24/***BTIPL***), Reform, Futurage, Prism and Hi Fi Trading Private Limited (Noticee no.22/***HiFi***) were the top 5 counterparties who together bought 17,60,478 shares (i.e. 79.94%) out of the total shares sold by the non-promoter allottees. I note the aforesaid 5 companies are closely connected with BIL viz. BTIPL is promoter entity of Bhageria Industries Limited. Reform and Futurage are shareholders in BTIPL. Directors of Prism and Reform are related to each other. Directors of HiFi are parents of Harshita Bhageria (Noticee no.50), promoter of Bhageria Industries Limited. Other 42 group entities together bought approx. 20% of the shares sold by the non-promoter allottees.

50. It was observed that over the course of close to two years, all the non-promoter allottees exited their shareholding and almost all sold their shares trading through the broker, Choice Equity Broking Private Limited (Noticee no.66/"***Choice***"), including entities which did not otherwise have dealings through the said broker or had their shares lying with some other Depository Participant (which they transferred to Choice). The directors and promoters of Choice International limited, who were allottees also sold their shares during such time.

51. It was observed that that most promoters and their connected entities bought shares from the non-promoter allottees, trading through the sub-broker, Satya Shakambari Securities Private Limited (Noticee no.67/"***Satya***") (affiliated to the broker, Nirmal Bang Securities Private Limited). The dealer for all such buy transactions was director of Satya namely Kamlesh Dave (Noticee no.65). It was also observed that the sub-broker was operating out of an office which it had acquired on lease from Company promoter.

52. It was further observed that the majority of the allottee sales happening through broker, Choice (Noticee no.66) and buy happening through promoter and connected entities, through sub-broker, Satya (Noticee no.67), were synchronised/structured trades. Family members of directors of broker and sub-broker also purchased shares from the allottees and thereby facilitated exit to the non-promoter allottees. Part of the money received by the allottees from their sales was observed to have been sent back to the Company's promoter entities and its shareholders through Ealdor Retails Pvt Ltd (Noticee no.64/"***Ealdor***") . It is observed by SEBI that in two instances money so received from the allottees was used by promoter entity to pay its stock broker for the shares purchased from other allottees.

53. It is alleged that there was clear meeting of minds of the promoters and connected entities, to consolidate their shareholding in the Company and thereby provide exit to the non-promoter allottees, by misusing the stock exchange platform. It is alleged that they entered into fraudulent synchronised trades thereby generating artificial volume in the scrip on market. It is observed that the broker and sub-broker assisted the allotees, promoters and connected entities in the said scheme.

54. Several of the Noticees have contended that the SCN does not disclose any motive or reason for fraudulent trading. As stated in the SCN, it is alleged that it is alleged that the Company's promoters and their connected entities in collaboration with the stock broker, Choice Equity Broking Private Limited and sub-broker, Satya Shakambari Securities Private Limited, planned and devised the scheme of providing exit to the preferential allottees through pre-planned structured trades, misusing the stock exchange platform, thereby generating artificial volume in the scrip and giving the impression of increased volume in the market. Considering the above modus operandi, I am of the view that the SCN clearly brings out the motive behind the whole fraudulent scheme.

Connection among the Noticees

55. Several Noticees have submitted that the SCN does not show how the Noticee was connected to any of the promoter/directors/related entities. Further, it is also contended that SCN does not show connection of the Noticee with counterparty.

The Noticees have also relied on several orders/judgments passed by the Higher Courts and Tribunal in support of their contention. In this regard, I am of the view that the present case, is factually distinguishable from the aforementioned cases cited by the Noticees, however, the principle contained in the judgments cited by the Noticees have been taken note of. Before I delve into the specifics of the alleged connection and the basis of such allegation, I find it relevant to observe that the alleged connection amongst the Noticees, whether direct or indirect, is considered as one of the basis for alleging the violations against the Noticees and not the violation in itself. The connection of each of the Noticees is also corroborated by their conduct, viz. peculiar ways of trading in the share of a company/BIL. As mentioned in the SCN the connection amongst the Noticees has been alleged based on the analysis of UCC details obtained from both the stock exchanges – NSE and BSE, off market transactions data obtained from both the depositories – NSDL and CDSL, directorship details obtained from MCA website, KYCs obtained from the stock brokers and bank statements. In fact, the analysis of the aforesaid information connection was imputed amongst a larger group of entities (referred to as “the Group 3” in the SCN), 84 entities have been made part of the instant proceedings and hence are being suitably termed as Noticees. Some of these Noticees are directly connected to each other whereas, the remaining Noticees allegedly shared connections amongst themselves by virtue of being connected to other Group Entities who are not Noticees in the instant proceedings. Be that as it may, the common factors for imputing connection amongst the Noticees, either directly or through the Group Entities, are found to be sharing of common directors, common email id, common address, common registered office addresses, fund transactions, off-market transactions, etc. The basis of allegation of connection amongst the Noticees are enumerated herein below in a tabular format for better understanding:

Table - 15

Sl. No.	Name of client	Reasons
1	Vinodkumar Keshadeo Bhageria	• Common address – J/4/6 Bangur Nagar, Link Road, Goregaon West, Mumbai – 400090 between entities at Sl. nos. 1, 4 and 6. • Common phone number – 28787892 between entities at Sl. nos. 1, 4, 6 and 7. • On April 8, 2015 transferred 1 lakh shares of Dena Bank in off market to Choice International Limited and received back on August 31, 2015.

Sl. No.	Name of client	Reasons
2	Abhishek V Bhageria HUF	• Common phone number – 40436666 between entities at Sl. nos. 2, 19, 24, 25 and 27.
3	Aditya Bhageria HUF	• Common phone number – 9322228765, email id – vinod@bhageriagroup.com and address – 701/ 702, Mars, B Wing, Vasant Galaxy, Bangur Nagar, Goregaon (W), Mumbai – 400090 and Flat No 1501-2, Tower No. 03, Rustomjee Ozone CHS, Behind Telephone Exchange, Goregaon West, Mumbai – 400104 between entities at Sl. nos. 1-8.
4	Abhishek Bhageria	• Multiple off market transactions across scrips with Choice international Limited (entity at Sl. no. 72) during 2014-2017.
5	Aditya V Bhageria	• Brother of Abhishek Bhageria (Entity at Sl. no. 4). • On April 8, 2015, transferred 1,02,000 shares of Dena Bank in off market to Choice International Limited (entity at Sl. no. 72) and received back on August 31, 2015. On April 13, 2015, transferred 37,500 shares of Century Textiles and Industries Limited in off market to Choice International Limited (entity at Sl. no. 72) and received back on September 1, 2015.
6	Bimla Bhageria	• Wife of Vinodkumar Keshadeo Bhageria (Entity at Sl. no. 1). • Multiple off market transactions across scrips with Choice international limited during 2015-2017.
7	Anjushree A Bhageria	• On April 8, 2015 transferred 21,000 shares of Century Textiles and Industries Limited in of market to Choice International Limited (entity at Sl. no. 72) and received back on August 31, 2015.
8	Snehalata Agarwal/ Snehlata Bhageria	• Wife of Aditya Bhageria (Entity at Sl. no. 5). • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2014-2015.
9	Dinesh Kumar Vishambherlal Bhageria	• Common phone number – 9323801777 and email id – dinesh@nipurchemicals.com with Asha Dinesh Bhageria (entity at Sl. no. 10). • Common phone number – 022-28782765 between entities at Sl. nos. 9, 11 and 13. • Common phone number – 9820200545 between entities at Sl. nos. 9-15, 17, 19, 22, 23-38. • Common phone number – 28760936 between entities at Sl. nos. 9, 24, 25, 31, 32, 33 and 37. • Common phone number – 7666188652 and email id – vikas.gh@bhageriagroup.com between entities at Sl. nos. 9-13, 15, 23, 26, 27, 34 and 36. • Common address – A 101 Virwani Industrial Estate, Eastern Express Highway, Goregaon East, Mumbai – 400063 between entities at Sl. nos. 9, 19, 24, 25, 37 and 43. • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.
10	Asha Dinesh Bhageria	• Common phone number – 9619757315 between entities at Sl. nos. 10, 13 and 16-23 and 75. • Common email id – vinodlohia007@gmail.com between entities at Sl. nos. 10, 13, 16-23, 25 and 75. • On November 4, 2016 received 80,700 shares of Nipur Chemicals Limited in off market from Reform Trading Company Private Limited (entity at Sl. no. 21). • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.
11	Deepakkumar Vishwambharlal Bhageria	• Common phone number – 0260-2452366 and address – D 6, Devendra Coop. Hsg. Soc. Ltd., Anand Nagar, Chharwada Road, Vapi – 396191 with Archana Deepak Bhageria (entity at Sl. no. 13). This address was registered in the name of Bhageria of Bhageria Dye Chem Limited (now known as Bhageria Industries Limited).
12	Deepak Vishwambharlal Bhageria HUF	• Common phone number – 9821500710 and email id – vbhageria@gmail.com between entities at Sl. nos. 12, 31, 32, 36 and 38. • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.

Sl. No.	Name of client	Reasons
13	Archana Deepak Bhageria	• Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.
14	Vishwambharlal Keshaodev Bhageria	• Common phone number – 9377894147 and email id – deepak@bhageriagroup.com between entities at Sl. nos. 11-15.
15	Chanda Devi Bhageria	• Wife of Vishwambharlal Keshaodev Bhageria (entity at Sl. no. 14) and mother of Manjula Vinod Lohiya (entity at Sl. no. 75). • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.
16	Futurage Corporate Care Private Limited	• On February 1, 2016, received 1,000 shares of Nippon India Mutual Fund Mul Cap FD in off market from Hi-Fi Trading Private Limited (entity at Sl. no. 18). • Multiple off market transactions with Suresh Keshaodev Bhageria (entity at Sl. no. 25) during July – October 2015 in the scrips, Aditya Birla Sun Life Mutual Fund Frontline Eq Fund Growth Open Ended and Nippon India Mutual Fund Mul Cap FD.
17	Niranjanlal Keshavdeo Bhageria HUF	• Common address – 301/302, 3rd floor, Mars, B-wing, Vasant Galaxy, Bangur Nagar, Goregaon West, Mumbai – 400090, between entities at Sl. nos. 15, 17, 19, 22, 23, 26-30, 33-35.
18	Hi-Fi Trading Private Limited	• Common email id – sarafyarn@hotmail.com and address – address – 418 Chotalal Bhuvan, 2nd floor, no. 36, Kalbadevi Road, Mumbai – 400002 with Hemant Kumar Gobind Saraf (entity at Sl. no. 40), Gobind Kumar Saraf (entity at Sl. no. 48), Renu Saraf (entity at Sl. no. 49) and Lalit Kumar Saraf (entity at Sl. no. 50). • Gobind Saraf (entity at Sl. no. 48) and Renu Saraf (entity at Sl. no. 49) are directors since August 2, 2014. • Transferred 1,11,804 shares of Nippon India Mutual Fund Mul Cap FD in off market on March 3, 2016 and 1 lakh shares on August 22, 2016 to Reform Trading Co Private Limited (entity at Sl. no. 21).
19	Akashdeep International Private Limited	• Vinod Kumar Lohia (entity at Sl. no. 42) and Manjula Vinod Lohiya (entity at Sl. no. 75) are directors since June 1, 2011. • Amit Rajendra Bhageria (entity at Sl. no. 86) was director during September 20, 2005 to December 24, 2009. • On November 10, 2014, received 30,000 shares of Tilak Ventures Limited in off market from Alken Management and Financial Services Private Limited (entity at Sl. no. 65) and transferred back on January 23, 2015. • On November 10, 2014, transferred 10,000 shares of India Infrastructure Finance Company Limited in off market to Choice International Limited (entity at Sl. no. 72) and received back the same on June 2, 2017.
20	Prism Scan Express Private Limited	• Rohit Vinod Lohiya (entity at Sl. no. 76) is director since March 15, 2014 and his sister, Sapna Vinod Lohiya (entity at Sl. no. 77) is director since December 15, 2015. • On July 31, 2015 transferred 18,018 shares of Nippon India Mutual Fund Mul Cap FD in off market to Futurage Corporate Care Private Limited (entity at Sl. no. 16). • On February 9, 2016, received 18,018 shares of Nippon India Mutual Fund in off market from Suresh Keshaodev Bhageria (entity at Sl. no. 25). • Common address – A-304, Shanti Jyot, Balaji Nagar, Station Road, Bhayander West, Thane – 401101 with Reform Trading Company Private Limited (entity at Sl. no. 21).
21	Reform Trading Company Private Limited	• Vinod Kumar Lohia (entity at Sl. no. 42) and Manjula Vinod Lohiya (entity at Sl. no. 75) are directors since January 18, 2014. • On November 4, 2016, transferred 3.44 lakhs shares of Nipur Chemicals Limited in off market across various transactions to Rahul Niranjanlal Bhageria (entity at Sl. no. 34), Sonika Rakesh Bhageria (entity at Sl. no. 23), Dhwani Rahul Bhageria (entity at Sl. no. 35), Rahul Niranjanlal Bhageria HUF (entity at Sl. no. 22), Asha Dinesh Bhageria (entity at Sl. no. 10) and Rakesh Niranjanlal Bhageria (entity at Sl. no. 26).
22	Rahul Niranjanlal Bhageria HUF	• Common phone number – 9833350056 and email id – rahul.bhageria@gmail.com with Rahul Niranjanlal Bhageria and Dhwani Rahul Bhageria.

Sl. No.	Name of client	Reasons
23	Sonika Rakesh Bhageria	• Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.
24	Bhageria Trade Invest Private Limited	• Common phone number – 8755059 with Suresh Keshavdeo Bhageria (entity at Sl. no. 25). • Common phone number – 9821312677 between entities at Sl. Nos. 24, 25, 27, 31 and 33. • Vinodkumar Keshadeo Bhageria (entity at Sl. no. 1) was director during February 24, 1994 to December 1, 2018, Bimla Bhageria (entity at Sl.. no. 6) was director during May 1, 2007 to December 1, 2018, Suresh Bhageria (entity at Sl. no. 25) is director since April 27, 2005 and Chandraprabha S Bhageria (entity at Sl. no. 31) is director since May 1, 2007. • As per KYC with the broker, Nirmal Bang Securities Private Limited, Rakesh Bhageria (entity at Sl. no. 26) is the authorized signatory.
25	Suresh K Bhageria	• Common phone number – 28760935 between entities at Sl. nos. 25, 27, 31, 32 and 36. • Common address – 601/602, Mars, B Wing, Vasant Galaxy, Bangur Nagar, Goregaon West, Mumbai – 400090 between entities at Sl. nos. 25, 27, 31-33, 36 and 38. • On November 15, 2016, transferred 25,000 shares of Donear Industries Limited in off market to Choice International Limited (entity at Sl. no. 72) and received back on November 25, 2017.
26	Rakeshkumar Niranjanlal Bhageria*	• Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.
27	Suresh Kumar Bhageria HUF	• Karta is Suresh K Bhageria (entity at Sl. no. 25). • Transferred 2,45,000 shares of Donear Industries Limited in off market to Choice International Limited (entity at Sl. no. 72) on November 15, 2016 and 12,000 shares on November 20, 2017. Received back the same on November 25, 2017.
28	Niranjanlal Keshavdeo Bhageria	• Common phone number – 28768653 between entities at Sl. nos. 17, 26, 28, 29 and 34.
29	Sushila Niranjanlal Bhageria	• Common email id – bhageria@vsnl.com between entities at Sl. nos. 1, 6, 9, 11, 15, 24-26, 28, 29, 31 and 37.
30	Rakesh Niranjanlal Bhageria HUF	• Common email id – rakesh@bhageriagroup.com between entities at Sl. nos. 9-11, 13-15, 17, 19, 22-37.
31	Chandraprabha S Bhageria	• Wife of Suresh K Bhageria (entity at Sl. No. 25). • On November 15, 2016, transferred 21,000 shares of Goenka Business & Finance Limited and 1,08,000 shares of Donear Industries Limited in off market to Choice International Limited. Received back the same on October 3, 2017 and November 25, 2017, respectively.
32	Vikas Sureshkumar Bhageria	• Common email id – vikas@alliedrainbow.com with Vikas Bhageria HUF (entity at Sl. no. 38). • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.
33	Vanita Ashish Saraf	• Daughter of Suresh K Bhageria (entity at Sl. no. 25). • Common email id – suresh@bhageriagroup.com between entities at Sl. nos. 24, 25, 27 and 33.
34	Rahul Niranjanlal Bhageria	• Son of Niranjanlal Keshavdeo Bhageria (entity at Sl. No. 28). • On September 29, 2017, transferred 99,580 shares of Suzlon Energy Limited in off market to Choice international Limited (entity at Sl. no. 72) and received back the same on November 27, 2017. On September 29, 2017 transferred 31,493 shares of Prabhat Dairy Limited in off market to Choice international Limited (entity at Sl. no. 72) and received back the same on October 28, 2017.
35	Dhwani Rahul Bhageria	• Common email id – bhageriavikas@yahoo.com with Vikas Sureshkumar Bhageria (entity at Sl. no. 32).

Sl. No.	Name of client	Reasons
36	Harshita Bhageria	• Daughter of Gobind Saraf (entity at Sl. no. 48) and Renu Saraf (entity at Sl. no. 49) and sister of Hemant Saraf (entity at Sl. no. 40). • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2016-2017.
37	Nipur Chemicals Limited* (formerly Zenith Speciality Private Limited, Nipur Exports Private Limited)	• Common address – 401/402, Mars, B-wing, Vasant Galaxy, Bangur Nagar, Goregaon West, Mumbai – 400090 between entities at Sl. nos. 9-15, 25, 31, 33 and 37.
38	Vikas Bhageria HUF	• Karta is Vikas Sureshkumar Bhageria (entity at Sl. No. 32). • On November 15, 2016, transferred 1,25,000 shares of Donear Industries Limited in off market to Choice International Limited (entity at Sl. no. 72) and received back the same on November 27, 2017.
39	Rajendra Keshavdeo Bhageria	• Common phone number – 28748349 between entities at Sl. nos. 1, 6, 9, 10, 11, 14, 15, 23, 25, 26, 28, 31, 37 and 39.
40	Hemant Kumar Gobind Saraf	• Brother of Harshita Saraf/ Bhageria (entity at Sl. no. 36) and son of Gobind Kumar Saraf (entity at Sl. no. 48) and Renu Saraf (entity at Sl. no. 49).
41	Synergy Tradevista Private Limited (formerly Choice Office Solutions Private Limited, Elpee Corporate Services Private Limited)	• Multiple off market transactions with Abhilasha Money Operations Private Limited (entity at Sl. no. 58) during February 18 – 19, 2016 across scrips. • Common address – Shree Shakambhari Corporate Park, 156-158, Chakravorty Ashok society, J.B. Nagar, Andheri I Mumbai – 400099, with Choice International Limited (entity at Sl. no. 72). • As per KYC documents submitted with broker, Choice Equity Broking Private Limited, Sunil Kumar Patodia (entity at Sl. no. 55) was founder director and MoA subscriber. • Nitesh Agarwal was director during May 15, 2013 to January 5, 2016 even in Blissful Traders Private Limited (entity at Sl. no. 64).
42	Vinod Kumar Lohia	• On November 23, 2016, transferred 3,000 shares of Nipur Chemicals Limited in off market to Rakesh Niranjanlal Bhageria (entity at Sl. no. 26).
43	Zenith Speciality Private Limited	• Vinodkumar Keshadeo Bhageria (entity at Sl. no. 1) is director from April 28, 2006 and Abhishek Bhageria (entity at Sl. no. 4) and Aditya V Bhageria (entity at Sl. no. 5) are directors from December 31, 2010. • Multiple off market transactions with Abhishek Bhageria (entity at Sl. no. 4), Anju Abhishek Bhageria (entity at Sl. no. 7) and Snehalata Bhageria (entity at Sl. no. 8) during 2016-2017 across scrips.
44	Chartered Capital Research Private Limited	• On October 17, 2016, received ₹75,844, in its Union Bank of India account (558401010036211) from Choice International Limited (entity at Sl. No. 72). • On December 4, 2017, received 5,68,498 shares across 10 scrips in off market from Blissful Traders Private Limited (entity at Sl. no. 64).
45	Signora Finance Private Limited	• Same address (003, C-17, Anuroop CHS. Ltd, Sector-11, Shantinagar, Mira road (East), Thane MH 401107 IN) as Accelerate Tradestar Private Limited, Epson Trading Private Limited and Safal Resorts private Limited). • Prabhudayal Chawla (entity at Sl. no. 61) was director since May 27, 2004 along with Kamal Santosh Poddar (entity at Sl. no. 56) (till March 10, 2008). • On December 4, 2017, transferred 1,31,20,137 shares across 26 scrips in off market to Chartered Capital Research Private Limited (entity at Sl. no. 44).

Sl. No.	Name of client	Reasons
46	Paath Financial Services Private Limited	• On October 25, 2017, transferred 6 lakhs shares of The Byke Hospitality Limited in off market to Choice International Limited (entity at Sl. no. 72) and received back the same on December 29, 2017. • On October 26, 2015, received ₹3,671 and on October 17, 2016, received ₹84,310, in its HDFC bank account (50200007824931) from Choice International Limited (entity at Sl. No. 72). • From its HDFC Bank account (50200007824931) had multiple monetary transactions with Shekhawati Poly Yarn during December 2014 to June 2016, where Mukesh Ruia (entity at Sl. no. 111) is director since 1993.
47	Ladderup Finance Limited	• On December 11, 2017, transferred, in off market, 37,500 shares of Gini and Jony Limited to Hi-Fi Trading Private Limited (entity at Sl. no. 18) and 1,51,636 shares of Gini and Jony Limited to Reform Trading Company private Limited (entity at Sl. no. 21).
48	Gobind Kumar Saraf	• On September 29, 2014, transferred 500 shares of Bhageria Industries Limited and on July 24, 2015, transferred 100 shares in off market to Hemant Kumar Saraf (entity at Sl. no. 40). On November 13, 2014, received back 600 shares of Bhageria Industries Limited in off market. • Director in Hi-Fi Trading Private Limited (entity at Sl. no. 18) with Renu Saraf (entity at Sl. no. 49) since August 2, 2014.
49	Renu Saraf	• Transferred 9,400 shares of Bhageria Industries Limited in off market to Hemant Kumar Saraf (entity at Sl. no. 40) on September 9, 2014. Received back the said shares through multiple off market transactions during October 30, 2014 to November 13, 2014. On February 22, 2017, transferred 200 shares of DCB Bank Limited in off market to Hemant Kumar Saraf (entity at Sl. no. 40) and received back on March 29, 2017. On April 11, 2017, received 500 shares of Bhansali Engineering Polymers Limited in off market from Hemant Kumar Saraf (entity at Sl. no. 40) and transferred back on May 3, 2017. • Common phone number – 9320001734 and address – B1-44, Technocrat Society, Twin Towers Lane, Prabhadevi, Mumbai – 400025 with Lalit Kumar Saraf (entity at Sl. no. 50).
50	Lalit Kumar Saraf	• He is the nominee in the demat account of Renu Saraf (entity at Sl. no. 49) with IDBI Bank Limited and witness in her agreement with broker, NNM Securities Private Limited. • On September 3, 2016, transferred 500 shares of Hindustan Construction Company Limited in off market to Hemant Kumar Saraf (entity at Sl. no. 40) and got back the same on November 17, 2016.
51	Anil Chothmal Patodia	• Common phone numbers – 9820078789 and 25707320 with Archana Anil Patodia (entity at Sl. no. 52). • Common phone number – 9869268521 and email id – anilpatodia@thebyke.com with Archana Anil Patodia (entity at Sl. no. 52) and Anil Chothmal Patodia (HUF) (entity at Sl. no. 53). • Common phone number – 28470511 between entities at Sl. no. 51, 54 and 58. • Common address – B-903, Vallencia, Hiranandani Garden, Powai, Mumbai – 400076 between entities at Sl. nos. 51, 53 and 54. • Common address – B-1401 B-wing Valencia, CHSL Hiranandani Garden, nr. Galleria Powai, Mumbai – 400076 with Archana Anil Patodia (entity at Sl. no. 52) and Anil Chothmal Patodia (HUF) (entity at Sl. no. 53). • Common address – Flat No. N-45 Jalvayu Vihar, Hiranandani Garden Powai, Nr. S M Shetty School, Mumbai – 400076 between entities at Sl. nos. 51-54. • As per shareholding submitted to broker, Choice Equity Broking Private Limited, he is promoter of Choice International Limited (entity at Sl. no. 72). • Multiple off market transactions with Choice International Limited across scrips during 2014-2016. • Director in Choice Equity Broking Private Limited during January 9, 2010 to August 10, 2011 where Kamal Poddar (entity at Sl. no. 56) is director since August 9, 2011.
52	Archana Anil Patodia	• Common phone number – 25707320 between entities at Sl. nos. 52-54. • Promoter of Choice International Limited (entity at Sl. no. 72).
53	Anil Chothmal Patodia (HUF)	• Promoter of Choice International Limited (entity at Sl. no. 72). • On March 18 and 19, 2015, received 7 lakhs shares of Aplaya Creations Limited in off market from Alken Management and Financial Services Private Limited (entity at Sl. no. 65).

Sl. No.	Name of client	Reasons
54	Vinita Sunil Patodia	• Common phone number – 26363039 between Sl. No. 54 and 55. Check in KYC • Held more than 15% shares in Choice International in 2009. • Wife of Sunil Kumar Patodia (entity at Sl. no. 55). • Sister of Sunita Modi (entity at Sl. no. 71). • Promoter of Choice International Limited (entity at Sl. no. 72). • On May 9, 2015, transferred 3 lakhs shares of Bhageria Industries Limited in off market to Choice International Limited (entity at Sl. no. 72) and received back on May 14, 2015.
55	Sunil Kumar Patodia*	• Brother of Anil Patodia (entity at Sl. no. 51). • Promoter of Choice International Limited (entity at Sl. no. 72). • Director in Bhageria Renewable Energy Private Limited (previously known as S K Patodia Advisory Services Private Limited) during February 9, 2008 to August 22, 2012 where Kamal Poddar (entity at Sl. no. 56) was director during April 7, 2008 to May 15, 2016, Vikas Bhageria (entity at Sl. no. 32) is director since September 8, 2015 and Harshita Bhageria (entity at Sl. no. 36) is director since May 11, 2016.
56	Kamal Santosh Poddar	• Common phone number – 25707351 and address – L 63, Jalvayu Vihar, Hiranandani Garden, Powai, Mumbai – 400076 with Hemlata Kamal Poddar (entity at Sl. no. 57). • Common phone number – 9867250484 and common address – Flat No.1902, Ivy building, Nahar's Amrit Shakti, Chandivali, Sakinaka, Mumbai – 400072 and 901, 9th Flr, E-wing, Jalvayu Vihar, Hiranandani, Powai, Mumbai – 400076 between entities at Sl. nos. 56, 57 and 62. • Common phone number – 56970782 with Prabhudayal Chawla (entity at Sl. no. 61). • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2014-2015. • Director in Shree Shakambhari Exims Private Limited during April 10, 2009 to September 6, 2016 where Kirodi Mal Modi (entity at Sl. no. 68) was director during March 3, 2008 to May 27, 2015, Anil Patodia (entity at Sl. no. 51) is director since April 10, 2009 and Archana Patodia (entity at Sl. no. 52) is director since September 6, 2016. Shree Shakambhari Exims Private Limited has same address – Shree Shakambhari Corporate Park, 156-158, Chakravorty Ashok society, J.B. Nagar, Andheri I Mumbai – 400099, as Choice International Limited (entity at Sl. no. 72). • Director of Choice Equity Broking Private Limited since August 9, 2011, where Anil Patodia (entity at Sl. no. 51) was director during January 9, 2010 to August 10, 2011. • Managing Director of Choice International Limited (entity at Sl. no. 72) since September 23, 2008. • Promoter of Choice International Limited (entity at Sl. no. 72). • Director in Florence Securities Private Limited during March 17, 2008 to June 22, 2010 along with Kirodi Mal Modi (entity at Sl. no. 68).
57	Hemlata Kamal Poddar	• Wife of Kamal Santosh Poddar (entity at Sl. no. 56). • Director in Choice International Limited (entity at Sl. no. 72) since January 30, 2010. • Promoter of Choice International Limited (entity at Sl. no. 72). • On April 19, 2016, transferred ₹3 lakhs from her Axis Bank account (911010021409637) to Signora Finance Limited (entity at Sl. no. 45) Canara bank account. From same account of Signora Finance Limited, she received lakhs of rupees during 2016-2017.
58	Abhilasha Money Operations Private Limited	• Common email id – smitabikram@rediffmail.com with Bikram Keshari Mohanty (entity at Sl. no. 63). • Common address – A-103 Building No. 27, Opp. Sakinaka Police Station, Mahada, Chandivali, Andheri (East), Mumbai – 400072 between entities at Sl. nos. 58, 63-65. • Multiple off market transactions with Blissful Traders Private Limited (entity at Sl. no. 64) during February 16 – 18, 2016 across scrips. • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) during 2014-2016 across scrips.
59	Darshanik Valueserve Private Limited (formerly Choice	• Common phone number – 9920934571 with Prabhudayal Chawla (entity at Sl. no. 61). • As per KYC with Choice Equity Broking Private Limited, MCA receipt specifies Sunil Chothmal Patodia (entity at Sl. no. 55) as the persons submitting the documents. • Girish Amrutlal Bhatt is director since December 30, 2013 and was also director in Epson Trading Private Limited since October 1, 2012. Epson Trading Private Limited (Canara bank account – 2675201001402) had multiple monetary transactions with Paath Financial Services Private Limited (entity at Sl. no. 46) during 2016, PMC bank account

Sl. No.	Name of client	Reasons
	Valueserve Private Limited)	(050110100000031) had multiple transactions with Abhilasha Money Operations Private Limited (entity at Sl. no. 58) during 2014-2016, Alken Management & Financial Services Private Limited (entity at Sl. no. 65) during 2014-2016 and Varun S Jhunjhunwala (entity at Sl. no. 66) during 2014. • Paid ₹99.98 lakhs to Epson Trading Private Limited (Canara bank account – 2675201001402) on March 29, 2016.
60	Manasvi Consultancy Private Limited	• Common phone number – 8879546090 with Darshanik Valueserve Private Limited (entity at Sl. no. 59). • Holds 2.87% shares in Choice International Limited (entity at Sl. no. 72). • Paid ₹25 lakhs to Epson Trading Private Limited (Canara bank account – 2675201001402) on April 13, 2016. Epson Trading Private Limited had numerous bank transactions with Signora Finance Private Limited (entity at Sl. no. 45), Paath Financial Services Private Limited (entity at Sl. No. 46), Alken Management & Financial Services Private Limited (entity at Sl. no. 65) and Modern Trading Business Private Limited (entity at Sl. No. 77). • As per KYC with IIFL, Sunil Patodia (entity at Sl. no. 55) has done the MCA filing.
61	Prabhudayal Chawla	• Common/ similar address – A/407 Shree Ram Darshan Hsg. Soc. Chandivali Farm Rd, near Nahar Amrit Shakti, Mumbai – 400072 with Alken Management & Financial Services Private Limited (entity at Sl. no. 65). • On April 4, 2015, transferred 2 lakhs shares of NTPC limited in off market to Abhilasha Money Operations Private Limited (entity at Sl. no. 58). • Multiple off market transactions across scrips with Choice international Limited (entity at Sl. no. 72) during 2015-2017
62	Kamal Poddar (HUF)	• Common phone number – 9724242424, email id – kamal@choiceindia.com and address – L66, 6th Floor Sector-C, Jalvayu Vihar Hiranandani Powai Mumbai, 700076 with Kamal Santosh Poddar (entity at Sl. no. 56).
63	Bikram Keshari Mohanty	• Paid ₹39.90 lakhs to Kamla Santosh Poddar (entity at Sl. no. 56) HDFC bank account (14712320000510) on January 13, 2014 from his HDFC bank account (14711000002512). • Director in Abhilasha Money Operations Private Limited (entity at Sl. no. 58) since October 1, 2012 where Surendra Kumar Kulhari (entity at Sl. no. 85) was director during March 1, 2008 to October 15, 2012 and Anil Patodia (entity at Sl. no. 51) was director during August 19, 1998 to March 1, 2008.
64	Blissful Traders Private Limited (formerly Choice Compusoft Private Limited, Fairline Compusoft Private Limited)	• Multiple off market transactions with Abhilasha Money Operations Private Limited (entity at Sl. no. 58) during February 16 – 18, 2016 across scrips. • Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) during 2016-2017 across scrips. • As per Form no. INC-22 and MCA receipt (part of KYC with broker, Choice Equity Broking Private Limited), address – Shree Shakambhari Corporate Park, 156-158, Chakravorty Ashok society, J.B. Nagar, Andheri I Mumbai – 400099, is same as Choice International Limited (entity at Sl. no. 72). • Arun Poddar, brother of Kamal Poddar (entity at Sl. no. 56) and promoter of Choice International Limited (entity at Sl. no. 72), was director during May 15, 2013 to January 5, 2016. • As per KYC with ICICI Bank, MCA challan specifies Surendra Kumar Kulhari (entity at Sl. no. 85) and Sunil Chothmal Patodia (entity at Sl. no. 55) as the persons submitting the documents.
65	Alken Management & Financial Services Private Limited	• Multiple off market transactions with Choice International Limited (entity at Sl. no. 72) across scrips during 2014-2017.
66	Varun S Jhunjhunwala	• On September 18, 2017, transferred 1 lakh shares of Chemtech Industrial Valves Limited and 84,000 shares of Globalspace Technologies Limited to Bikram Keshari Mohanty (entity at Sl. no. 63).
67	Arti Ashish Shah	• On May 7, 2014, received 15,000 shares of The Byke Hospitality Limited in off market from Manasvi Consultancy Private Limited (entity at Sl. no. 60) and transferred back 30,000 shares on February 25, 2015.
68	Kirodi Mal Modi	• Common phone number – 01412224806 with Karun Modi (entity at Sl. no. 69).

Sl. No.	Name of client	Reasons
		• Common phone number – 9785677777, email id – ankit.modi@modigroups.in and address – 74 Sudharshanpura Industrial area Bais Godam Jaipur – 302006 with Sunita Modi (entity at Sl. no. 71) and ankit modi. • Common address – 34 A Shriram Pura Colony Civil Line, Jaipur – 302006 between entities at Sl. nos. 68-71.
69	Karun Modi	• Common phone number – 01412224859 with Gaurav Modi (entity at Sl. no. 70). • On July 14, 2014, received 61,600 shares of Arnold Holdings Limited in off market from Pikesh Sitaram Sharma (AZNPS3296G), who in turn had off market transaction with Bikram Keshari Mohanty (entity at Sl. no. 63) as well.
70	Gaurav Modi	• Brother of Karun Modi (entity at Sl. no. 69). • Director in Florence Securities Private Limited during June 23, 2010 to December 31, 2013 along with Karun Modi (entity at Sl. no. 69).
71	Sunita Modi	• Common address – 9, Leela Mension, Raj Bhawan Road, Civil Lines, Jaipur – 302006 between entities at Sl. nos. 69-71. • Wife of Kirodi Mal Modi (entity at Sl. no. 68). • Sister of Vinita Sunil Patodia (entity at Sl. no. 54). • As per email dated November 20, 2020, she knows Kamal Santosh Poddar (entity at Sl. no.56) and Hemlata Kamal Poddar (entity at Sl. no. 57).
72	Choice International Limited* (formerly Choice Financial Services Limited)	• Kamal Poddar (entity at Sl. no. 56) and Hemlata Poddar (entity at Sl. no. 57) are directors since, September 23, 2008 and January 30, 2010, respectively. • From its Axis bank account (912020063146187), multiple bank transactions with Abhilasha Money Operations Private Limited (entity at Sl. no. 58), Alken Management & Financial Services Private Limited (entity at Sl. no. 65), Anil Chotmal Patodia (entity at Sl. no. 51), Signora Finance Private Limited (entity at Sl. no. 45), Sangita Ramratan Chirania (entity at Sl. no. 101) and Akashdeep International private Limited (entity at Sl. no. 19). • Submitted vide email dated March 4, 2021, that it had taken loan of shares from Bimla Bhageria, Aditya Bhageria, Abhishek Bhageria, Snehlata Bhageria, Vinod Bhageria, Anjushree Bhageria during 2015.
73	Omprakash Anandilal Bubna HUF	• Karta is Oprakash Anandilal Bubna (entity at Sl. No. 74). • Received 550 shares of Kesoram Industries Limited on July 18, 2014 and 200 shares of Century Textiles and Industries Limited on August 30, 2016 in off market from Omprakash Anandilal Bubna (entity at Sl. no. 74). On November 3, 2017, transferred 100 shares of Oriental Bank of Commerce and 500 shares of Vodafone Idea Limited in off market to Omprakash Anandilal Bubna (entity at Sl. no. 74).
74	Omprakash Anandilal Bubna	• Director of Bhageria Industries Limited from July 12, 1989 (till July 1, 2020) along with Vinodkumar Bhageria (entity at Sl. no. 1).
75	Manjula Vinod Lohiya	• Daughter of Vishwambharlal Keshavdeo Bhageria (entity at Sl. no. 14) and wife of Vinod Kumar Lohia (entity at Sl. no. 42).
76	Rohit Vinod Lohiya	• Son of Vinod Kumar Lohia (entity at Sl. no. 42) and Manjula Vinod Lohiya (entity at Sl. no. 75). • Director in Brave Design Private Limited since June 30, 2018 where his uncle, Vikas Bhageria (entity at Sl. no. 32) was director during August 9, 2014 to October 1, 2018.
77	Sapna Vinod Lohiya	• Daughter of Vinod Kumar Lohia (entity at Sl. no. 42) and Manjula Vinod Lohiya (entity at Sl. no. 75). • Director in Dainik Multitrade Private Limited during December 15, 2016 to December 17, 2018 where her aunt, Vanita Saraf (entity at Sl. no. 33) is director since June 10, 2014.
78	Vinod Kumar Lohiya HUF	• Karta is Vinod Kumar Lohiya (entity at Sl. no. 42) and Manjula Vinod Lohiya (entity at Sl. no. 75) is co-parcener.
79	Modern Trading Business Private Limited (formerly Hot-N-Ice	• As per KYC with Choice equity Broking Private Limited, introducer is Mahavir Prasad Toshniwal (AABPT6815H), who is COO and Company Secretary of Choice International Limited (entity at Sl. no. 72). • Rajkumar Saraf is director since August 27, 2014 and was also director in Emma Auto Ancillary Private Limited since August 1, 2009 and Hormony Energy Private Limited since July 15, 2009. Emma Auto Ancillary Private Limited and Hormony Energy Private Limited

Sl. No.	Name of client	Reasons
	Entertainment Private Limited)	had multiple monetary transactions with Paath Financial Services Private Limited (entity at Sl. no. 46) during 2015.
80	Govind Ram Patodia	• Ram Yadav is the witness in KYCs of both, him and Manju Devi Patodiya (entity at Sl. No. 83), with the broker, Choice Equity Stock Broking Private Limited. • Common email id – ggpatodia@yahoo.co.in with Manju Devi Patodiya (entity at Sl. no. 83). • He is director in Paramone Concepts Limited (formerly known as Choice Infra ventures limited) since May 7, 2011 where Kamal Poddar (entity at Sl. no. 56) was director during February 16, 2010 to September 26, 2015. Said Company's Axis Bank account (911020018286624) shows numerous transactions with Choice International Limited, Modern Trading Business Private Limited, Abhilasha Money Operations Private Limited, etc. • He was director in Choice Realty Private Limited during July 6, 2011 to March 29, 2019. Arun Poddar, brother of Kamal Poddar (entity at Sl. no. 56), was also director in said Company during August 27, 2013 to July 20, 2016.
81	Satyanarayan Patodia	• Brother of Natwar Lal Patodia (entity at Sl. No. 82) and common address – Poddar Gate, Ward No. 28, Nawalgarh, Jhunjhunu, Rajasthan, with him.
82	Natwar Lal Patodia	• Common address – Poddar Gate, Ward No. 28, Nawalgarh, Jhunjhunu, Rajasthan, with Satyanarayan Patodia (entity at Sl. No. 81).
83	Manju Devi Patodiya	• As per her Aadhaar card, her address is – Ward No. 28, Nawalgarh, Jhunjhunu, Rajasthan which is similar to that of Satyanarayan Patodia (entity at sl. no. 81) and Natwar Lala Patodia (entity at Sl. no. 82). • Her brother, Sunil Narsi Bagaria (AEQPB2022P) is the introducer in her KYC with broker, Choice Equity Stock Broking Private Limited and witness in KYC with broker, Nirmal Bang Securities Private Limited. Sunil Narsi Bagaria (director of Choice Equity Broking Private Limited since Augsut 9, 2011) is also the introducer in the KYC of Govind Ram Patodiya (entity at Sl. No. 80) and Manohar Kodam (entity at Sl. no. 109) with Nirmal Bang Securities Private Limited.
84	Ankit Modi	• Son of Kirodi Mal Modi (entity at Sl. no. 68) and Sunita Modi (entity at Sl. no. 71). • Common address – 34-A Shri Ram Pura Colony, Civil Line Jaipur Rajasthan 302001' & '74 Sudarshanpura Ind Area 22 Godam Jaipur Rajasthan India 302006' & common mobile number '9785677777'.
85	Surendra Kumar Kulhari	• On March 24, 2015, he received ₹10 lakhs in his ICICI bank account (697901413763) from Shree Shakambari Exims Private Limited HDFC Bank account (14712020000354). Anil Patodia (entity at Sl. no. 51) has been director in Shree Shakambari Exims Private Limited since April 10, 2009, Kirodi Mal Modi (entity at Sl. no. 68) was director during March 3, 2008 to May 27, 2015 and Kamal Poddar (entity at Sl. no. 56) was director during April 10, 2009 to September 6, 2016. • Director in Choice Peers International Private Limited from March 14, 2011 to January 1, 2013 where Kamal Poddar (entity at Sl. no. 56) is director since April 25, 2013. Choice Peers International Private Limited has same address – Shree Shakambhari Corporate Park, 156-158, Chakravorty Ashok society, J.B. Nagar, Andheri I Mumbai – 400099 as Choice International Limited (entity at Sl. no. 72). • He was director in Abhilasha Money Operations Private Limited (entity at Sl. no. 58) during March 1, 2008 to October 1, 2012 and Blissful Traders Private Limited (entity at Sl. no. 64) during January 30, 2006 to January 1, 2010. • His address – N42 Jalvayu Vihar Powai Andheri I, Mumbai – 400076, is similar to that of Anil Chothmal Patodia (entity at Sl. no. 51) – N45 Jalvayu Vihar Powai Andheri I, Mumbai – 400076.
86	Amit Rajendra Bhageria	• Son of Rajendra Keshavdeo Bhageria (entity at Sl. No. 39).
87	Kamlesh Dharamdutt Dave	• Director of Satya Shakambari Securities Private Limited (since March 20, 2000) which was the Authorised Person and introducer in KYCs of most of the Bhageria family members client accounts with broker, Nirmal Bang Securities Private Limited. • Common address – Ranj Bahadur Singh Chawl, Room No – 3, Shiva Vallabh Road, Dahisar (east), 400068 with Rahul Kumar Dave (entity at Sl. no. 88).

Sl. No.	Name of client	Reasons
88	Rahul Kumar Dave	• Common phone number – 9322217965, email id – kamleshdave99@gmail.com and address – address – 701 Kilbil Building Parbat Nagar S V Road Teh Borivali Dist Mumbai Borivali, Mumbai – 400068 and Rang Bahadur Singh Chawal, Room No-4, Shiva Vallabh Road, Dahisar €, Mumbai, Maharashtra, India, 400068 with Kamlesh Dharamdatt Dave (entity at Sl. no. 87) and Kanchan Kamlesh Dave (entity at Sl. no. 89). • Son of Kamlesh Dharamdutt Dave (entity at Sl. no. 87) and Kanchan Kamlesh Dave (entity at Sl. no. 89). • Common email id – satyasec@gmail.com as Anjani Kumar Chirania (entity at Sl. no. 90) and Anjani Kumar Chirania HUF (entity at Sl. no. 93).
89	Kanchan Kamlesh Dave	• Wife of Kamlesh Dharamdutt Dave (entity at Sl. no. 87) and mother of Rahul Kumar Dave (entity at Sl. no. 88).
90	Anjani Kumar Chirania	• Director in Satya Shakambari Securities Private Limited since March 15, 2000 along with Kamlesh Dave (entity at Sl. no. 87). • Confirmed vide email dated March 15, 2021 that Ashok Chirania is his cousin. • Common address – A 1003 10th Floor, Lakshchandi Height Gokuldham, Goregon East, Mumbai, 19, 400063, with Nidhi A Chirania (entity at Sl. no. 91), Sakshi Anjani Chirania (entity at Sl. no. 92), Ankur Anjani Chirania (entity at Sl. no. 94) and Chhama Ankur Chirania (entity at Sl. no. 95).
91	Nidhi A Chirania/ Nidhi Rishabh Poddar	• Daughter of Anjani Kumar Chirania (entity at Sl. no. 90). • Common phone number – 22152013 with Anjani Kumar Chirania (entity at Sl. no. 90). • Common phone no – 22152013 with Shashi and ashok
92	Sakshi Anjani Chirania	• Daughter of Anjani Kumar Chirania (entity at Sl. no. 90). • Introducer in KYC is Kamlesh Dharamdutt Dave (entity at Sl. no. 87). • Common phone number – 22181399 with Anjani Kumar Chirania HUF (entity at Sl. no. 93).
93	Anjani Kumar Chirania HUF	• Karta is Anjani Kumar Chirania (entity at Sl. no. 90). • Common phone number - 9324278492 and address – 70, Maker Arcade, Cuffe Parade, Mumbai – 400005 with Anjani Kumar Chirania (entity at Sl. no. 90).
94	Ankur Chirania	• Son of Anjani Kumar Chirania (entity at Sl. no. 90). • Common phone number – 28197344 and address – D-2/308 Kamala Park, Dr. Ambedkar Road, Bhayandar (W) Thane, Maharashtra, India, 401101 with Anjani Kumar Chirania (entity at Sl. no. 90). • Introducer in KYC is Kamlesh Dharamdutt Dave (entity at Sl. no. 87).
95	Chhama Ankur Chirania	• Wife of Ankur Anjani Chirania (entity at Sl. no. 94). • Common phone number – 9892261639 with Anjani Kumar Chirania (entity at Sl. no. 90) and Ankur Anjani Chirania (entity at Sl. no. 94). • Common email id – ankyankur@gmail.com with Ankur Anjani Chirania (entity at Sl. no. 94).
96	Narendrakumar Saini	• Director in Satya Shakambari Securities Private Limited since December 29, 2014 along with Kamlesh Dharamdutt Dave (entity at Sl. no. 87) and Anjani Kumar Chirania (entity at Sl. no. 90). • Introducer in KYC is Kamlesh Dharamdutt Dave (entity at Sl. no. 87).
97	Rahulkumar N Saini	• Son of Narendrakumar Saini (entity at Sl. no. 96). • Introducer in KYC is Kamlesh Dharamdutt Dave (entity at Sl. no. 87). • Common phone number – 28041989, email id – rahulsaini_it@rediffmail.com and address – 4A/103 Salasar Nagar Navghar Road Bhyander East Maharashtra Thane, 401105 with Narendrakumar Saini (entity at Sl. no. 96).
98	Sonali Chirania	• Sister of Abhishek Ashok Chirania (entity at Sl. no. 99), daughter of Ashok Ramnath Chirania (entity at Sl. No. 104) and Shashi Ashok Chirania (entity at Sl. No. 103). • Common phone number – 9892541186 and addresses – A /902, Lakshachandi Heights, Gokuldham, Krishna Vatika Marg, Goregoan (East), 400063 and A 1104 Lakshachand Heights Gokuldham Mumbai Mumbai Maharashtra India 400063 with Abhishek Ashok Chirania, Ashok Chirania, Shashi Chirania and Ashok Chirania HUF (entity at Sl. No. 105). • Common phone number – 9892541186 with Shashi Ashok Chirania and Abhishek Ashok Chirania.

Sl. No.	Name of client	Reasons
		• Received money from Sunil Kumar Patodia's CA firm, S K Patodia and Associates HDFC account (14712000001020) on August 31, 2015.
99	Abhishek Ashok Chirania	• Introducer in KYC is Kamlesh Dharamdutt Dave (entity at Sl. no. 87). • Son of Ashok Ramnath Chirania (entity at Sl. No. 104) and Shashi Ashok Chirania (entity at Sl. No. 103). • Common email id – abhishekchirania131089@gmail.com with Ashok Ramnath Chirania (entity at Sl. No. 104). • Received money from Sunil Kumar Patodia's CA firm, S K Patodia and Associates HDFC account (14712000001020) on August 31, 2015. • Multiple monetary transactions from his PNB account (05212191000461) with Anjani Chirania (entity at Sl. no. 90) and Ankur Chirania (entity at Sl. no. 94), during 2015 – 2020.
100	Krishna A Agarwal	• Wife of Anjani Kumar Chirania (entity at Sl. No. 90).
101	Sangita Ramratan Chirania	• Mother of Nishita Ramratan Chirania (entity at Sl. No. 102), coparcener in Ramaratan Chirania HUF and wife of Ramratan Chirania, director of Choice Equity Broking Private Limited since August 9, 2011. • Common phone number – 9820455900 and address – A-1601, Lakshchandi Heights, Gokuldham. Goregoan – East, Mumbai, Maharashtra, India, 400063 with Nishita Ramratan Chirania. • Multiple bank transactions from her HDFC account (02121000097215) with Signora Finance Private Limited (entity at Sl. No. 45), during 2015-2016.
102	Nishita Ramratan Chirania	• Daughter of Sangita Ramaratan Chirania (entity at Sl. no. 101).
103	Shashi Ashok Chirania	• Wife of Ashok Ramnath Chirania (entity at Sl. no. 104). • Common email id – abhitexsynthetics@gmail.com with Ashok Ramnath Chirania. • Received money from Sunil Kumar Patodia's CA firm, S K Patodia and Associates HDFC account (14712000001020) on August 31, 2015.
104	Ashok Ramnath Chirania	• Common phone number – 9326347002 between Ashok Chirania HUF, Shashi Chirania (entity at Sl. No. 103) and Abhishek Ashok Chirania (entity at Sl. No. 99). • In his Oriental Bank of Commerce account (09952010000200), received ₹5 lakhs on July 9, 2015 from Nishita Ramratan Chirania (entity at Sl. no. 102) and ₹8 lakhs on August 31, 2015 from Ramratan Chirania HUF HDFC Bank account (02401000121448).
105	Ashok Ramnath Chirania HUF	• Karta – Ashok Ramnath Chirania and coparceners – Shashi Ashok Chirania (entity at Sl. No. 103), Sonali Chirania (entity at Sl. No. 98) and Abhishek Ashok Chirania (entity at Sl. No. 99).
106	Babita Ajay Kejriwal	• Wife of Ajay Rajendra Kejriwal, director of Choice International Limited (entity at Sl. No. 72) since May 29, 2010 and Choice Equity Broking Private Limited since April 23, 2016.
107	Mukta M Tulshyan	• In her Axis bank accounts (911030035722119 and 911010023207923), during 2013 and 2014, had monetary transactions with Hemlata Kamal Poddar (entity at Sl. No. 57), Kamal Poddar HUF (entity at Sl. No. 62), Signora Finance Private Limited (entity at Sl. No. 45) and Shekhawati Poly Yarn Private Limited. Mukesh Ruia (entity at Sl. No. 111) is director in Shekhawati Poly Yarn Private Limited since July 30, 1993. • As per leave and license agreement copy dated December 21, 2010 submitted to broker, Choice Equity Broking Limited, her permanent address is N42 Jalvayu Vihar Powai Andheri I, Mumbai – 400076 which is same as Surendra Kumar Kulhari (entity at Sl. no. 85) KYC form dated February 15, 2011. • Wife of Mukesh Shyamsunder Tulshyan who was director in Manasvi Consultancy Private Limited (entity at Sl. No. 60), Alken Management and Financial Services Private Limited (entity at Sl. No. 65), Signora Finance Private Limited (entity at Sl. No. 45).
108	Yogesh Shrinivas Jadhav	• In his ICICI bank account (188501501400), received ₹5 lakhs from Choice International HDFC Bank account (14712320000503) on March 30, 2016 and approx. ₹10.96 lakhs on March 31, 2016 from Choice International Limited Axis bank account (912020063146187).

Sl. No.	Name of client	Reasons
		• He is director in Choice tech Lab Solutions Private Limited since September 27, 2016 where Kamal Poddar (entity at Sl. no. 56) was also director during September 27, 2016 to December 1, 2017.
109	Manohar Gauraian Kodam	• Director in Chartered Capital Research Private Limited (entity at Sl. No. 44) during September 4, 2017 to July 20, 2018. • Director in Florence Securities Private Limited since December 30, 2013 where Gaurav Modi (entity at Sl. No. 70), Karun Modi (entity at Sl. No. 69), Kirodi Mal Modi (entity at Sl. No. 68), Govind Ram Patodia (entity at Sl. No. 80), Kamal Poddar (entity at Sl. No. 56) were all directors in past. Dixita Dattaram Mali was common director in Florence Securities Private Limited (December 30, 2013 to July 20, 2018) and Signora Finance Private Limited (entity at Sl. No. 45) (March 4, 2014 to January 29, 2016) at the same time. • In his Dena Bank/ Bank of Baroda account (009510004498), received ₹1,61,056 on June 23, 2015 and ₹45,000 on October 17, 2016 from Choice International Limited (entity at Sl. no. 72) HDFC Bank account (14712320000503).
110	Vijay Manohar Kodam	• Son of Manohar Gauraian Kodam (entity at Sl. No. 109) and common address – 105/46, BDD Chawl,, S. S Amrutwar Marg, Worli, Mumbai, Maharashtra, India, 400018. • Director in Chartered Capital Research Private Limited (entity at Sl. No. 44) since January 7, 2015. • In his Dena Bank/ Bank of Baroda account (009510022410), received ₹1,70,062 on June 23, 2015 and ₹2,500 on October 17, 2016 from Choice International Limited (entity at Sl. no. 72) HDFC Bank account (14712320000503).
111	Mukesh Ruia	• Transferred 1 lakhs shares of Bhageria Industries Limited in off market to Abhilasha Money Operations Private Limited (entity at Sl. No. 58) on February 5, 2013. • From his HDFC bank account (00471000221679) and his wife, Kalpana Ruia HDFC bank account (02121930009034), there were multiple bank transactions with Abhilasha Money Operations Private Limited (entity at Sl. No. 58) during 2011 to 2013. • Director in Shekhawati Poly Yarn Private Limited since July 30, 1993. Shekhawati Poly Yarn Private Limited had multiple monetary transactions with Paath Financial Services Private Limited (entity at Sl. No. 46) HDFC bank account (50200007824931) during 2014 to 2016. • His address – B-2102 Lakshachandi Height, Krishna Vatika, Gokuldham, Goregaon (East), Mumbai – 400063 is similar to that of Anjani Kumar Chirania (entity at Sl. No. 90), Ashok Chirania (entity at Sl. No. 104) and Sangita Chirania (entity at Sl. no. 101).
112	Richa Brijmohan Agarwal	• Daughter of Brijmohan Pooranmal Agarwal (director of Choice Equity Broking Private Limited during April 20, 2015 to September 21, 2016, Choice International Limited (entity at Sl. No. 72) during January 30, 2010 to September 21, 2016) and has common phone no – 9820188573, email id – brij@bnmca.com and address – 702/a Gardenia Vasant Valley Complex, nr. Dindoshi Bus Depot, Malad East, Mumbai – 400097.
113	Sujata Chattopadhyay	• Director of Choice International Limited (entity at Sl. No. 72) during September 23, 2008 to January 30, 2010.
114	Kali Mohan Bhattacharya	• Director of Choice International Limited (entity at Sl. No. 72) during May 30, 2011 to October 5, 2015.
115	Rajendra Upadhyaya	• In his Corporation Bank account (045500101007768), he received ₹50 lakhs from Ealdor Retails Private Limited (entity at Sl. No. 117) during May 13-14, 2015. • Monetary transactions with Sunil Kumar Patodia's CA firm, S K Patodia and Associates HDFC account (14712000001020) during March 2017.
116	Ealdor Retails Private Limited*	• Common/ similar address – A 604, Building No. 27, Opp. Sakinaka Police Station, Mahada, Chandivali, Andheri (East), Mumbai – 400072 as entities at Sl. nos. 58, 61, 63-65. • In its Punjab & Maharashtra Co-Op Bank Limited account (050110100000029), had monetary transactions with Karun Modi (entity at Sl. no. 69), Satyanarayan Patodia (entity at Sl. no. 81), Natwarlal Patodia (entity at Sl. no. 82), Manju Devi Patodia (entity at Sl. no. 83), Alken Management & Financial Services Private Limited (entity at Sl. no. 65), Abhishek Chirania (entity at Sl. no. 99), Rajendra Upadhyaya (entity at Sl. no. 115), Modern Trading Business Private Limited (entity at Sl. no. 79) and Bhageria Trade Invest Private Limited (entity at Sl. no. 24).

Sl. No.	Name of client	Reasons
117	Shobha Jaiprakash Chhangani	• Her son, Lalit Jayprakash Chhangani had multiple monetary transactions with Ramratan Chirania HUF HDFC account (02401000121448), during 2016 and 2017.
118	Chandranath Siddhanth Jha	• On March 12, 2015, transferred ₹25 lakhs from SBI account (30373064783) to Choice International Limited Axis Bank account (915020010404361). • From same SBI account, numerous monetary transactions with Signora Finance Private Limited (entity at Sl. no. 45) during 2014-2016. • His address – C-1402 Lakshachandi Height, Krishna Vatika, Gokuldham, Goregaon (East), Mumbai – 400063 is similar to that of Anjani Kumar Chirania (entity at Sl. No. 90), Ashok Chirania (entity at Sl. No. 104), Sangita Chirania (entity at Sl. no. 101) and Mukesh Ruia (entity at Sl. no. 111).
119	Bodal Chemicals Limited	• Numerous monetary transactions worth crores of rupees with Bhageria Industries Limited Oriental Bank of Commerce account (05304010000120) during 2014-2017.

56. Considering the fact that the Noticees have been found to be connected based on the UCC details obtained from both the stock exchanges- NSE and BSE, off market transactions data obtained from both the depositories - NSDL and CDSL, directorship details obtained from MCA website, KYCs obtained from the stock brokers and bank statements, it can be seen that Noticees were interconnected with each other either directly or indirectly.

57. On the question of connection of Noticee, Noticee no.5 has contended that his name is not mentioned in either of the alleged group-1, group-2 or group-3 entities. He further submits that only basis of connection has been brought forward on the basis of the mere fact that the Noticee no.5 opened a new Demat Account with Choice (Noticee no.66) and transferred the shares of BIL from his existing active demat account to his new demat account with Choice. I note that name of Noticee no.5 is not mentioned anywhere in the table of connection above, however, the fact of opening a new demat account with Choice and transfer of shares to new demat account cannot be brushed aside lightly, especially considering the integral role of Choice in this case. Similarly, Noticee no. 3, 12 and 16 have submitted that opening of a new Demat Account in no manner leads to the inferences that the Noticees were involved in any pre-mediated trading or were part of any pre-planned scheme. I find that the said fact cannot, in itself, be the basis of allegations of volume manipulation, but it serves as one of the many corroborating factors in establishing connection and trading pattern of the Noticee. Further, I note from the trade logs that Noticee no.5 has

carried out synchronized trades in high volume with Noticee no.22 and 24, which fact also points to his connection with group 3 entities. The allegation of synchronized trades is not made against the Noticee no.5 in the SCN and, accordingly, I cannot travel beyond the SCN and impute the said allegation against him, but considering the large volume of synchronized trades by him, the same can be taken as a corroborating factor in establishing connection of the Noticee with the rest of the group.

58. Noticee 58, 78 and 82 have submitted that there is no evidence of any financial transactions or off market transfer between the two families i.e. Saraf and Bhageria and that the only reason the Noticees are included in the SCN is that their daughter, Harshita (Noticee no.50), is married into the Bhageria family. I find that, in this case the aforementioned fact of marriage is not the only basis of connection of Noticee no. 58, 78, and 82 with other Noticees. I note that Noticee no.78 Renu Saraf and Gobind Saraf are directors in Hi Fi Trading Pvt Ltd (Noticee no.22) which is a counterparty in large number of synchronized and structured trades. Further, Noticee no.22 is also alleged to have connections with Futurage and Reform (Noticee no. 20 and 23 respectively). In view of the above, I find the contention of Noticee no.58, 78 and 82 is untenable.

59. It has also been brought to my notice by several Noticees that, SCN, in paragraph 74, mentions that Prism and Reform have same directors whereas, as per MCA records, they have different directors. I note from MCA records that Prism and Reform have different directors viz directors of Prism are Sapna Vinod Lohia and Rohit Vinod Lohia, whereas directors of Reform are Manjula Vinod Lohia and Vinod Kumar Lohia. However, I note from from the table of connection that Rohit and Sapna are son and daughter of Manjula and Vinod Lohia. Though, both companies do not have same directors, the fact of connection between them cannot be nullified considering that directors of both the company belong to the same family.

60. I may reiterate once again that the connections that have been demonstrated amongst the Noticees in the SCN based on various factors, are not the only reason for imputing allegations against them. From the above connections, it can also be considered that since the Noticees are connected to each other, while determining the culpability of the present Noticees for the manipulation and

consequential action, the role of all entities belonging to the group, has to be seen holistically for the purpose of connecting the dots for determining violations by the Noticees herein. I, therefore, find no merit in such contentions of the aforesaid Noticees.

61. Noticees have also contended that their trades were miniscule and formed very small part of the market volume. I find that the aforesaid contention of the Noticees is totally baseless. Given the fact that in the present case, the Noticee have not refuted the trades, the role of the Noticees needs to be seen holistically. The role played by the connected Noticees also needs to be seen in the backdrop of scale and size of transactions as a common unit rather than fragmenting and isolating individual trades and acts of the respective Noticees. Further, with respect to the contention of the connected Noticees that few trades cannot lead to a violation and that their entire trade in the scrip has to be seen and individually, I find that in the given matter, the charge of artificial volume is based on the connected Noticees acting as a group pursuant to a device/scheme. As discussed in preceding paragraph, in matters of manipulation, each connected Noticee, plays his/her part in the entire scheme. Hence, I find the contentions of Noticees that they contributed to very minuscule portion of the overall trading volume, cannot be considered.

62. In this connection, the Hon'ble Securities Appellate Tribunal in the matter of ***Dukes Products (India) Limited vs. SEBI in Appeal No. 431 of 2020 decided on January 03, 2023*** has held as follows:

> *"It was urged that the trades made were miniscule which had no impact in the market and further no penalty could have been imposed upon the appellant. This submission cannot be accepted in as much as the evidence indicates that the appellants who have traded among themselves consistently with the sole purpose to increase the LTP. The contribution of each participant in such trades howsoever miniscule it may be in quantity cannot be ignored since the modus operandi was that the appellants in connivance with the buyers were trading amongst themselves. The collective volume has to be considered rather than few and miniscule trades of an individual noticee. In this regard this Tribunal in Hemant Sheth & Ors. vs SEBI, Appeal no. 205 of 2019 decided on March 4, 2020 held as follows:-*
>
> > *"Further, the submission that self-trades are very insignificant percentage of the total market volume to prove charges is not in tune with the SEBI's own policy that small quantity of self-trades happens sometimes*

automatically has no meaning in the larger context where it is clear that the appellants were trying to manipulate the trade through various means including synchronized and reversed trades."

"In a scheme of manipulative and unfair trading it is not necessary that every participant should be indulging in every type of trading violation or even in the same / similar magnitude. Once they are found to be part of a group trying to manipulate the volume or price of the scrip they became party to the violation. Hair splitting arguments that some traded more than others or on more days or some indulged in synchronized reversal and self-trade while others did only one of those types do not cast away their violations." "

Synchronized/Structured trades

63. I now find it appropriate to deal with another important aspect of the matter i.e. synchronized trades (buy and sell order within one minute, with same quantity and at the same rate) and structured trades (placed buy and sell orders within a gap of less than one minute, at the same rate, with same or similar quantity.) I note that by the above definition, synchronized trades shall be considered as included in structured trades and both the terms have been used together for better reference. In this regard , it is alleged in the SCN that the the suspected entities have executed among themselves structured trades for 13,91,534 shares (i.e. 17.63% of total market volume) on BSE during Patch 3, details of which are as follows :- Table-16

Gross Buy Qty. of suspected entities	Gross Sell Qty. of suspected entities	Total traded Qty. among the suspected entities	Structured traded Qty. by suspected entities	Sync Trades as % of total traded Qty. among the suspected entities	Sync Trades as % of Total Mkt. Vol.	Sum of LTP contribution through Sync Trades
2096120	1910957	1578961	1391534	88.13%	17.63%	-10.05

64. Further, it is alleged in the SCN that the suspected entities have executed among themselves synchronized trades for 12,90,094 shares (7.77% of total market volume) on BSE during the investigation period, details of which are given below:- Table-17

Gross Buy Qty. of suspected entities	Gross Sell Qty. of suspected entities	Total traded Qty. among the suspected entities	Synchronized traded Qty. by suspected entities	Sync Trades as % of total traded Qty. among the suspected entities	Sync Trades as % of Total Mkt. Vol.	Sum of LTP contribution through Sync Trades
3495990	3992187	2765090	1290094	46.66%	7.77%	-5.35

65. It is stated in the SCN that out of 114 suspected entities of Group 3 who have traded on BSE during the investigation period, 62 entities have entered into synchronized trades. I note that all the said 62 entities are Noticees in the instant matter. I note that the allegation of synchronized/structured trades is made against Noticee no. 7 to 52, 65 and 68 to 82. Noticee no.7 to 52 and 65 are alleged to be part of the alleged scheme of providing exit to the preferential allottees.

66. SCN also states that in few instances promoter entities have bought shares from preferential allottees and connected entities through synchronized trades on market with no difference in buy price and sell price, buy quantity and sell quantity and time difference of hardly 1 second. I note that majority of the synchronized/structured buy trades were placed through dealer Kamlesh Dave (Noticee no.65), director of Satya (Noticee no.67) and majority of synchronized/structured sell trades were placed through dealer Ajaykumar Vijaykumar Agarwal.

67. With regard to the question of synchronised trade/ structured trade, Noticees have contended that the allegation of structured/synchronized trades fail on the ground that there are no allegations of any price or volume manipulation. Further, it is also contended that since, there is no allegation of reversal/circular/self trade, SCN fails to bring out any case of creation of artificial volume in the markets. Further, it is submitted by the Noticees that the alleged structured trades are a result of mere coincidence. I note that in the instant matter no allegation of price manipulation has been made, however, the allegation of volume manipulation is being faced by all the Noticees. Further I note that, no allegation of reversal/circular/self trade is made in the SCN, however, I do not agree with the contention that the allegation of creation of artificial volume fails in absence of reversal/circular/self trades. I note that in this case the allegation of synchronized/structured trading on the respective Noticees has to be seen holistically along with other attending facts and circumstances of the case. In this regard, I find it appropriate to refer to the order of the Hon'ble SAT passed in ***Ketan Parekh vs SEBI***, where it was held as under :

"..... A synchronized transaction will, however, be illegal or violative of the Regulations if it is executed with a view to manipulate the market or if it results in circular trading or is dubious in nature and is executed with a view to avoid regulatory detection or does not involve change of beneficial ownership or is executed to create false volumes resulting in upsetting the market equilibrium. Any transaction executed with the intention to defeat the market mechanism whether negotiated or not would be illegal. 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 because direct evidence in such cases may not be available. The nature of the transaction executed, the frequency with which such transactions are undertaken, the value of the transactions, whether they involve circular trading and whether there is real change of beneficial ownership, the conditions then prevailing in the market are some of the factors which go to show the intention of the parties. This list of factors, in the very nature of things, cannot be exhaustive. Any one factor may or may not be decisive and it is from the cumulative effect of these that an inference will have to be drawn."

68. As in this matter, the synchronized/structured trades between preferential allottees and promoter & connected entities, assume graver significance, considering all the facts of the case including connection of the Noticees, fund transactions and trading pattern. In the instant matter, it becomes clear from table 13 above that preferential allottes (Noticee no.1 to 19) have completely exited from the shares of BIL received by them in preferential allotment. Further, it becomes clear from table 14 that majority of the shares (76.91%) sold by the said preferential allottes, have been purchased by group-3 entities. In light of such attending circumstances, the synchronized and structured trades of the Noticees cannot be termed as mere coincidence. In view of the above, the contentions of the Noticees cannot be accepted.

69. Further, Noticee no.1, 2, 3 and 4 have submitted that the alleged trades by them were neither synchronized nor circular/reversal/self-trades and that in absence of such allegations, conclusion of meeting of minds cannot be made. I note that there is no allegation of synchronized trades made against the said Noticee, however, the said entities face the allegation of being part of the scheme of

exiting the scrip by selling shares to promoter and connected entities. I note that the said 4 Noticees have completely exited from their shareholding. In this relation, I find it appropriate to analyse trading concentration of the said Noticees as under :- Table - 18

Noticee no.	Total shares sold	Total no.of counterparties	No. of counterparties from among the Noticees	No.of shares sold to Noticees as counterparty	% sold to Noticees
1	1,50,000	19	3	89598	59.73
2	1,50,000	36	4	74505	49.67
3	1,50,000	54	7	93025	62.02
4	1,50,000	36	8	112654	75.10

From the aforesaid data it emerges that I note that Noticee 1, 2, 3 and 4 have sold almost 50% or more of their shareholding to a very few entities from the Noticees in the instant matter. I have no reason to believe the same to be a coincidence, rather it shows collusion and meeting of minds of the parties to execute such trades in furtherance of the alleged scheme. In light of the above, contention of the Noticees is untenable.

Fund Transactions

70. It is alleged in the SCN that money received from sale of shares by the allottees from broker was transferred back to Promoter of Bhageria Industries Limited, its shareholders and related entities. In this regard, summary of the various instances of alleged suspicisious fund transactions is as under:- Table 19

S. No.	Name of Allottee of who received funds from his broker	Amount received by Allottee from broker	Amount transferred to Ealdor (Noticee no.64)	Amount transferred by Ealdor to promoter/ related entity	Promoter/related Entity which received amount from Ealdor
1	Natwarlal Patodia	30 lakhs	30 lakhs	30 lakhs	Bhageria Trade Invest Pvt Ltd (***"BTIPL"/ Noticee no.24***)
2	Satyanarayan Patodia	50 lakhs	30 lakhs	40 lakhs	BTIPL
3	Manju Devi Patodia	1.05 crores	30 lakhs	59.65 lakhs	Choice Exterio and Interio Pvt Ltd >>> Nipur Chemicals Limited

<table>
<tr><th>S. No.</th><th>Name of Allottee of who received funds from his broker</th><th>Amount received by Allottee from broker</th><th>Amount transferred to Ealdor (Noticee no.64)</th><th>Amount transferred by Ealdor to promoter/ related entity</th><th>Promoter/related Entity which received amount from Ealdor</th></tr>
<tr><td>4</td><td>Karun Modi</td><td>53 lakhs</td><td>30 lakhs</td><td>93 lakhs</td><td>Futurage Corporate Care Pvt Ltd</td></tr>
<tr><td>5</td><td>Gaurav Modi</td><td>61 lakhs</td><td colspan="3">40 lakhs transferred directly by Gaurav Modi to Abhilasha Money Operations Pvt Ltd (Noticee no.37, which is shareholder in BTIPL)</td></tr>
<tr><td rowspan="2">6</td><td rowspan="2">Rajendra Upadhyay</td><td rowspan="2">1.1 crore</td><td rowspan="2">80 lakhs</td><td>20 lakhs</td><td>Choice International Limited</td></tr>
<tr><td>65 lakhs</td><td>Modern Trading Business Pvt Ltd (shareholder of BTIPL)</td></tr>
</table>

71. Based on the aforesaid transactions, it is alleged in the SCN that the money received from sale of shares by the preferential allottees was used by promoter entity (BTIPL/Noticee no.24) to pay for the purchase of shares from other allottees on market. Further, it is alleged that BTIPL transferred the money received from Ealdor to his broker and, therefore, Ealdor Retails Private Limited facilitated the promoter, Bhageria Trade Invest Private Limited in the scheme of providing exit to the preferential allottees.

72. With regard to fund transaction of Ealdor with BTIPL, Ealdor has submitted that the money was transferred to BTIPL for making investment in BTIPL and that shares were also allotted to it. Further, BTIPL in its reply has also submitted that the said amounts received from Ealdor was towards share application money. I also note that the SCN itself states that Ealdor is a shareholder in BTIPL. Similarly, Futurage (Noticee no.22) has submitted that Rs.93 lakhs received from Ealdor was towards share application money for shares of Fututrage that were allotted to Ealdor. Futurage has submitted copy of ROC filing, allotment letter and board resolution in respect of the same. BTIPL has submitted copy of ROC filing and allotment letter in support of his contention.

73. With regard to fund transactions between, Allottes and Ealdor (Noticee no.64), Ealdor in its reply submitted that the amount received from Natwarlal, Satyanarayan and Manju Devi was received against a transaction entered into with them in the normal course of business. However, no document of any sort

was submitted by Ealdor to justify these transactions. Further, in its written submission it was submitted on behalf of Ealdor that they do not have proper records regarding the said transactions as same had been undertaken by erstwhile directors. Noticee no. 3, 4, 14, 15 and 16 have also not provided any reason for the said transactions other than they were carried out in the ordinary course of business. Therefore, I note that Ealdor has failed to provide any justification for the said transactions with preferential allottees.

74. With respect to transaction of Ealdor with Rajendra Upadhyay, it has been submitted by Rajendra Upadhyay that the transfer of money by the Noticee to Ealdor Retails Private Limited was done in the normal course of business as a short-term loan and which was received on piecemeal basis which can be substantiated by the fact that SCN itself records the fact that the Noticee had received Rs. 50 Lakhs from Ealdor during May 13-14, 2015. I note that the amount transferred by Rajendra Updhayay and the amount received by him do not match. Further, neither Rajendra Upadhyay nor Ealdor has submitted any document in support of their claim. In absence of any documentary proof to justify the said loan transaction, the said transaction remains suspicious. Further, it is submitted by him that transaction took place in January 2015, i.e., two months after the execution of the trades by the Noticee in the scrip of BIL. In this regard, I note that even if the trades took place in November 2014, Noticee no.12 received Rs.1.1 crore from his broker on January 9, 2015 and, on January 10 and 12, 2015, Noticee transferred Rs.15 lakh and Rs.65 lakhs respectively to Ealdor. In view of the above, the contention of the Noticee is baseless.

75. It is observed that Ealdor has not traded in the scrip of BIL during the investigation period. Ealdor is alleged to have transferred Rs.70 lakhs to BTIPL which BTIPL transferred to its broker on the date of receving the said funds. Ealdor has failed to provide the reasoning behind the source of the said funds. Further, the preferential allotees, who have transferred the money to Ealdor, have also not provided any justification for the said transaction. In the absence of justification from Ealdor with regard to amounts received from preferential allotees and considering the attending circumstances of the case, I am inclined to hold that the Ealdor was the integral part of the scheme, wherein, it was routing the fund of the non-promoter preferential allottes and facilitating exit to allottees

by promoter and connected entities, by passing on money received by allottees from their sales to promoter entities who bought shares from other allottees.

Broker Concentration

76. It was observed by SEBI tha out of 19 non-promoter allottees, 16 allottees sold their shares through the same stock broker, Choice Equity Broking Private Limited ("***Choice***"/Noticee no.66). I note that non-promoter allottees namely Noticee no. 1, 2 and 19 have sold their shares through another broker. It was further observed that out of 22,02,156 shares sold by non-promoter allottees that were bought by Group 3 entities, 18,20,828 shares (i.e. 82.68%) were sold through the stock broker, Choice Equity Broking Private Limited and 20,40,369 shares (i.e. 92.65%) were bought through the stock broker, Nirmal Bang Securities Private Limited. SEBI observed that Kamlesh Dharamdutt Dave (Noticee no.65), director of sub-broker Satya Shakambhri Securities Pvt Ltd (Satya/"***Noticee no.67"***), was the dealer for all the shares brought from the allottees, by connected entities through the stock broker, Nirmal Bang Securities Private Limited. Further, it has been admitted that Kamlesh Dave (Noticee no.65) is introducer, while account opening in clients' KYC documents, for majority of the Bhageria family members.

77. It is also stated in the SCN that 12 allottees have made early pay in of shares to their DP – Choice Stock Broking Private Limited. It is alleged that the allottees promptly made pay in of shares as they were assured about their sell trades getting executed and bought by their related entities. In reply to the above, Noticees have submitted that they decided to make early pay-in of securities to avoid the margin money being blocked. I am of the view that contention of the Noticees in this regard may be agreed to and no adverse inference is drawn from the fact of early payin of shares. However, I find it pertinent to mention that all other facts pointing to meeting of minds of the Noticees cannot be belied in light of the above finding.

78. It has been submitted on behalf of Noticee no.52 that Bodal Chemicals purchased shares of the Company from open market through Pravin Ratilal Share and Stock Broking and not through Choice or Satya. I note that Noticee

no.52 ("***Bodal"***) has purchased shares through a broker other than Choice or sub-broker Satya. In this regard, it would be appropriate to analyse of purchase of Bodal in the scrip of BIL. I note from the trade logs that, during the investigation period, Bodal has purchased 1,00,000 shares of BIL on one day i.e. February 3, 2015. Bodal has purchased these 1 lakh shares from a total of 17 entities, however, 87.06% (87,062) of his purchase has been made from 1 entity i.e. preferential allottee Noticee no.7. Further, it is observed that, out of the shares purchased from Noticee no.7, 88.15% (76,746) shares have been purchased through structured trades (wherein buy and sell order were placed within 1 minute, at the same rate and with same or similar quantity). Further, I also note that Bodal has purchased 11421 through one structured trade from Noticee n.51 which is a connected entity. In all the shares purchased by Bodal from Noticee no.7 and 51, the counterparty broker has been Choice (Noticee no.66). Infact, out of 1 lakh shared purchased by Bodal, only 1517 shares were bought from unconnected entities. Although, Bodal has purchased shares of BIL through a different broker, its involvement in the scheme of providing exit to the preferential allottes appears clear from his trading pattern.

79. Similar contention has been made by Noticee no.58 that he does not have his account with broker/subroker mentioned in the SCN, rather Noticee no.58 has account with NNM Securities Private Limited. It is noted that Noticee no.58 has not purchased shares through Choice nor Satya. I note from the trade logs that Noticee no.58 has purchased shares of BIL through NNM Securities Private Limited on 20 trading days from January 27, 2015 to September 15, 2016. In this connection, it is neccesay to analyse trades of the Noticee in the scrip of BIL. I note that during the investigation period, Noticee no.58 has purchased 5045 shares from 43 entities. Out the total 53 trades with 43 counterparties, Noticee's 3 trades have matched with 2 preferential allottes i.e. Noticee no. 14 and 15. The shares purchased from the said preferential allottes from 3 trades stand at a total of 600 shares. I also note that the alleged trades of Noticee no.58 are also not synchronized or strucutured trades. In a nutshell, I note that Noticee no.58 (1) has not traded through Choice or Satya, (2) is not involved in synchronized/strucutured trades and (3) his purchase from the preferential allottee is very low. In view of the above, the only basis of allegation against

Noticee no.58 remains that he is connected within group 3. I note that the fact of connection cannot, on its own, be the basis of allegations of fraudulent trading considering the peculiar facts and circumstances of the case. I note that no other factors for implicating the Noticee in the instant matter are established such as account with Choice or Satya, synchronized/structured tradeds and high volume of purchase from preferential allottees. Going by the same, I am of the opinion that benefit of doubt can be extended to Noticee no.58.

80. With regard to broker concentration, it has been submitted on behalf of Noticee no.66 and 67 that they have placed the orders upon the instruction of its clients. It is also submitted that the scrip at the relevant point of time was liquid and volatile because of which there were ample odds that the sell orders will get fully executed in the scrip. Noticees have relied on the orders of SAT passed in the matters of *Latin Manharlal Securities Ltd v SEBI* and *Indiabulls Securities Limited v SEBI*.

81. In this regard, I note that the present matter is distinguishable from the orders relied upon by the Noticees. In this regard, it is necessary to take a view of the attending facts and circumstances of the case. I note that Choice International Limited is the holding company of Choice Equity Broking Private Limited (Noticee no.66). It is further noted that Choice International Limited and Noticee no.66 had common management. Promoters/ directors of Choice International Limited were preferential allottees in the instant matter. Choice International Limited is associated with Bhageria Industries Limited’s promoters/ directors and directors of sub-broker, Satya Shakambari Securities Private Limited through regular monetary and off market transactions. In view of the above, it emerges that preferential allottes, Choice, promoter/directors of BIL and Satya are connected to each other. It is also observed that 76.91% of the shares sold by non-promoter preferential allottees were bought by Group 3 entities. For 92.65% of these sales within Group 3 by the non-promoter preferential allottees, Nirmal Bang Securities Private Limited was the stock broker for the buyer entities. For all such trades, dealer was Kamlesh Dharamdutt Dave, director of Satya Shakmabari Securities Private Limited, whose registered address is under lease from promoter entity,

Bimla Bhageria. For 70.94% of these trades, client order time and counterparty order time was within less than a minute's gap.

82. It is pertinent to elaborate more on the involvement of Choice and Satya in structured/synchronized trades. In this regard, I find from trade logs that Kamlesh Dave (Noticee no.65/director of Noticee no.67 Satya) is the dealer in 307 structured/synchronized buy trades. By these 307 structured/synchronized trades, 12,20,848 shares were purchased. Similarly, from the sell side, I note that Choice is broker for 337 structured/synchronized and by these 337 structured/synchronized trades, 13,11,784 shares were sold. The aforesaid volume of structured/synchronized trades reveals that Noticee no.65, 66 and 67 have facilitated the Noticees in furtherance of their scheme.

83. Considering the aforesaid facts, I note that there is meeting of minds of the promoters, stock broker, sub-broker and connected entities to provide exit to the preferential allottees and consolidate shareholding of promoter and related entities by misusing the stock exchange platform.

84. In this connection, I observe that Noticees no.24 and other promoter entities have submitted that acquisition of shares is usual and in the ordinary course of business. Further, it is submitted that promoters have constantly been making endeavors to consolidate the promoter holding within the company and that promoter group has not only bought shares during the investigation period but also during other period. It is also contended by the promoter entities that there is no rationale for them to provided exit to non-promoter preferential allottees and that there is no reason for them to buy shares at a higher price than they received in preferential allotment. In this regard, I note that during the investigation period, Noticee no.24 has purchased a total of 2,66,500 shares. Out of the said purchase, it has purchased 1,73,356 shares of BIL from only 3 preferential allottes through synchronized trades. Similarly, other promoter group entities have also purchased shares from non-promoter preferential allottees in high volume through synchronized/ structured trades. The fact of such synchronized/structured trades in high volume paints a dubious picture. Furthermore, Noticees have failed to explain as to why they had to execute so many structured/synchronized trades, that too with a few entities i.e. non-

promoter preferential allottes. In light of the above, Noticees' acquisition of shares of BIL cannot be considered taken in the normal course of business. Furthermore, Noticees' contention that they had no reason to buy shares at higher price, is devoid of any merit, in light of their own admission that they were consolidating their holding in the Company. Furthermore, they were creating misleading appearance of trading by synchronized/structured trades.

85. It has also been submitted by Noticees that Satyanarayan Patodia (Noticee no.14) dumped all his 1,00,000 shares on January 29, 2015 and that when there are substantial shares in the market , the trades ought to match with them. In this regard, I note from the trade logs that Noticee no.14 has sold 1,00,000 shares on 3 different days i.e. January 23, 27 and 29, 2015. Out of the said sale, 17600 shares were purchased on January 29, 2015 by 7 Bhageria family members i.e. Noticee no.25, 32, 36, 42, 43, 44, 50. The said shares were purchased through 8 synchronized trades. Contention of Noticees is falsified from the fact of the said synchronized trades. If the trades were happening in normal course, all the trades of the aforesaid Noticees with preferential allottee Noticee no.14 could not have been synchronized trades.

86. In respect of the submission of several Noticees that high degree of proof is required to establish serious allegations as of market misconduct and manipulations, I find that the standard of proof in matters of fraud arising out of violation of the SEBI Act or the provisions of the Regulations framed thereunder, is the test of preponderance of probability, as has been clearly laid down in the following judgments of the Hon'ble Supreme Court in the matter of **SEBI vs. Kishore R. Ajmera (2016) 6 SCC 368** that:

> *"......While the screen based trading system keeps the identity of the parties anonymous it will be too naive to rest the final conclusions on said basis which overlooks a meeting of minds elsewhere. Direct proof of such meeting of minds elsewhere would rarely be forthcoming. The test, in our considered view, is one of preponderance of probabilities so far as adjudication of civil liability arising out of violation of the Act or the provisions of the Regulations framed thereunder is concerned. Prosecution under Section 24 of the Act for violation of the provisions of any of the Regulations, of course, has to be on the basis of proof beyond reasonable doubt. The conclusion has to be gathered from various circumstances like the volume of the trade effected; the period of persistence in trading in*

the particular scrip; the particulars of the buy and sell orders, namely, the volume thereof; the proximity of time between the two and such other relevant factors. The fact that the broker himself has initiated the sale of a particular quantity of the scrip on any particular day and at the end of the day approximately equal number of the same scrip has come back to him; that trading has gone on without settlement of accounts i.e. without any payment and the volume of trading in the illiquid scrips, all, should raise a serious doubt in a reasonable man as to whether the trades are genuine. ....”(emphasis supplied)

87. Further, in *SEBI vs. Rakhi Trading Pvt. Limited (MANU/SC/0096/2018)*, the Hon’ble Supreme Court of India observed as follows:

> *“We are fortified in our conclusion by the judgment of this Court in Securities And Exchange Board of India vs. Kishore R. Ajmera, though it is a case pertaining to brokers, wherein it has been held at paragraph 25:*
>
> > *“25. The SEBI Act and the Regulations framed thereunder 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 isa 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 conducive 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.”*
>
> *In this case it was also held that in the absence of direct proof of meeting of minds elsewhere in synchronized transactions, the test should be one of preponderance of probabilities as far as adjudication of civil liability arising out of the violation of the Act or the provision of the Regulations is concerned.” (emphasis supplied)”*

88. In the instant matter, Choice (Noticee no.66), Satya (Noticee no.67) and Kamlesh Dave (Noticee no.65) by acting as broker, subroker and dealer respectively of the clients involved in the nefarious modus operandi has aided and abetted them to execute or participate in such a manipulative scheme. Rather than allowing the market forces to operate freely in their natural course, they have repeatedly carried out the impugned transactions which fiddled with the price-order

matching systems of the exchanges. The repeated synchronized trades between several entities in a pre-determined manner, made it amply clear that the parties, including Choice, Satya and Kamlesh Dave, were not acting in the normal sense and ordinary course of business. Resultantly, there has clearly been a restriction on the free and fair operation of market forces in the instant case. By repeated synchronization of orders, as has been carried out in the instant matter, the price discovery system itself is affected. It also has an adverse impact on the fairness, integrity, and transparency of the stock market.

89. I note that there was clear meeting of minds of the promoters and connected entities, to consolidate their shareholding in the Company and thereby provide exit to the non-promoter allottees, by misusing the stock exchange platform. They entered into fraudulent synchronised trades and, thereby, generated artificial volume in the scrip on market. In view of the above, I conclude that Noticee No. 01 to 26, 28 to 31, 33 to 57 and No.60 to 64 in collaboration with the Noticee no.65, 66 and 67, planned and devised the scheme of providing exit to the preferential allottees through pre-planned structured trades, misusing the stock exchange platform, thereby generating artificial volume in the scrip and giving the impression of increased volume in the market.

90. Further, in the instant case, it emerges that Choice Equity Broking and Satya Shakambhari have aided and abetted its clients in entering into non-genuine trades as brought out in the Show Cause Notice. Therefore, in my opinion, there is direct evidence of collusion of the Noticee with its clients' w.r.t the above mentioned trades. As stock broker and sub-broker, the Noticees were expected to play the role of a gatekeeper and not place the trades in a mechanical manner with ulterior intentions. The instant case goes beyond the realm of lack of due diligence and care exercised by the Noticee no.66 and 67, and quite clearly, it is an act whereby Noticee no.66 and 67 have aided and abetted its clients in the commission of the manipulative/non-genuine trades. In view of the aforesaid failure on the part of the Noticee no.66 and 67 and the manner in which Noticee no.66 and 67 have carried out the impugned trades, I am convinced that Noticee no.66 and 67 have violated the provisions of SEBI PFUTP Regulations and SEBI Stock Broker Regulations and considering the active involvement of Choice

Equity Broking and Satya Shakambhari in the misdeeds of the other Noticees who are their clients, the same has to be viewed very seriously because any leniency in reprimanding such a conduct will motivate them further because of which the health of the securities market will be adversely affected.

91. In view of the findings as given in the above paragraphs, I conclude that the Noticee No. 01 to 26, Noticee No.28 to 31, Noticee No.33 to 57 and Noticee No.60 to 65 have contravened the provisions of section Section 12A of SEBI Act, 1992 and Regulation 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

92. I, further conclude that Noticee No. 66 has violated Sections 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) and Regulation 4 (1) and (2)(a) of SEBI (PFUTP) Regulations, 2003, and Clauses A (2) and (5) of the Code of Conduct for Stock Brokers, as stipulated in Schedule II read with Regulation 09 of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992.

93. In a similar vein, Noticee No. 67 has violated Sections 12A (a), (b), (c) of the SEBI Act, 1992 read with Regulations 3 (a), (b), (c), (d) and Regulation 4 (1) and (2)(a) of SEBI (PFUTP) Regulations, 2003, and Clause A(2) of the Code Of Conduct for Sub Brokers, as stipulated in Schedule II read with Regulation 15(1)(b) of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992.

94. For Noticee No. 66 and 67, I further note that the facts of the matter indicate that the Noticee No. 66 and 67 acted as a conduit for the alleged manipulative trading of its clients. As compared to other Noticees in the Show Cause Notice, the role of the Noticee No. 66 and 67 was graver as they have acted as close aide and facilitated the Noticee in their fraudulent scheme of trading in the shares of Bhageria Industries Limited. I note Noticee No. 66 and 67, being an essential pillar of the market infrastructure have an onerous duty not to allow any nefarious activity to happen in the market. It is to be considered that brokers and sub-brokers have an essential role in the market and if they only allow such scheme to flourish, the same would definitely lead to loss of investor confidence in the market and rampant market abuse which is totally undesirable.

Noticee no. 68 to 82

95. With regard to Noticee no.68 to 82, it is alleged in paragraph 112 of the SCN that they have entered into structured trades i.e. placed buy and sell orders within a gap of less than one minute, at the same rate, with same or similar quantity, with common intention to create a misleading appearance of trading in the scrip and traded in scrip without intention to change the ownership.

96. In connection to the said allegations, the concerned Noticees have submitted that they do not have any trade with preferential allotees, hence the question of acting in connivance with the promoters of Bhageria Industries Limited and providing exit opportunity to the non-promoter preferential allottees does not arise. Further, it is contended that there was no influence (positive / negative) on the scrip of the company pursuant to the said trade and that no misleading appearance was created in the market by one trade.

97. In this regard, I note that, during the investigation period, the Noticee no.68 to 82 have not purchased shares from the preferential allottees i.e. Noticee no.1 to 19. In view of the above, they cannot be held to be part of the scheme of providing exit to preferential allottees. Further, I note that there is no allegation of reversal trades, circular trades or self–trades on Noticee no.68 to 82. The only allegation that remains against the aforesaid Noticees is that they have entered into synchronized/structured trades with connected entities.

98. In this regard, I find it appropriate to refer the order of the Hon'ble SAT , wherein it was held as under :

> "*20. …As already observed 'synchronisation' or a negotiated deal ipso facto is not illegal. A synchronised transaction will, however, be illegal or violative of the Regulations if it is executed with a view to manipulate the market or if it results in circular trading or is dubious in nature and is executed with a view to avoid regulatory detection or does not involve change of beneficial ownership or is executed to create false volumes resulting in upsetting the market equilibrium. Any transaction executed with the intention to defeat the market mechanism whether negotiated or not would be illegal. 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 because direct evidence*

in such cases may not be available. The nature of the transaction executed, the frequency with which such transactions are undertaken, the value of the transactions, whether they involve circular trading and whether there is real change of beneficial ownership, the conditions then prevailing in the market are some of the factors which go to show the intention of the parties. This list of factors, in the very nature of things, cannot be exhaustive. Any one factor may or may not be decisive and it is from the cumulative effect of these that an inference will have to be drawn."

99. I note that, since, there is no allegation of reversal, circular or self trades, it cannot be held that the there was no change in beneficial ownership of shares pursuant to trades of the aforesaid Noticees. With regard to frequency of trades, I note that 14 out of the said 15 Noticees have entered into synchronized traded within the range of 1 to 5 trades. One entity Noticee no.71 has entered into 4 and 6 trades synchronized/structured trades on buy and sell side respectively. I note that the number of synchronized trades by the Noticees are not significant enough to cause manipulation in the market. Further, I note there is no allegation of positive LTP contribution pursuant to the said synchronized trades. In such circumstances, I have no reason to believe that synchronized/structured trades of the aforesaid Noticees have caused misleading appearance of trading in the market.

100. In view of the aforesaid findings, I conclude that Noticee no.68 to 82 have not violated Sections 12A(a), (b), (c) of SEBI Act, 1992 and Regulations 3(a), (b), (c), (d), Regulations 4(1) and 4(2) (a) of SEBI (PFUTP) Regulations, 2003.

<u>Noticee no.83 and 84</u>

101. I note that Noticee no.83 and 84 are alleged neither to be connected to other Noticees in the matter or with each other and they face charge of price and volume manipulation individually.

102. With respect to these two Noticees, it is alleged in the SCN that in-spite of sufficient sell/buy order quantity being available in the market, they kept on buying/ selling in small quantities (1 – 10) of shares. Further, it is alleged that by these small trades, they were instrumental in establishing a price higher than the

last traded price and thus contributed to increased scrip price with most of such trades. It is further alleged that Noticee no.83 and 84 have contributed to manipulation in the scrip price and deliberately created a misleading appearance of trading and increased demand in the scrip by such trades.

103. In this regard, Both the Noticees have submitted that they are involved in intra-day trading, jobbing, arbitraging, momentum trading etc. The alleged trading pattern is an outcome of jobbing, intra day, arbitrarging and actitities undertaken by them which is permissible. In this regard, Noticees have relied on orders of the Hon'ble Whole Time Member, SEBI (WTM) passed in the matter of *Nouveau Global Ventures Ltd (dated* March 19, 2021*) and Winsome Yarns Limited (*February 5, 2019*).* Further, they have submitted that their trades with negative/nil LTP contribution have not been considered. It is also contended that when prices move dramatically, a very large proportion of orders are bound to become meaningless and have to be cancelled which increases the proportion of deleted orders.

104. In this regard, the submissions made by the Noticees alongwith the trading pattern followed by them have been carefully considered. In this regard, I note that I cannot ignore the fact that as per the market practice generally adopted by jobbers / arbitragers / intra-day traders, to verify the ongoing LTP in a particular scrip, often orders of miniscule quantities are placed by them. I find based on submissions and explanations offered by the Noticees that the alleged trades of small quantities were consequential to the trading practice normally followed for intra-day and jobbing activities. I note that the order of the Hon'ble WTM passed in Nouveau Global Ventures applies in the present case.

105. With regard to positive LTP contribution, I find force in the contention of the Noticees that, in the SCN, their small trades with positive LTP contribution have been considered and their trades which had a negative/nil LTP contribution have not been considered to calculate LTP contribution. If all the trades of the Noticees are considered, the LTP contribution comes down significantly which cannot be considered as manipulative.

106. Therefore, I am of the view that, conduct and trading behavior of Noticee no.83 and 84 may not fall strictly within the ambit of PFUTP regulations.

107. In view of the above, I conclude that Noticee no.83 and 84 have not violated violated Sections 12A(a), (b), (c) of SEBI Act, 1992 and Regulations 3(a), (b), (c), (d), Regulations 4(1) and 4(2) (a), (e) of SEBI (PFUTP) Regulations, 2003.

Issue no. II

108. Hon'ble Supreme Court of India in the matter of Chairman, SEBI Vs Shriram Mutual Fund {[2006]5 SCC 361} held that "*In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the Regulations is established and hence the intention of the parties committing such violation becomes wholly irrelevant A breach of civil obligation which attracts penalty in the nature of fine under the provisions of the Act and the Regulations would immediately attract the levy of penalty irrespective of the fact whether contravention must made by the defaulter with guilty intention or not*."

109. In the instant case, the following violations have been established against the Noticees: -

Noticee no.	**Violations established**	**Penalty Section of SEBI Act, 1992**
01 to 26, 28 to 31, 33 to 57, 60 to 65	Sections 12A(a), (b), (c) of SEBI Act, 1992 and Regulations 3(a), (b), (c), (d), Regulations 4(1) and 4(2) (a) of SEBI (PFUTP) Regulations, 2003.	15HA
66	Sections 12A(a), (b), (c) of SEBI Act, 1992 and Regulations 3(a), (b), (c), (d), Regulations 4(1) and 4(2) (a) of SEBI (PFUTP) Regulations, 2003.	15HA
	Clauses A (2) and (5) of the Code of Conduct for Stock Brokers, as stipulated in Schedule II read with Regulation 09 of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992.	15HB
67	Sections 12A(a), (b), (c) of SEBI Act, 1992 and Regulations 3(a), (b), (c), (d), Regulations 4(1) and 4(2) (a) of SEBI (PFUTP) Regulations, 2003.	15HA
	Clause A(2) of the Code Of Conduct for Sub Brokers, as stipulated in Schedule II read with Regulation 15(1)(b) of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992.	15HB

Issue no. III

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

> **"15J - Factors to be taken into account by the adjudicating officer**
> *While adjudging quantum of penalty under section 15-I, the adjudicating officer shall have due regard to the following factors, namely:-*
> *(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;*
> *(b) the amount of loss caused to an investor or group of investors as a result of the default;*
> *(c) the repetitive nature of the default.*
> ***Explanation:***
> *For the removal of doubts, it is clarified that the power of an adjudicating officer to adjudge the quantum of penalty under sections 15A to 15E, clauses (b) and (c) of section 15F,15G,15H and 15HA shall be and shall always be deemed to have been exercised under the provisions of this section."*

111. Regarding the factors to be considered under Section 15J of SEBI Act, 1992, I note that the SCN does not indicate the amount of disproportionate gain or unfair advantage made by the Noticees, as a result of the aforesaid violations. In fact no such assessment is possible in facts of the present case. Further, the SCN also does not specify the amount of loss caused to investor or group of investors. It is practically impossible to quantify the loss caused to investors in the event of misrepresentation of financial statements. With regard to repetitive nature of default, I note from the investigation report that there is no material on record to indicate that the Noticees have been found to have committed similar violations any time in the past. Further, the judgments/orders relied upon by the Noticees on the question of imposition of penalty have been taken note of.

112. In the facts and circumstances of this case, the quantum of penalty has to be adjudged taking into account the conduct of the Noticees as found in this case and the principle of proportionality. The violations as established in this case, have clearly defeated the purposes of the Regulations i.e. investor protection and ensuring market integrity.

G. ORDER

113. Show Cause Notice dated March 31, 2022 is disposed of without imposition of penalty in respect of Noticee no.27, 32, 58, 59, and Noticee no. 68 to 84

114. With regard to Noticee no. 01 to 26, Noticee No.28 to 31, Noticee No.33 to 57 and Noticee No.60 to 67, after taking into consideration the nature and gravity of the violations established in the preceding paragraphs and in exercise of the powers conferred upon me under section 15-I of the SEBI Act read with rule 5 of the SEBI Adjudication Rules, I hereby impose following penalty on following Noticees for the aforementioned violations, as discussed in this order :

S. No.	Noticee No.	Name of the Noticee	Penalty (Rs.)	u/s of SEBI Act
1	1	Kirodi Mal Modi	5,00,000	15HA
2	2	Sunita Modi	5,00,000	15HA
3	3	Karun Modi	5,00,000	15HA
4	4	Gaurav Modi	5,00,000	15HA
5	5	Pawan C Agarwal	5,00,000	15HA
6	6	Darshanik Valueserve Private Limited	5,00,000	15HA
7	7	Anil Chothmal Patodia HUF	7,00,000	15HA
8	8	Anil Chothmal Patodia	7,00,000	15HA
9	9	Archana Anil Patodia	7,00,000	15HA
10	10	Kamal Poddar HUF	7,00,000	15HA
11	11	Hemlata Kamal Poddar	7,00,000	15HA
12	12	Rajendra Radhakishanji Upadhyaya	7,00,000	15HA
13	13	Govind Ram Patodia	7,00,000	15HA
14	14	Satyanarayan Patodia	7,00,000	15HA
15	15	Natwar Lal Patodia	7,00,000	15HA
16	16	Manju Devi Patodiya	7,00,000	15HA
17	17	Vinita Sunil Patodia	7,00,000	15HA
18	18	Kamal Santosh Poddar	7,00,000	15HA
19	19	Manasvi Consultancy Private Limited	7,00,000	15HA
20	20	Futurage Corporate Care Private Limited	10,00,000	15HA
21	21	Prism Scan Express Private Limited	10,00,000	15HA
22	22	Hifi Trading Private Limited (Now Known As W Spaces Private Limited)	10,00,000	15HA
23	23	Reform Trading Co Private Limited	10,00,000	15HA

S. No.	Notice e No.	Name of the Noticee	Penalty (Rs.)	u/s of SEBI Act
24	24	Bhageria Trade Invest Private Limited	10,00,000	15HA
25	25	Dinesh Vishamberlal Bhageria	7,00,000	15HA
26	26	Chandraprabha Suresh Bhageria	7,00,000	15HA
27	28	Krishna A Agarwal	7,00,000	15HA
28	29	Anjani Kumar Chirania	7,00,000	15HA
29	30	Sonika Rakesh Bhageria	7,00,000	15HA
30	31	Paath Financial Services Private Limited	7,00,000	15HA
31	33	Vijay Manohar Kodam	7,00,000	15HA
32	34	Manjula Vinod Lohiya	7,00,000	15HA
33	35	Manohar Gauraian Kodam	7,00,000	15HA
34	36	Suresh K Bhageria HUF	7,00,000	15HA
35	37	Abhilasha Money Operations Pvt Ltd (represented by Florence Securities Private Limited)	7,00,000	15HA
36	38	Zenith Speciality Private Limited	7,00,000	15HA
37	39	Rahul Niranjanlal Bhageria	7,00,000	15HA
38	40	Akashdeep International Private Limited	7,00,000	15HA
39	41	Vanita Ashish Saraf	7,00,000	15HA
40	42	Archana Deepak Bhageria	7,00,000	15HA
41	43	Vishwambharlal Keshaodev Bhageria	7,00,000	15HA
42	44	Asha Dinesh Bhageria	7,00,000	15HA
43	45	Kanchan Kamlesh Dave	7,00,000	15HA
44	46	Sakshi Anjani Chirania	7,00,000	15HA
45	47	Suresh Keshavdeo Bhageria	7,00,000	15HA
46	48	Deepakkumar Vishwambharlal Bhageria	7,00,000	15HA
47	49	Vikas Sureshkumar Bhageria	7,00,000	15HA
48	50	Harshita Vikas Bhageria	7,00,000	
49	51	Prabhudayal Rewatlal Chawla	7,00,000	15HA
50	52	Bodal Chemicals Ltd	7,00,000	15HA
51	53	Blissful Traders Private Limited (represented by Chartered Capital Research Private Limited)	5,00,000	15HA
52	54	Aditya Vinod Bhageria	5,00,000	15HA
53	55	Yogesh Shrinivas Jadhav	5,00,000	15HA
54	56	Sangita Ramratan Chirania	5,00,000	15HA
55	57	Ashok Kumar Ramnath Chirania	5,00,000	15HA
56	60	Babita Ajay Kejriwal	5,00,000	15HA

S. No.	Noticee No.	Name of the Noticee	Penalty (Rs.)	u/s of SEBI Act
57	61	Abhishek Ashok Chirania	5,00,000	15HA
58	62	Bikram Keshari Mohanty	5,00,000	15HA
59	63	Narendra Kumar Saini	5,00,000	15HA
60	64	Ealdor Retails Private Limited (represented by Florence Securities Private Limited)	5,00,000	15HA
61	65	Kamlesh Dharmdutt Dave	5,00,000	15HA
62	66	Choice Equity Broking Private Limited	20,00,000	15HA
			5,00,000	15HB
63	67	Satya Shakambari Securities Private Limited	10,00,000	15HA
			5,00,000	15HB

In my view, the aforementioned penalty is commensurate with the violations committed by the Noticees in this case.

115. It is clarified hereby that penalty imposed on Noticee 37 and 64 shall be borne by Florence Securities Pvt Ltd and penalty imposed on Noticee no.53 shall be borne by Chartered Capital Research Pvt Ltd.

116. The Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order through online payment facility available on the SEBI website www.sebi.gov.in on the following path by clicking on the payment link.

ENFORCEMENT → ORDERS → ORDERS OF AO → PAY NOW

117. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this order, consequential proceedings including, but not limited to, recovery proceedings may be initiated under Section 28A of the SEBI Act, for realization of the said amount of penalty along with interest thereon, inter alia, by attachment and sale of movable and immovable properties.

118. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this order shall be sent to the Noticees and also to the Securities and Exchange Board of India.

Date: March 31, 2023
Place: Mumbai

VIJAYANT KUMAR VERMA
ADJUDICATING OFFICER