BEFORE THE ADJUDICATING OFFICER
<u>SECURITIES AND EXCHANGE BOARD OF INDIA</u>
[ADJUDICATION ORDER NO. RA/JP/ 250-254 / 2017]

UNDER SECTION 15-I (2) OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES BY ADJUDICATING OFFICER) RULES, 1995.

In respect of:-

1. Mr. Dhananjay Kumar (PAN: BLIPK6750R)
2. Mr. Amratbhai Chaturdas Patel (PAN: AYZPP7771L)
3. Mr. Narendrabhai Shivabhai Parmar (PAN: BOOPP9405H)
4. Mr. Sandip Kumar Prakashbhai Prajapati (PAN: BJXPP9015P)
5. Mr. Savan Keshavlal Prajapati (PAN: CGKPP1066M)

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') had conducted investigation in the shares of Kushal Tradelink Limited - a company listed on BSE Ltd. at SME platform (hereinafter referred as '**Company / KTL'**) for the period from August 01, 2014 to March 11, 2015 (hereinafter referred to as "**Investigation Period**") in order to ascertain whether there was any violation of the provisions of the securities laws. Investigation *prima facie* revealed the violations of regulation 3 (a) to (d), 4 (1) & 4 (2) (a), (e) & (g) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as '**PFUTP Regulations'**) alleged to have been committed by (1) Mr. Dhananjay Kumar, (2) Mr. Amratbhai Chaturdas Patel, (3) Mr. Narendrabhai Shivabhai Parmar, (4) Mr. Sandip Kumar Prakashbhai Prajapati and (5) Mr. Savan Keshavlal Prajapati (hereinafter referred to as "**the Noticee No. 1 to 5**" respectively or all may be referred as '**the Noticees'** collectively).

APPOINTMENT OF ADJUDICATING OFFICER

2. SEBI had initiated adjudication proceedings and appointed the undersigned as Adjudicating Officer vide order dated January 27, 2017 to inquire into and adjudge under section 15 HA of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as **'SEBI Act'**) read with rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as **'Adjudication Rules'**) the aforesaid violations of PFUTP Regulations alleged to have been committed by the Noticees. Proceeding of appointment of undersigned as Adjudicating Officer was communicated vide communiqué dated April 26, 2017.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. A common Show Cause Notices Reference No. E&AO/RA/JP/20599/2017 dated August 31, 2017 (hereinafter referred to as **"SCN"**) was issued to the Noticees under rule 4(1) of the Adjudication Rules to show cause as to why an inquiry should not be held and penalty be not imposed against them under section 15 HA of the SEBI Act, for the alleged violation of regulation 3 (a) to (d), 4 (1) & 4 (2) (a), (e) & (g) of the PFUTP Regulations. The core allegations levelled against the Noticees in the SCN are mentioned as under.

I. That during the Investigation Period, price of the scrip of KTL increased from ` 22.95 to ` 153 registering an increase of ` 130.05 (566.67%). The price / volume data of the scrip of KTL at BSE before, during and after the Investigation Period is given below:

Particulars	Period		Opening Price (volume) on first day of the period (`)	Closing Price (volume) on last day of the period (`)	Low Price (volume) during the period (`)	High Price (volume) during the period (`)	Avg. no. of shares traded daily during the period
Before Investigation	01.05.2014 to	Price	34.50	23.25	22.00	37.50	28,888
		Vol.	72,000	8,000	4,000	84,000	

Period	**31.07.2014**						
During Investigation Period	**01.08.2014 to 11.03.2015**	**Price**	22.95	153.00	18.60 (Aug 1, 2014)	153.00 (Mar 11, 2015)	31,896
		Vol	40,000	20,000	4,000 (on multiple days)	1,76,000 (Dec 30, 2014)	
After Investigation Period	**12.03.2015 to 11.06.2015**	**Price**	152.00	153.00	152.00	158.80	16,857
		Vol	8000	4000	2000	64,000	

II. The details of top 10 clients who bought and sold the shares (including the Noticees) in the scrip of KTL and also the Suspected Entities (including the Noticees) during the Investigation Period were shown in the table at page 3-4 of the SCN. Investigation examined Know Your Client (KYC) documents, Unique Client code (UCC) database provided by the Exchange, Bank Account Statements and certain connections among the Noticees were observed the details of which was given in table at page 4 of the SCN. The Noticees No. 1-5 were considered as Group 3 entities under investigation. Summary of the trading done by the Noticees during Investigation Period is shown in below table.

Client Name	***Gross Buy***	***Gross Sell***	***Net Qty.***
Dhananjay Kumar	*244,000*	*244,000*	*0*
Amratbhai Chaturdas Patel	*88,000*	*88,000*	*0*
Narendrabhai Shivabhai Parmar	*24,000*	*24,000*	*0*
Sandipkumar Prakashbhai Prajapati	*108,000*	*108,000*	*0*
Savan Keshavlal Prajapati	*64,000*	*64,000*	*0*
Total of Group-3 entities / Noticees	***528,000***	***528,000***	***0***

III. It was alleged that the Noticees had indulged among themselves into various synchronized trades (i.e. the trades where the buy and sell order quantity and rate were identical and orders for these transactions were placed within in a time gap of less than 1 minute) for 3,24,000 shares (which was 13.19% of the market volume) during the investigation period. The summary of synchronized trades of the Noticees are mentioned in table at page 5 of the SCN.

IV. It was alleged that repetitive synchronized trades were executed by the Noticees among themselves and due to such trades they deliberately created artificially volume rise in the scrip to the extent of 3,24,000 shares through 72 trades over several number of days (2 days to 18 days). The detailed analysis of synchronized trades of the Noticees, is given in table shown at page 6 of the SCN and the order/trade logs for alleged synchronized trades of the Noticees is shown in annexure 6 of the Investigation Report which was attached in the DVD along with SCN. Therefore, it was alleged that the Noticees had deliberately created artificially volume rise in the scrip and thereby had violated regulations 3 (a), (b), (c), (d), 4 (1), 4 (2) (a) & (g) of the PFUTP Regulations.

V. That there was continuous price rise during the Investigation Period and the shares were bought at the price more than the Last Traded Price (LTP). The details of price contribution by the Noticees through their trades as compared to LTP which resulted into LTP influence / price rise in the scrip, are tabulated at page 6 of the SCN.

VI. It was alleged that due to significant trading by the Noticees amongst themselves by placing buy order at a price more than the LTP, they have contributed / raised price of the scrip by ` 30.65 (12.92% of total market positive LTP) and have contributed ` 18.75 to net LTP. The details of such price rise through LTP variance executed among themselves, are given at page 7 of the SCN. It was alleged that the Noticees had contributed `26.25 to LTP by trading among themselves which is 11.06% of market positive LTP. It was alleged that the Noticees have traded repeatedly among themselves in 53 instances and manipulated the price of scrip. The order/trade logs of alleged price manipulation through LTP variance was placed at annexure 7 of Investigation Report which was attached in the DVD along with SCN. Therefore, it was alleged that the Noticees fraudulently / with manipulative *intent had contributed to price rise in the scrip and thereby violated regulation 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (e) of PFUTP Regulations.*

VII. *It was also alleged that on many occasions, the New High Price (NHP) was created by the Noticees which has also resulted into fraudulent artificial price rise in the scrip. The Noticees were alleged to have contributed ` 15.30 to NHP (11.76% of total market NHP) in total 28 trades. The details of NHP contribution by the Noticees during the Investigation Period was tabulated at page 8 of the SCN. It was alleged that ` 14.95 NHP contribution was made due to trade of the Noticees among themselves wherein they were the counterparty to each other and same was 11.50% of market NHP. The details of such trading amongst themselves in creating NHP were given in a table at page 9 of the SCN. It was alleged that the Noticees have traded repeatedly among themselves in 28 instances and manipulated the price of the scrip by contributing to NHP. The order / trade logs of 28 alleged NHP trades of the Noticees are shown at annexure 8 of the Investigation Report which was attached in DVD along with SCN. Therefore, it was alleged that the Noticees have contributed to price rise in fraudulent manner and thereby violated regulation 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (e) of the PFUTP Regulations.*

VIII. *It was also alleged that the Noticee(s) had indulged in fraudulent / manipulative manner through buying / selling shares in First Trade of the day and placed orders beyond LTP which (First Trade) has contributed to net price rise to the extent of ` 14.60 more than LTP (i.e. 15.26% of market price rise in the scrip of KTL i.e ` 95.65). The order/trade logs of such First Trades along with LTP difference / contribution are shown in annexure 9 of the Investigation Report which was attached in DVD along with SCN and details of First Trade analysis are tabulated at page 10 of the SCN. It was alleged that the Noticees* *while trading among themselves have contributed to net LTP difference of ` 13.85 (14.47% market price rise i.e ` 95.65) through First Trades. The details of First trade executed by the Noticee(s) among themselves and thereby causing the price rise in the scrip has been shown in table at page 10 of the SCN. Hence, it was alleged that the Noticee(s) have fraudulently contributed to artificial price rise in the scrip through manipulative First Trades and thereby violated regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (e) of PFUTP Regulations.*

IX. *Therefore, it was alleged that the Noticees have entered into repeated synchronized trades among themselves and contributed to artificial volume in the scrip, had contributed to the artificial price rise in the scrip of KTL in fraudulent manner through LTP contribution, New High Price contribution and First Trade contribution etc. and thereby had allegedly violated regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a), 4 (2)(e) and 4 (2)(g) of PFUTP Regulations.*

X. *The aforesaid provisions of law alleged to have been violated by the Noticees are mentioned below;*

<u>FUTP Regulations</u>

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 thereunder;
(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 thereunder.

4. Prohibition of manipulative, fraudulent and unfair trade practice
(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;

(g) entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security;

XI. It was alleged that the aforesaid violations, if established, would make the Noticee(s) liable for monetary penalty under section 15 HA of the SEBI Act.

4. The SCN was served upon the Noticees through Speed Post Acknowledgement Due (SPAD) / through digitally signed e-mail dated August 31, 2017 in term of rule 7(b) of the Adjudication Rules. Delivery reports of the SCN are available on records. However, despite service of the SCN, no reply has been received from the Noticees in respect of the allegation levelled.

5. As sufficient time was lapsed and no reply was received from the Noticees, therefore, considering the principle of natural justice, an opportunity of hearing was provided to the Noticees on November 21, 2017 vide notice dated November 01, 2017. The said notice of hearing was delivered through SPAD / through digitally signed e-mail dated November 01, 2017 and the delivery reports thereof are available on records. In the said notice of hearing, it was *inter-alia* stated that as no reply has been received, therefore, reply of the Noticees, if any towards the SCN, may be filed on or before November 14, 2017. It was also clearly indicated in said notice that if no reply is submitted / appearance is made by them on the aforesaid dates, then, the matter would be decided further on the basis of evidence available on record in terms of sub-rule (7) of rule (4) of the Adjudication Rules.

6. However, the Noticees had neither submitted any reply nor they appeared for the scheduled hearing. The principle of natural justice has been duly followed in the matter. At this juncture, I am also inclined to refer a judgment of the Hon'ble Securities Appellate Tribunal (Hon'ble SAT) in the matter of ***Sanjay Kumar Tayal & Ors. Vs. SEBI (in appeal No. 68/2013) decided on February 11, 2014*** wherein it was *inter-alia* 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".*

7. I am of the view that enough time has been provided to the Noticees to file reply which they failed to submit. Therefore, the instant adjudication proceedings against the Noticees is being dealt further *ex-parte* on the basis of available records / evidence.

CONSIDERATION OF ISSUES AND FINDINGS

8. The issues that arise for consideration in the present case are :

a) Whether the Noticees had indulged into fraudulent / manipulative trade practices by way of entering into synchronized trades among themselves and causing artificial volume rise in the scrip and had indulged into artificial price rise in the scrip of KTL in fraudulent manner through LTP contribution, New High Price contribution and First Trade contribution as alleged?

b) If yes, then whether the said fraudulent indulgence / practices is in violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a), 4 (2)(e) and 4 (2)(g) of PFUTP Regulations?

c) If yes, then whether the violation so established on the part of the Noticees would attract monetary penalty under section 15 HA of the SEBI Act?

d) If yes, then, what would be the monetary penalty that can be imposed upon the Noticees taking into consideration the factors stipulated in section 15J of the SEBI Act read with rule 5 (2) of the Adjudication Rules?

ISSUE NO. 1 & 2

Whether the Noticees had indulged into fraudulent / manipulative trade practices by way of entering into synchronized trades among themselves and causing artificial volume rise in the scrip and had indulged into artificial price rise in the scrip of KTL in fraudulent manner through LTP contribution, New High Price contribution and First Trade contribution as alleged? AND If yes, then whether the said fraudulent indulgence / practices is in violation of regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a), 4 (2)(e) and 4 (2)(g) of PFUTP Regulations?

9. Before going to examine the case, it is relevant to mention the judgment of the Hon'ble SAT in case of *Ketan Parekh Vs. SEBI* (Appeal No. 2 of 2004) decided on July 14, 2006 wherein it was categorically held that- *in order to find out whether a transaction has been executed with the intention to manipulate the market or defeat its mechanism, will depend upon the intention of the parties which could be inferred from the attending circumstances of the cases, because direct evidence in such cases may not be available*.

10. It would not be out of place to mention that in a recent judgment of the Hon'ble Supreme Court of India in case of *Securities and Exchange Board of India vs. Shri Kanhaiyalal Baldevbhai Patel (Civil Appeal No 2595 of 2013)* regarding proving of allegations of PFUTP Regulations, the following findings were made;

"To attract the rigor of Regulations 3 and 4 of the 2003 Regulations, mens rea is not an indispensable requirement and the correct test is one of preponderance of probabilities. Merely because the operation of the aforesaid two provisions of the 2003 Regulations

invite penal consequences on the defaulters, proof beyond reasonable doubt as held by this Court in Securities and Exchange Board of India Vs. Kishore R. Ajmera(supra) is not an indispensable requirement. The inferential conclusion from the proved and admitted facts, so long the same are reasonable and can be legitimately arrived at on a consideration of the totality of the materials, would be permissible and legally justified. Having regard to the facts of the present cases i.e. the volume of shares sold and purchased; the proximity of time between the transactions of sale and purchase and the repeated nature of transactions on different dates, in my considered view, would irresistibly lead to an inference that the conduct of the respondents in Appeal Nos.2595 of 2013, 2596 of 2013 and 2666 of 2013 and appellants in Appeal Nos.5829 of 2014 and 11195-11196 of 2014 were in breach of the code of business integrity in the securities market".

11. Now, taking into account the aforesaid judgment(s), I hereby proceeds to examine the case on the basis of material / evidences available on records and the attending circumstances of the case.

12. It is noted from the records that during the Investigation Period, price of the scrip of KTL increased from ` 22.95 to `153 registering an increase of ` 130.05 (566.67%). The price / volume data of the scrip of KTL at BSE before, during and after the Investigation Period is given below:

Particulars	Period		Opening Price (volume) on first day of the period (`)	Closing Price (volume) on last day of the period (`)	Low Price (volume) during the period (`)	High Price (volume) during the period (`)	Avg. no. of shares traded daily during the period
Before Investigation Period	01.05.2014 to 31.07.2014	Price	34.50	23.25	22.00	37.50	28,888
		Vol.	72,000	8,000	4,000	84,000	
During Investigation Period	01.08.2014 to 11.03.2015	Price	22.95	153.00	18.60 (Aug 1, 2014)	153.00 (Mar 11, 2015)	31,896
		Vol	40,000	20,000	4,000 (on multiple days)	1,76,000 (Dec 30, 2014)	
After Investigation Period	12.03.2015 to 11.06.2015	Price	152.00	153.00	152.00	158.80	16,857
		Vol	8000	4000	2000	64,000	

13. From the above, it is noted that average number of shares traded daily during the Investigation Period was more than the pre / post investigation period. The price

of the scrip before the investigation period was very less and the same raised voluminously during the investigation period.

<u>Examination of allegation of Synchronized trading resulting into artificial volume rise in the scrip.</u>

14. The relation / connection and the trading details as alleged remained undisputed in absence of any reply from the Noticees. It is noted from the records that Noticees are *inter –se* connected / related by one way or the others. The details of Know Your Client (KYC) documents, Unique Client code (UCC) database provided by the Exchange and Bank Account statements etc. in respect of Noticee(s) are shown in the Annexure 5 of the DVD provided along with SCN. The details of connections / relation of the Noticees among themselves etc. are also shown in table below.

<table>
<tr><th>Sr. no.</th><th>Client Name</th><th>PAN</th><th>Basis of connection</th></tr>
<tr><td>1</td><td>Dhananjay Kumar</td><td>BLIPK6750R</td><td rowspan="5">a) Noticee No. 1- 4 had financial transactions with Mr Prakashkumar N Parmar (PAN- APXPP2699J)

b) Noticee No. 4 and 5 has the common address at B-12, Girish Society, D Cabin, Near Shanti Dham, Sabarmati, Ahmedabad, Gujrat</td></tr>
<tr><td>2</td><td>Amratbhai Chaturdas Patel</td><td>AYZPP7771L</td></tr>
<tr><td>3</td><td>Narendrabhai Shivabhai Parmar</td><td>BOOPP9405H</td></tr>
<tr><td>4</td><td>Sandipkumar Prakashbhai Prajapati</td><td>BJXPP9015P</td></tr>
<tr><td>5</td><td>Savan Keshavlal Prajapati</td><td>CGKPP1066M</td></tr>
</table>

15. The details of top 10 clients who bought and sold the shares (including the Noticees) in the scrip of KTL during the Investigation Period are shown in tables below;

Buy Client Name	Total	% of Trd Vol	Sell Client Name	Total	% of Trd Vol
Kiritkumar Raghuram Thakker	464,000	18.89%	Shrenikbhai Sudhirbhai Vimavala	348,000	14.17%
Shah Investors Home Ltd	392,000	15.96%	**Dhananjay Kumar**	**244,000**	**9.93%**
Dhananjay Kumar	**244,000**	**9.93%**	Shah Investors Home Ltd	232,000	9.45%
Thakkar Parth Kiritbhai	132,000	5.37%	Aryaman Broking Limited	192,000	7.82%
Sandipkumar Prakashbhai Prajapati	**108,000**	**4.40%**	**Sandipkumar Prakashbhai Prajapati**	**108,000**	**4.40%**
Pragna Harshad Panchal	96,000	3.91%	Pragna Harshad Panchal	92,000	3.75%
Amratbhai Chaturdas Patel	**88,000**	**3.58%**	**Amratbhai Chaturdas Patel**	**88,000**	**3.58%**
Savan Keshavlal Prajapati	**64,000**	**2.61%**	Vipul Y Mehata Huf	68,000	2.77%

Aryaman Broking Limited	48,000	1.95%	Divyesh Yashwantrai Mehta	68,000	2.77%
Beena Mukesh Shah	40,000	1.63%	Sagar Yeswantrai Mehta	68,000	2.77%
Top 10 Buy Clients	**1,676,000**	**68.24%**	**Top 10 Sell Clients**	**1,508,000**	**61.40%**
Remaining Clients	**780,000**	**31.76%**	**Remaining Clients**	**948,000**	**38.60%**
Total Traded Volume	**2,456,000**	**100.00%**	**Total Traded Volume**	**2,456,000**	**100.00%**

Client Name	Gross Buy	% of Gross Buy to Mkt. Volume	Gross Sell	% of Gross Sell to Mkt. Volume	Net Qty.
Narendrabhai Shivabhai Parmar	24,000	1	24,000	1	0

16. From the above, it is noted that all the Noticees had bought and sold the same number of shares during the investigation period (viz. 5,28,000 shares bought and 5,28,000 shares sold). I have also noted total traded volume by the Noticees is 21.52% to the total market which is voluminous in nature.

17. It is noted from the records that the Noticees had indulged among themselves into various synchronized trades (i.e. the trades where the buy and sell order quantity and rate were identical and orders for these transactions were placed within in a time gap of less than 1 minute) for 3,24,000 shares (which was 13.19% of the market volume) during the investigation period. The summary of synchronized trades of the Noticees are mentioned in table below:

Particulars	Gross Buy Qty of Group entities	Gross Sell Qty of Group entities	Total traded qty among the Group entities	Synchronized traded qty by Group entities	Sync Trades as % of total traded qty among the Group entities	Sync Trades as % of Total market volume (2456000 shares)
Noticee No. 1-5	5,28,000	5,28,000	3,52,000	3,24,000	92.05	13.19

18. Here, it is not out of place to mention that indulging into 13.19% synchronized trading when compared to total market volume and 92.05% among the group itself is voluminous in nature and same cannot result coincidentally unless it is so planned. I cannot ignore that the same gross buy as well as gross sell quantity of the Noticees was 5,28,000 shares and out of that 3,24,000 shares (i.e. 61% of

their gross) were resulted through synchronized trading only amongst themselves. It is seen from the records that repetitive synchronized trades were executed by the Noticees among themselves through 72 trades over several number of days and detailed analysis of synchronized trades of the Noticees, is given in table below.

Noticee	Buy Side				Sell Side			
	Qty of Synch Trades	% of Synch Vol. to Mkt. Vol.	No of Trades	No of Days	Qty of Synch Trades	% of Synch Vol. to Mkt. Vol.	No of Trades	No of Days
Amratbhai Chaturdas Patel	44,000	1.79	9	6	76,000	3.09	15	7
Dhananjay Kumar	148,000	6.03	31	18	116,000	4.72	26	17
Narendrabhai Shivabhai Parmar	16,000	0.65	4	2	12,000	0.49	3	3
Sandipkumar Prakashbhai Prajapati	72,000	2.93	18	12	68,000	2.77	16	11
Savan Keshavlal Prajapati	44,000	1.79	10	7	52,000	2.12	12	9
Grand Total	**324,000**	**13.19**	**72**	**-**	**324,000**	**13.19**	**72**	**-**

19. I have carefully perused the order/trade logs (annexure 6 of the Investigation Report) which is attached in DVD along with SCN and analyzed the synchronized trades executed amongst the Noticees. The details / extracts of such synchronized trades of the Noticees are given below.

Date	Buyer Name	Seller Name	Buy Order Time	Sell Order Time	Trade Quantity	Time Difference	Price Difference	Quantity Difference
30.12.2014	SAVAN KESHAVLAL PRAJAPATI	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:59:03.3720460	10:58:59.0737540	4000.00	00:00:04	0.00	0.00
30.12.2014	SAVAN KESHAVLAL PRAJAPATI	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	11:00:22.6823350	11:00:19.1434260	4000.00	00:00:03	0.00	0.00
30.12.2014	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	11:35:15.4589170	11:35:16.0339120	4000.00	00:00:01	0.00	0.00
31.12.2014	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	11:37:17.7387560	11:37:16.9338490	4000.00	00:00:01	0.00	0.00
31.12.2014	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	NARENDRABHAI SHIVABHAI PARMAR	13:52:46.1854180	13:52:45.0887000	4000.00	00:00:01	0.00	0.00
31.12.2014	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	14:06:52.4262850	14:06:50.8046770	4000.00	00:00:02	0.00	0.00
01.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	11:00:09.6650850	11:00:09.5754040	4000.00	00:00:00	0.00	0.00
05.01.2015	DHANANJAY KUMAR	SANDIPKUMAR	13:11:48.3821660	13:11:47.0893690	8000.00	00:00:01	0.00	0.00

		PRAKASHBHAI PRAJAPATI						
06.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	13:51:36.0294810	13:51:35.3475220	4000.00	00:00:01	0.00	0.00
07.01.2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	10:20:57.5645150	10:20:55.6441150	4000.00	00:00:02	0.00	0.00
07.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	10:21:27.1637760	10:21:26.4404600	4000.00	00:00:01	0.00	0.00
07.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	14:57:30.2757870	14:57:29.7859640	4000.00	00:00:01	0.00	0.00
07.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	14:57:38.1517970	14:57:38.6881600	4000.00	00:00:00	0.00	0.00
08.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:04:15.6883390	10:04:12.6405950	4000.00	00:00:03	0.00	0.00
08.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	10:04:23.4700670	10:04:22.3670220	4000.00	00:00:01	0.00	0.00
08.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	14:35:17.2676740	14:35:16.6395780	4000.00	00:00:01	0.00	0.00
08.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	14:36:27.4853320	14:36:27.3082200	4000.00	00:00:00	0.00	0.00
09.01.2015	NARENDRABHAI SHIVABHAI PARMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:00:51.4996990	10:00:49.6353630	4000.00	00:00:02	0.00	0.00
09.01.2015	DHANANJAY KUMAR	NARENDRABHAI SHIVABHAI PARMAR	10:01:04.6796960	10:01:02.5428240	4000.00	00:00:02	0.00	0.00
09.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	10:02:17.9721580	10:02:02.3184620	4000.00	00:00:15	0.00	0.00
09.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:02:30.0496980	10:02:28.2320370	4000.00	00:00:02	0.00	0.00
12.01.2015	SAVAN KESHAVLAL PRAJAPATI	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:05:58.0727730	10:05:57.6703990	4000.00	00:00:01	0.00	0.00
12.01.2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	10:06:08.2681650	10:06:06.8212420	4000.00	00:00:02	0.00	0.00
12.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	10:06:19.2786400	10:06:19.0342980	4000.00	00:00:00	0.00	0.00
13.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	12:31:21.2957220	12:31:19.9350610	4000.00	00:00:02	0.00	0.00
13.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	12:54:02.1274580	12:54:00.6998980	4000.00	00:00:02	0.00	0.00
13.01.2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	12:54:44.7171520	12:54:41.4231390	4000.00	00:00:03	0.00	0.00
13.01.2015	SAVAN KESHAVLAL PRAJAPATI	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	12:54:53.3027810	12:54:50.8433720	4000.00	00:00:03	0.00	0.00
13.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	12:55:12.2955940	12:55:11.4526200	4000.00	00:00:01	0.00	0.00
14.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	11:28:06.0781840	11:28:05.2227760	4000.00	00:00:01	0.00	0.00
14.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	11:51:02.0090850	11:51:00.2372000	4000.00	00:00:02	0.00	0.00

14.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	11:52:00.5594080	11:51:59.8522230	4000.00	00:00:01	0.00	0.00
14.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	11:52:30.8591790	11:52:28.7131290	4000.00	00:00:02	0.00	0.00
15.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:58:16.0989810	10:58:15.2250140	4000.00	00:00:01	0.00	0.00
15.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	11:13:18.7659880	11:13:17.8658320	4000.00	00:00:01	0.00	0.00
15.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	11:13:34.4039110	11:13:32.2099620	4000.00	00:00:02	0.00	0.00
15.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	11:13:46.7105800	11:13:46.1328900	4000.00	00:00:00	0.00	0.00
15.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	11:14:37.1428450	11:14:09.5866360	4000.00	00:00:28	0.00	0.00
15.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	11:15:05.7472680	11:15:02.4190040	4000.00	00:00:03	0.00	0.00
16.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:26:58.5794580	10:26:57.3116180	4000.00	00:00:01	0.00	0.00
16.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:43:32.5024040	10:43:30.7003280	4000.00	00:00:02	0.00	0.00
16.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	10:43:42.1135250	10:43:44.5097400	8000.00	00:00:02	0.00	0.00
16.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:44:04.4636930	10:44:03.8998160	4000.00	00:00:01	0.00	0.00
16.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:44:20.8220790	10:44:07.3554310	4000.00	00:00:03	0.00	0.00
20.01.2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	12:33:57.0195680	12:33:55.0269050	8000.00	00:00:02	0.00	0.00
30.01.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	10:40:17.1605810	10:40:16.7210370	4000.00	00:00:01	0.00	0.00
30.01.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	10:40:31.4996370	10:40:31.8016150	4000.00	00:00:00	0.00	0.00
30.01.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	13:38:16.1131400	13:38:14.9185590	8000.00	00:00:02	0.00	0.00
30.01.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	13:43:05.7808160	13:43:05.6015600	4000.00	00:00:00	0.00	0.00
30.01.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	13:43:21.2168210	13:43:21.0324790	4000.00	00:00:00	0.00	0.00
02.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	11:17:46.3286700	11:17:46.2025510	8000.00	00:00:00	0.00	0.00
03.02.2015	NARENDRABHAI SHIVABHAI PARMAR	DHANANJAY KUMAR	10:55:42.7329120	10:57:34.7426390	4000.00	00:00:01	0.00	0.00
03.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	10:57:56.7748620	10:57:54.1456740	8000.00	00:00:02	0.00	0.00
03.02.2015	NARENDRABHAI SHIVABHAI PARMAR	DHANANJAY KUMAR	10:58:35.8726380	10:58:36.0578370	4000.00	00:00:01	0.00	0.00
03.02.2015	AMRATBHAI CHATURDAS PATEL	NARENDRABHAI SHIVABHAI PARMAR	14:47:29.8451330	14:46:06.0849040	4000.00	00:00:07	0.00	0.00
03.02.2015	NARENDRABHAI SHIVABHAI PARMAR	DHANANJAY KUMAR	14:46:10.0058650	14:47:33.2689800	4000.00	00:00:24	0.00	0.00

03.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	14:47:49.0349630	14:47:48.8290820	4000.00	00:00:01	0.00	0.00
04.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	12:05:16.3958840	12:05:16.4184300	4000.00	00:00:00	0.00	0.00
04.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	12:05:27.7815110	12:05:27.5681920	4000.00	00:00:00	0.00	0.00
05.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	11:33:37.5940150	11:33:37.1041930	4000.00	00:00:00	0.00	0.00
05.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	11:33:49.0463480	11:33:49.4385040	4000.00	00:00:00	0.00	0.00
05.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	14:26:59.3365400	14:26:58.8030560	4000.00	00:00:01	0.00	0.00
05.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	14:27:13.0485660	14:27:13.2122040	8000.00	00:00:00	0.00	0.00
05.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	14:27:21.3527840	14:27:20.0078750	4000.00	00:00:01	0.00	0.00
06.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	11:09:54.6346580	11:09:53.8788920	4000.00	00:00:01	0.00	0.00
06.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	11:10:12.9148280	11:10:12.4792510	4000.00	00:00:00	0.00	0.00
06.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	14:08:12.9626480	14:08:12.4405140	4000.00	00:00:00	0.00	0.00
06.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	14:09:04.0741980	14:09:04.5245560	4000.00	00:00:00	0.00	0.00
09.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	13:08:34.3680180	13:08:36.4918720	4000.00	00:00:02	0.00	0.00
09.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	13:08:48.2444640	13:08:49.0873590	8000.00	00:00:01	0.00	0.00
09.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	13:09:02.3847380	13:09:02.2948800	8000.00	00:00:00	0.00	0.00
09.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	13:09:11.9988210	13:09:11.1507760	4000.00	00:00:00	0.00	0.00

20. From the above, it is observed that almost buy and sell orders of the Noticees were executed within a gap of 0 to 3 second only and there was no difference of quantity and price at which the said respective buy / sell orders were placed. I am of the view placing respective orders at similar price / quantity (zero difference in price/quantity) and time difference of only 0-3 seconds in almost trades, cannot happen by virtue of coincidence, but, certainly the orders have been so put into system to ensure that their respective orders would meet to themselves only. Further, I cannot ignore that by selling/buying among themselves the same numbers of shares (viz. bought 3,24,000 shares and sold 3,24,000 shares in synchronized trading) on several days, their net trading resulted zero. The aforesaid trading pattern clearly shows that the Noticees in

collusion among themselves had adopted such mechanism / practice with fraudulent /manipulative intent to create false market in the share of KTL without changing meaningful ownership of shares as their net trading (either total trading or the synchronized trading) resulted zero. Needless to say that aforesaid pattern cannot be an ordinary pattern or genuine trading; rather by so doing for a period of around one and half month, such trading had resulted into artificial volume rise in the share of KTL and created artificially / false impression of trading in the market.

21. At this juncture, I would like to refer a judgment of Hon'ble SAT in case of ***Sparkline Mercantile Co Pvt. Ltd. vs. Securities and Exchange Board of India, Appeal No. 171 of 2011 decided on 16/01/2012*** wherein it was held that-

"It is an admitted position that it is difficult to get direct evidence with regard to synchronization of trades for the purpose of upsetting the market equilibrium or to manipulate the market. It is only on the basis of circumstantial evidence that such a connection can be proved. ……………. A large number of trades were executed among the group entities within a minute of placing the order. This cannot happen without prior meeting of minds among the connected entities. From the details of the trades executed and having regard to the trading system, we do not think that such large number of trades could match between the same parties unless the trading system was being abused."

22. In view of the aforesaid established repetitive synchronized trades under investigation period, it is concluded that the Noticees had deliberately with an fraudulent intent had created artificially volume rise / had created impression of false market in the scrip and thereby had violated regulations 3 (a), (b), (c), (d), 4 (1), 4 (2) (a) & (g) of the PFUTP Regulations.

<u>Examination of allegation of manipulative Price rise in the scrip.</u>

23. It is noted from the records that during the Investigation Period, price of the scrip opened at ` 22.95 and reached to a high of ` 153. It is noted that there was

continuous price rise during the Investigation Period and the shares were bought at the price more than the LTP. The details of price contribution by the Noticees through their trades executed beyond LTP are tabulated below:

Name of the buyer.	All trades			LTP Diff. > 0			LTP Diff. < 0			LTP Diff. = 0		% of positive LTP to market positive LTP
	Net LTP (in `)	Sum of Quantity	No of trades	LTP impact (in `)	QTY traded	No of trades	LTP impact (in `)	QTY traded	No of trades	QTY traded	No of trades	
Dhananjay Kumar	4.90	244,000	52	15.10	136,000	27	-10.20	88,000	20	20,000	5	6.36
Amratbhai Chaturdas Patel	1.65	88,000	17	2.05	72,000	13	-0.40	12,000	3	4,000	1	0.86
Narendrabhai Shivabhai Parmar	5.15	24,000	6	5.25	20,000	5	-0.10	4,000	1	0	0	2.21
Sandipkumar Prakashbhai Prajapati	4.75	108,000	26	5.55	92,000	22	-0.80	12,000	3	4,000	1	2.34
Savan Keshavlal Prajapati	2.30	64,000	15	2.70	36,000	9	-0.40	24,000	5	4,000	1	1.14
Total (Group-3 entities / Noticees)	**18.75**	**528,000**	**116**	**30.65**	**356,000**	**76**	**-11.90**	**140,000**	**32**	**32,000**	**8**	**12.92**
Total - Market	**130.05**	**2,456,000**	**507**	**237.25**	**868,000**	**185**	**-107.20**	**556,000**	**107**	**1,032,000**	**215**	**100.00**

24. It is observed that the Noticees had significantly indulged into trading by placing buy/sell orders at a price more than the LTP and by so doing they have contributed / raised price of the scrip by ` 30.65 (12.92% of total market positive LTP) and have contributed ` 18.75 to net LTP. I am of the view that contribution / indulging into trading by placing orders at the higher price than LTP and thereby raising the price to ` 30.65 which is 12.92% price rise of total market positive LTP, is extremely voluminous. No justification is on record to show the reason of execution of trades at high price as compared to LTP.

25. Further, from the records it is noted that price rise in the scrip was also contributed by the Noticee by trading among themselves. The details of such price rise through LTP variance executed among the Noticees, are given below:

Seller ➡ / Buyer ⬇	Amratbhai Chaturdas Patel		Dhananjay Kumar		Narendrabhai Shivabhai Parmar		Sandipkumar Prakashbhai Prajapati		Savan Keshavlal Prajapati		Total by trading among themselves		Trading with others		Total	
	No.of trades	LTP (`)	No.of trades	LTP (`)	No.of trades	LTP (`)	No.of trades	LTP (`)	No.of trades	LTP (`)	No.of trades	LTP (`)	No.of trades	LTP (`)	No.of trades	LTP (`)
Dhananjay kumar	12	11.80	-	-	-	-	2	0.90	4	0.25	18	12.95	9	2.15	27	15.10
Sandipkumar Prakashbhai Prajapati	-	-	8	2.70	-	-	-	-	8	1.75	16	4.45	6	1.1	22	5.55
Narendrabhai Shivabhai Parmar	-	-	2	4.10	-	-	1	0.50	-	-	3	4.60	2	0.65	5	5.25
Savan Keshavlal Prajapati	-	-	5	2.25	-	-	2	0.30	-	-	7	2.55	2	0.15	9	2.70
Amratbhai Chaturdas Patel	-	-	8	1.60	1	0.10	0	-	-	-	9	1.70	4	0.35	13	2.05
Grand Total	**12**	**11.80**	**23**	**10.65**	**1**	**0.10**	**5**	**1.70**	12	**2.00**	**53**	**26.25**	**23**	**4.4**	**76**	**30.65**

26. It is observed that by trading among themselves repeatedly in 53 instances, the Noticees had influenced / contributed ` 26.25 which is 11.06% of market positive LTP. From the above, an example of such trading beyond LTP is being given as under. It is observed that Mr. Dhananjay Kumar / Noticee No. 1 (as buyer) has traded with Mr Amratbhai Chaturdas Patel / Noticee No. 2 (as seller) in 12 instances and contributed to total positive LTP difference / contribution of ` 11.80. In total, Mr. Dhananjay Kumar / Noticee No. 1 as a buyer had traded with connected entities in 27 instances and contributed price rise beyond LTP to ` 15.10; and Mr Amratbhai Chaturdas Patel / Noticee No. 2, as a seller had traded with connected entities in 11 instances and contributed price rise beyond LTP to ` 11.80. Similarly, remaining Noticees also repeatedly traded among themselves to contribute price rise beyond LTP.

27. I have carefully perused the order/trade logs (annexure 7 of the Investigation Report) which is attached in DVD along with SCN and analyzed the LTP details executed amongst the Noticees. Some details / extracts of price rise executed by the Noticees among themselves beyond the LTP is given in table below;

Batch Date	Buyer Name	Seller Name	Buy Order Time	Sell Order Time	Trade Price	LTP Difference	LTP Percentage	Time Difference
30.12.2014	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	**11:35:15.4589170**	**11:35:16.0339120**	67.45	0.05	0.07	00:00:01
31.12.2014	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	11:37:17.7387560	11:37:16.9338490	73.50	0.25	0.34	00:00:01
01.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	11:00:09.6650850	11:00:09.5754040	77.10	0.05	0.06	00:00:00
06.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	13:51:36.0294810	13:51:35.3475220	78.75	0.35	0.45	00:00:01
07.01.2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	10:20:57.5645150	10:20:55.6441150	82.10	0.05	0.06	00:00:02
07.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	14:57:30.2757870	14:57:29.7859640	82.00	0.85	1.05	00:00:01
07.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	10:21:27.1637760	10:21:26.4404600	83.00	0.90	1.10	00:00:01
07.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	**14:57:38.1517970**	**14:57:38.6881600**	83.00	1.00	1.22	00:00:00
08.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:04:15.6883390	10:04:12.6405950	84.40	0.10	0.12	00:00:03
08.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	10:04:23.4700670	10:04:22.3670220	84.50	0.10	0.12	00:00:01
09.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:02:30.0496980	10:02:28.2320370	88.60	0.05	0.06	00:00:02
09.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	10:02:17.9721580	10:02:02.3184620	88.55	0.15	0.17	00:00:15
09.01.2015	NARENDRABHAI SHIVABHAI PARMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:00:51.4996990	10:00:49.6353630	88.50	0.50	0.57	00:00:02
12.01.2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	10:06:08.2681650	10:06:06.8212420	92.30	0.05	0.05	00:00:02
12.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	**10:06:19.2786400**	**10:06:19.0342980**	92.35	0.05	0.05	00:00:00
12.01.2015	SAVAN KESHAVLAL PRAJAPATI	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:05:58.0727730	10:05:57.6703990	92.25	0.20	0.22	00:00:01
13.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	12:54:22.8479220	12:54:18.3625560	96.05	0.05	0.05	00:00:04
13.01.2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	12:54:44.7171520	12:54:41.4231390	96.10	0.05	0.05	00:00:03
13.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	12:55:12.2955940	12:55:11.4526200	96.25	0.05	0.05	00:00:01
13.01.2015	SAVAN KESHAVLAL PRAJAPATI	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	12:54:53.3027810	12:54:50.8433720	96.20	0.10	0.10	00:00:03
13.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	12:54:02.1274580	12:54:00.6998980	96.00	1.00	1.05	00:00:02
14.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	11:52:30.8591790	11:52:28.7131290	97.45	0.45	0.46	00:00:02
14.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	11:51:02.0090850	11:51:00.2372000	97.50	0.50	0.52	00:00:02
15.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:58:16.0989810	10:58:15.2250140	97.50	0.05	0.05	00:00:01
15.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	11:15:05.7472680	11:15:02.4190040	98.25	0.25	0.26	00:00:03
15.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	11:13:18.7659880	11:13:17.8658320	98.00	0.50	0.51	00:00:01
15.01.2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	11:14:37.1428450	11:14:09.5866360	98.00	0.50	0.51	00:00:28

16.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:44:20.8220790	10:44:07.3554310	96.25	0.10	0.10	00:00:03
16.01.2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:43:32.5024040	10:43:30.7003280	96.25	0.25	0.26	00:00:02
20.01.2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	12:33:57.0195680	12:33:55.0269050	97.70	0.10	0.10	00:00:02
29.01.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	11:40:08.8302200	11:40:04.0002240	96.65	0.05	0.05	00:00:04
30.01.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	**10:40:31.4996370**	**10:40:31.8016150**	100.05	0.05	0.05	00:00:00
30.01.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	13:38:16.1131400	13:38:14.9185590	100.20	0.05	0.05	00:00:02
30.01.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	**13:43:21.2168210**	**13:43:21.0324790**	100.05	0.05	0.05	00:00:00
30.01.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	10:40:17.1605810	10:40:16.7210370	100.00	1.00	1.01	00:00:01
02.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	11:17:46.3286700	11:17:46.2025510	102.50	0.10	0.10	00:00:00
03.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	10:57:56.7748620	10:57:54.1456740	105.10	0.10	0.10	00:00:02
03.02.2015	AMRATBHAI CHATURDAS PATEL	NARENDRABHAI SHIVABHAI PARMAR	10:58:14.1987400	10:54:41.8295620	105.20	0.10	0.10	00:00:07
03.02.2015	NARENDRABHAI SHIVABHAI PARMAR	DHANANJAY KUMAR	**10:58:35.8726380**	**10:58:36.0578370**	105.30	0.10	0.10	00:00:01
03.02.2015	NARENDRABHAI SHIVABHAI PARMAR	DHANANJAY KUMAR	10:55:42.7329120	10:57:34.7426390	105.00	4.00	3.96	00:00:01
04.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	12:05:27.7815110	12:05:27.5681920	110.10	0.10	0.09	00:00:00
04.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	**12:05:16.3958840**	**12:05:16.4184300**	110.00	4.50	4.27	00:00:00
05.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	**11:33:49.0463480**	**11:33:49.4385040**	110.10	0.10	0.09	00:00:00
05.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	14:26:59.3365400	14:26:58.8030560	110.20	0.10	0.09	00:00:01
05.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	**14:27:13.0485660**	**14:27:13.2122040**	110.30	0.10	0.09	00:00:00
05.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	14:27:21.3527840	14:27:20.0078750	110.40	0.10	0.09	00:00:01
06.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	14:08:12.9626480	14:08:12.4405140	115.40	0.10	0.09	00:00:00
06.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	11:10:12.9148280	11:10:12.4792510	116.00	1.00	0.87	00:00:00
06.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	11:09:54.6346580	11:09:53.8788920	115.00	4.60	4.17	00:00:01
09.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	**13:08:48.2444640**	**13:08:49.0873590**	120.10	0.10	0.08	00:00:01
09.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	13:09:02.3847380	13:09:02.2948800	120.20	0.10	0.08	00:00:00
09.02.2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	13:09:11.9988210	13:09:11.1507760	120.30	0.10	0.08	00:00:00
09.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	**13:08:34.3680180**	**13:08:36.4918720**	120.00	1.00	0.84	00:00:02

28. From the above, it is seen that are certain instances wherein the buy orders at a price more than LTP were placed before the sell orders which itself suggests that the same were so placed to raise the price of the scrip. Needless to say that generally no buyers would prefer to purchase the shares at the price more than LTP (except in some crucial situations), but, certainly not in present case where the pattern adopted by the Noticees among themselves is apparently dubious / nefarious. I cannot ignore that the Noticees had very cleverly adopted a pattern as can be seen that in many instances, as seller they first placed sell orders and

just after a gap of few seconds (viz. 0-3 seconds in almost cases), their related / connected counterparty placed orders to buy shares without any difference in price / quantity of shares and only in gap of 0-3 seconds. I cannot ignore that entering into trades at multiple occasions beyond the LTP at same price/quantity/ within a gap of zero or few seconds only, cannot be the ordinary practice or genuine trading. Such continuous pattern amongst themselves clearly suggests that they in collusion had placed order buy/sell beyond LTP to raise the price of the scrip.

29. Therefore, taking into account the aforesaid considerable / repeated placing of orders at price above LTP that too among themselves, it is concluded that Noticees had indulged into creation of artificial price rise in the share of KTL and thereby had violated regulation 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (e) of PFUTP Regulations.

30. Further, it is observed that artificial price rise was also contributed by the Noticees through another mechanism / modus operandi (i.e. placing orders at the NHP at many occasions. It is noted that the Noticees had contributed ` 15.30 to NHP (11.76% of total market NHP) in total 28 trades. The details of NHP contribution by the Noticees during the Investigation Period is tabulated below:

Entity Name	NHP (`)	No. of Trades	Trade Qty	% of total mkt NHP (` 130.05)
Dhananjay Kumar	8.65	8	40,000	6.65
Narendrabhai Shivabhai Parmar	2.60	3	12,000	2.00
Savan Keshavlal Prajapati	1.45	5	20,000	1.11
Amratbhai Chaturdas Patel	1.40	5	24,000	1.08
Sandipkumar Prakashbhai Prajapati	1.20	7	28,000	0.92
Total	**15.30**	**28**	**124,000**	**11.76**

31. It is seen from the available records that ` 14.95 NHP contribution (11.50% of market NHP) was made due to trades of the Noticees executed among themselves wherein they were the counterparty to each other. The details of such trading amongst themselves in creating NHP are given below:

Seller	Amratbhai Chaturdas Patel		Dhananjay Kumar		Narendrabhai Shivabhai Parmar		Sandipkumar Prakashbhai Prajapati		Savan Keshavlal Prajapati		Total by trading among themselves		Trading with others		Total	
Buyer	NHP	No.of trades	NHP	No.of trades	NHP	No.of trades	NHP	No.of trades	NHP	No.of trades	NHP	No.of trades	NHP	No.of trades	NHP	No.of trades
Amratbhai Chaturdas Patel	0	0	1.3	4	0.1	1	0	0	0	0	1.4	5	0	0	1.4	5
Dhananjay Kumar	8.2	5	0	0	0	0	0	0	0.1	2	8.3	7	0.35	1	8.65	8
Narendrabhai Shivabhai Parmar	0	0	2.1	2	0	0	0.5	1	0	0	2.6	3	0	0	2.6	3
Sandipkumar Prakashbhai Prajapati	0	0	0.75	3	0	0			0.45	4	1.2	7	0	0	1.2	7
Savan Keshavlal Prajapati	0	0	1.15	3	0	0	0.3	2	0	0	1.45	5	0	0	1.45	5
Grand Total	**8.2**	**5**	**5.3**	**12**	**0.1**	**1**	**0.8**	**3**	**0.55**	**6**	**14.95**	**27**	**0.35**	**1**	**15.3**	**28**

32. From the above, it is established that the Noticees have traded repeatedly among themselves in 28 instances and manipulated the price of the scrip by contributing to NHP. As an example from the above table, it is seen that Mr. Dhananjay Kumar / Noticee No. 1 (as buyer) has traded with Mr. Amratbhai Chaturdas Patel / Noticee No. 2 (as seller), in 5 instances and thereby contributed to NHP to the extent of ` 8.20 in the scrip.

33. I have carefully perused the order/trade logs (annexure 8 of the Investigation Report) which is attached in DVD along with SCN, and analyzed the 28 NHP trade details executed amongst the Noticees. The details / extracts of such NHP is given below;

TRADE_DATE	CLIENTNAME	CP_CLIENTNAME	ORDER_TIME	CP_ORDER_TIME	TRADE_RATE	NHP	NHP_Value	TRADED_QTY
07/01/2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	10:21:27	10:21:26	83	83	0.65	4000
08/01/2015	DHANANJAY KUMAR	KRUNAL ASHOKKUMAR JETHVA	10:02:42	10:02:26	84.25	84.25	0.35	4000
08/01/2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:04:16	10:04:13	84.4	84.4	0.1	4000
08/01/2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	10:04:23	10:04:22	84.5	84.5	0.1	4000
09/01/2015	NARENDRABHAI SHIVABHAI PARMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:00:51	10:00:50	88.5	88.5	0.5	4000
09/01/2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	10:02:18	10:02:02	88.55	88.55	0.05	4000
09/01/2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	10:02:30	10:02:28	88.6	88.6	0.05	4000

12/01/2015	SAVAN KESHAVLAL PRAJAPATI	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:05:58	10:05:58	92.25	92.25	0.2	4000
12/01/2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	10:06:08	10:06:07	92.3	92.3	0.05	4000
12/01/2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	10:06:19	10:06:19	92.35	92.35	0.05	4000
13/01/2015	SAVAN KESHAVLAL PRAJAPATI	DHANANJAY KUMAR	12:54:02	12:54:01	96	96	1	4000
13/01/2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	12:54:23	12:54:18	96.05	96.05	0.05	4000
13/01/2015	DHANANJAY KUMAR	SAVAN KESHAVLAL PRAJAPATI	12:54:45	12:54:41	96.1	96.1	0.05	4000
13/01/2015	SAVAN KESHAVLAL PRAJAPATI	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	12:54:53	12:54:51	96.2	96.2	0.1	4000
13/01/2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	DHANANJAY KUMAR	12:55:12	12:55:11	96.25	96.25	0.05	4000
15/01/2015	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	SAVAN KESHAVLAL PRAJAPATI	11:15:06	11:15:02	98.25	98.25	0.25	4000
03/02/2015	NARENDRABHAI SHIVABHAI PARMAR	DHANANJAY KUMAR	10:55:43	10:57:35	105	105	2	4000
03/02/2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	10:57:57	10:57:54	105.1	105.1	0.1	8000
03/02/2015	AMRATBHAI CHATURDAS PATEL	NARENDRABHAI SHIVABHAI PARMAR	10:58:14	10:54:42	105.2	105.2	0.1	4000
03/02/2015	NARENDRABHAI SHIVABHAI PARMAR	DHANANJAY KUMAR	10:58:36	10:58:36	105.3	105.3	0.1	4000
04/02/2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	12:05:16	12:05:16	110	110	4	4000
04/02/2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	12:05:28	12:05:28	110.1	110.1	0.1	4000
06/02/2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	11:09:55	11:09:54	115	115	3	4000
06/02/2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	11:10:13	11:10:12	116	116	1	4000
09/02/2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	13:08:34	13:08:36	120	120	1	4000
09/02/2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	13:08:48	13:08:49	120.1	120.1	0.1	8000
09/02/2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	13:09:02	13:09:02	120.2	120.2	0.1	8000
09/02/2015	AMRATBHAI CHATURDAS PATEL	DHANANJAY KUMAR	13:09:12	13:09:11	120.3	120.3	0.1	4000

34. From the above pattern of placing order at NHP from January 07, 2015 to February 09, 2015, it is established that the Noticees among themselves had executed trades at NHP and by so doing with manipulative intent, they have

considerably contributed to artificial price rise in the scrip to the extent of ` 14.95. Therefore, the Noticee by such indulgence in placing orders beyond LTP and creating NHP, had violated regulation 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (e) of the PFUTP Regulations.

35. It was also alleged that the Noticee(s) had indulged fraudulently in placing First order of the day beyond LTP and thereby manipulated price of scrip. I have perused annexure 9 of the Investigation Report (order/trade logs) which was attached in DVD along with SCN and relevant extracts are produced as under;

Batch Date	Buyer Name	Seller Name	Buy Order Time	Sell Order Time	Trade Price	LTP Difference
06.01.2015	DHANANJAY KUMAR	RATANBEN BHARATKUMAR MARWADI	10:14:17.4905800	10:13:46.3497070	77.45	0.20
08.01.2015	DHANANJAY KUMAR	KRUNAL ASHOKKUMAR JETHVA	10:02:41.6799780	10:02:26.1958600	84.25	0.35
13.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	12:31:21.2957220	12:31:19.9350610	95.00	0.00
14.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	11:28:06.0781840	11:28:05.2227760	97.00	-1.00
15.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:58:16.0989810	10:58:15.2250140	97.50	0.05
16.01.2015	DHANANJAY KUMAR	SANDIPKUMAR PRAKASHBHAI PRAJAPATI	10:26:58.5794580	10:26:57.3116180	96.00	0.00
22.01.2015	DHANANJAY KUMAR	SANJEEV KUMAR	13:12:51.6276390	13:12:47.3525110	96.50	0.20
30.01.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	10:40:17.1605810	10:40:16.7210370	100.00	1.00
04.02.2015	**DHANANJAY KUMAR**	**AMRATBHAI CHATURDAS PATEL**	**12:05:16.3958840**	**12:05:16.4184300**	**110.00**	**4.50**
06.02.2015	DHANANJAY KUMAR	AMRATBHAI CHATURDAS PATEL	11:09:54.6346580	11:09:53.8788920	115.00	4.60

36. From the above, it is seen that except in one instance on February 04, 2015, the sell order was placed first and thereafter buy orders were placed. Also, in 3 instances the counterparty to the Noticee No. 1 were scattered (i.e. not the connected to Noticee). However, I cannot loose sight that for instance on 4th February 2015, the Noticee No. 1 had raised price of scrip by ` 4.50 through placing first buy order of the day beyond LTP and therefore he had increased price of the scrip to a considerable extent and thereby violated regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (e) of PFUTP Regulations.

37. Here, I cannot loose sight from judgment of Hon'ble SAT in case of *Systematix Shares & Stocks (India) Limited vs. SEBI (*Appeal No. 21 of 2012 decided on April 23, 2012) wherein setting up of NHP beyond LTP was not found to be normal and lawful market practice. From the aforesaid trading pattern adopted by the Noticees (viz. placing orders among themselves for a period of one and half month at price beyond the LTP in many trades, placing orders at NHP and first trade of day beyond LTP without any difference in price / quantity of shares ordered or time difference of 0-3 seconds only in most cases), it is clear that the Noticees had indulged into such trading with manipulative intent of raising the price of the scrip.

38. From the analysis / observations made by me at pre paras, it is established that the Noticees while adopting aforesaid mechanism/artifice/modus operandi had created false / misleading appearance of trading in the securities market and artificially raised the volume in the scrip of KTL by way of synchronized trading; and had indulged into price manipulation of the scrip by way of placing orders beyond LTP, placing first order beyond LTP, creating NHP etc. in the scrip. Therefore, I am of the considered view that the Noticees by so indulging had violated regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a), 4 (2)(e) and 4 (2)(g) of PFUTP Regulations.

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whether the violation so established on the part of the Noticees would attract monetary penalty under section 15 HA of the SEBI Act? AND If yes, then, what would be the monetary penalty that can be imposed upon the Noticees taking into consideration the factors stipulated in section 15J of the SEBI Act read with rule 5 (2) of the Adjudication Rules?

39. Since, the violations against the Noticees have been established and the same are serious in nature, therefore, in my opinion monetary penalty under section 15

HA of the SEBI Act against the Noticees is warranted in the case. Section 15HA of the SEBI Act is produced below:

> ***15HA. Penalty for fraudulent and unfair trade practices.***
> *If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher.*

40. At this juncture, it would be appropriate to refer a judgment of Hon'ble SAT in case of ***Angel Broking Private Limited vs Securities and Exchange Board of India Appeal No.25 of 2013 decided on 22/10/2013*** wherein it was held that -

> *"Argument that turnover in SIL scrip was miniscule compared to large turnover of appellant and hence penalty need not be imposed against appellant cannot be accepted, because imposition of penalty for violating provisions of SEBI Act and regulations made thereunder are not dependent upon total turnover of person violating the provisions of SEBI Act/regulations made thereunder. One who has violated provisions of SEBI Act and regulations made thereunder must suffer even if turnover in the scrip in which violations are found is miniscule compared to the total turnover of that person".*

41. While determining the quantum of penalty under sections 15HA, it is important to consider the factors stipulated in section 15J of SEBI Act read with rule 5 (2) of the Adjudication Rules, 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."*

42. Available records neither reveals specify disproportionate gains or unfair advantage made by the Noticees nor the loss caused to the investors due to aforesaid manipulative trade practices. Also, no past actions / repetitive nature of default has been shown in the investigation report. However, I cannot ignore the

gravity of violations committed by the Noticees which are detrimental to the investors at large in securities market and bears adverse impact in disturbing the equilibrium of the fair market. Considering the facts and circumstance of the case, I am of the view that a justifiable penalty needs to be imposed upon the Noticees to meet the ends of justice.

ORDER

43. After taking into consideration all the aforesaid facts / circumstances of the case, in exercise of the powers conferred upon me under section 15 I (2) of the SEBI Act read with rule 5 of the Adjudication Rules, I hereby impose monetary penalty upon the Noticees as shown in table below;

Name of the Noticee	**Amount of Penalty**	**Penalty Provisions and Violations**
Mr. Dhananjay Kumar (Noticee No. 1)	`20,00,000/-(Rupees Twenty Lakh only)	Under Section 15 HA of the SEBI Act for violation of regulation 3 (a) to (d), 4 (1) & 4 (2) (a), (e) & (g) of the PFUTP Regulations.
Mr. Amratbhai Chaturdas Patel (Noticee No. 2)	` 20,00,000/-(Rupees Twenty Lakh only)	
Mr. Narendrabhai Shivabhai Parmar (Noticee No. 3)	` 20,00,000/-(Rupees Twenty Lakh only)	
Mr. Sandip Kumar Prakashbhai Prajapati (Noticee No. 4)	` 20,00,000/-(Rupees Twenty Lakh only)	
Mr. Savan Keshavlal Prajapati (Noticee No. 5)	` 20,00,000/-(Rupees Twenty Lakh only)	

44. I am of the view that the aforesaid penalty would commensurate with the violations committed by the Noticees.

45. The Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order either by way of Demand Draft in favour of "SEBI - Penalties Remittable to Government of India", payable at Mumbai, OR through e-payment facility into Bank Account the details of which are given below;

Account No. for remittance of penalties levied by Adjudication Officer	
Bank Name	State Bank of India
Branch	Bandra-Kurla Complex
RTGS Code	SBIN0004380
Beneficiary Name	SEBI – Penalties Remittable To Government of India
Beneficiary A/c No.	31465271959

46. The Noticees shall forward said Demand Draft or the details / confirmation of penalty so paid through e-payment to the Enforcement Department – Division of Regulatory Actions – II of SEBI. The Format for forwarding details / confirmations of e-payments shall be made in the following tabulated form as provided in SEBI Circular No. SEBI/HO/GSD/T&A/CIR/P/2017/42 dated May 16, 2017 and details of such payment shall be intimated at e-mail ID- tad@sebi.gov.in

Date	Department of SEBI	Name of Intermediary/ Other Entities	Type of Intermediary	SEBI Registration Number (if any	PAN	Amount (in `)	Purpose of Payment (including the period for which payment was made e.g. quarterly, annually	Bank name and Account number from which payment is remitted	UTR No

47. In terms of rule 6 of the Adjudication Rules, copies of this order are sent to the Noticees and also to the SEBI.

Date: December 22, 2017 **(RACHNA ANAND)**

Place: Mumbai **GENERAL MANAGER &**

ADJUDICATING OFFICER