BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. : ORDER/SRP/HKS/2018-19/2366]

ORDER UNDER SECTION 15-I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992, READ WITH RULE 5 OF THE SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES BY ADJUDICATING OFFICER) RULES, 1995, IN THE ADJUDICATION PROCEEDINGS INITIATED AGAINST M/S. INDUS PORTFOLIO PRIVATE LIMITED [PAN: AABCI3730R] IN THE MATTER OF ITS DEALINGS IN ILLIQUID STOCK OPTIONS AT THE BOMBAY STOCK EXCHANGE LIMITED.

BACKGROUND

1. The Securities and Exchange Board of India (hereinafter referred to as **"SEBI"**), initiated adjudication proceedings against M/s. Indus Portfolio Private Limited (hereinafter referred to as **"Noticee"**) for the alleged violation of the provisions of Regulation 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as **"PFUTP Regulations"**) by carrying out alleged reversal of trades in illiquid stock options at the Bombay Stock Exchange Limited (hereinafter referred to as **"BSE"**) with same entities on the same day. It was alleged that these reversal of trades of the Noticee were non-genuine in nature and have created false and misleading appearance of trading in terms of artificial volumes in the stock options segment of BSE.

APPOINTMENT OF ADJUDICATING OFFICER

2. Initially, Shri Biju. S was appointed as the Adjudicating Officer by SEBI, in the matter. Subsequently, on July 06, 2018 the undersigned has been appointed as the Adjudicating Officer, to inquire into and adjudge under Section 15HA of the Securities and Exchange Board of India Act, 1992, (hereinafter referred to as **"SEBI Act"**) the aforesaid violations alleged to have been committed by the Noticee.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING

3. Show Cause Notice dated November 14, 2018 (hereinafter referred to as **"SCN"**) was issued to the Noticee in terms of Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as **"Adjudication Rules"**) read with Section 15-I of the SEBI Act, to show cause as to why an inquiry should not be initiated and penalty should not be imposed under Section 15HA of the SEBI Act, on the Noticee for the alleged violation of Regulation 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.

4. Noticee, vide its email dated November 22, 2018, requested extension of time till December 17, 2018 for filing reply to the SCN. Further, the Noticee vide its letter dated December 06, 2018, requested to provide copy of each of the investigation report and the order of the Whole Time Member giving reasons for holding enquiry and appointing the Adjudicating Officer. Thereafter, the Noticee vide its letter dated December 12, 2018 filed its reply to the SCN. The relevant extracts of the aforesaid reply of the Noticee are *inter-alia* reproduced hereunder.

    - *Noticee submitted that the trading activity in question took place during the period 01.04.2014 to 30.09.2015. Specifically the investigation relates to* *the period March'15 to Aug'15. It is submitted that the Noticee is subjected to the "inspection of books of accounts and other documents for Cash, F&O and CDX Segment" for the same period in November 2016 vide Exchange letter no. L/DOSS/INSP/AB-215-IR/2015-2016 dated 24.10.2016. It is noteworthy that there was no adverse observation made by the Exchange nor did they find any non-genuine trades, as alleged in the above SCN. (Noticee filed copy of BSE's Report dated 04.04.2018).*

- *It is submitted that the trades under the scanner of SEBI are primarily jobbing transactions. A "stock Jobber" by definition is "an Investor who buys/sells stocks only to re-sell them at a profit very quickly." Thus a jobber is not ordinarily interested in the delivery transaction. He looks for small margin and that too in shortest possible time frame as he does not intend to hold the stock longer than necessary. The essence of a jobber therefore is to buy/sell Securities with the objective of reselling/buying them "very quickly" even when the market goes up/or down even by a fraction. "Very quickly" could be a few seconds or longer. The short time in the seconds between the sell and buy trade transaction cannot be held against a jobber as stated out in paragraph 3 of the SCN ibid.*

- *It is submitted that Jobbing is a bonafide activity, widely practiced in the financial market. By its very nature it leads to market making and tends to create liquidity in the market: Since no delivery in these transactions is intended and is avoided at all costs, volumes generation is one of its expected and incidental functions.*

- *As far as MADHU SUDAN AGGARWAL HUF is concerned, it is submitted that the counter party is neither related to any one of our Directors nor has any other connection/relationship, whatsoever, with anyone in Indus*

Portfolio Pvt. Ltd. or its Associates. In fact we have come to know the existence of this counter party from the above SCN.

- *Further there is nothing unusual about the contract viz. entered into for one "sell trade" with counter party MADHU SUDAN AGGARWAL HUF. Thereafter seven seconds our Jobber entered a "buy" trade at rate 15.20 per unit. A check with prices for the same contract at NSE on the same day viz. 24.04.2015 revealed the settlement price on NSE as 14.75. It will be observed that there is no vide gulf between the prices on BSE and NSE. They are in the same range.*

- *It is submitted that there was no collusion between the counter party and the Noticee.*

- *It is submitted that the alleged non-genuine trade executed by Noticee's jobber at BSE with the prevalent rates on NSE at the same time for similar contracts. It is observed that in most of the transactions the variation in the rate on the two Exchanges is within a short range and rates on both Exchanges are compatible. There is no unusual differential as to send out alarms.*

- *It is submitted that all trades executed by the Noticee were genuine, bonafide jobbing transactions and not executed with a view to create misleading appearances or to build volume. Alleged violations of the provisions of regulations 3(a), (b), (c), (d) and 4(1), 4(2)(a) of the PFUTP Regulations, 2003 are therefore vehemently denied.*

- *Noticee further submitted that the transactions executed were neither manipulative nor fraudulent nor unfair trade practices. They were pure and simple jobbing transactions without any knowledge or collusion of the counter parties.*

- *Noticee further reiterated the aforesaid submissions as under:-*

  (a) The transactions executed are jobbing transactions wherein generally delivery is not intended. Any increase 'in volume is incidental.

  (b) Any insinuation of collusion with the counter party or any knowledge of the counter parties is strongly denied. These are not "circular transactions".

  (c) The settlement prices on BSE are in line with those prevalent on the other major Exchange. No manipulation can thus be attributed.

  (d) The period under SEBI scanner was fully covered by the inspection conducted by BSE in Nov. 2016 and no non-genuine trades etc., were discovered.

  (e) No financial benefit was derived by the Noticee instead the Company suffered a huge loss amounting to Rs.2.90 Crores (approximately).

5. In respect of request of the Noticee for copy of each Investigation Report and Order of Whole Time Member giving reasons for holding enquiry and appointing of the Adjudicating Officer, vide letter dated January 03, 2019, the Noticee was informed that all the relied upon documents including trade and order logs for the alleged non-genuine trades have already been provided along with the SCN and no documents shall be relied upon unless it is given a copy thereof and also given opportunity to explain the circumstances appearing against it.

6. Further, in the interest of natural justice and in terms of Rule 4 of the Adjudication Rules, the Noticee was granted an opportunity of personal hearing on January 16, 2019. On January 16, 2019, Mr. Kulbir Singh, Director of the Noticee and Mr.

Mohit Makkar, Chief Financial Officer of the Noticee (Authorized Representatives) appeared for personal hearing on behalf of the Noticee and reiterated the submissions made by the Noticee vide its aforesaid reply. The Authorized Representatives further submitted that none of the Promoters / Directors / Employees / Sister-concerns of the Noticee are related to the counter parties in the impugned transactions of the Noticee. The Authorized Representatives also requested to take a lenient view in the matter.

ISSUES FOR CONSIDERATION AND FINDINGS

7. I have carefully perused the SCN, the documents / material available on record and submissions of the Noticee. The issues that arise for consideration in the present case are:

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

   2) Whether the Noticee is liable for imposition of monetary penalty under Section 15HA of the SEBI Act?

   3) If yes, then what should be the quantum of monetary penalty?

8. It is pertinent to mention here the relevant provisions of Regulation 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations, allegedly violated by the Noticee:-

Regulation 3. Prohibition of certain dealings in securities.

"No person shall directly or indirectly—

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

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

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

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

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

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

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

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

9. I note that the allegations levelled in the SCN are mainly to the effect that the Noticee has created false and misleading appearance of trading in terms of artificial volumes in the stock options segment of BSE by way of reversal of trades in illiquid stock options and thereby the Noticee violated the provisions of Regulation 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations.

10. SEBI had observed large scale reversal of trades in the Stock Options Segment of BSE leading to creation of artificial volumes. Therefore, SEBI conducted investigations into the trading activity in illiquid Stock Options at BSE for the period from April 01, 2014 to September 30, 2015 (hereinafter referred to as **"Investigation Period"**).

11. Reversal trades have been considered those trades in which an entity reverses its buy or sell positions in a contract with subsequent sell or buy positions with the same counterparty during the same day. The said reversal trades are non-genuine trades as they are not executed in normal course of trading, lack basic trading rationale, and allegedly lead to false or misleading appearance of trading in terms of generation of artificial volume, hence, are deceptive and manipulative. Artificial volume is considered to be the volume (no. of units) reversed in both legs of said reversal trades while keeping out the volume, if any, which is not reversed.

12. Pursuant to investigations, it was observed that during the investigation period, total 2,91,643 trades comprising substantial 81.38% of all the trades executed in Stock Options Segment of BSE were non-genuine trades. The aforesaid non-genuine trades resulted into creation of artificial volume to the tune of 826.21 crore units or 54.68% of the total market volume in Stock Options segment of BSE during the investigation period.

13. It was observed that said non-genuine trades were not restricted to any specific contract or between any specific set of entities. It was observed that the Noticee was one of the various entities which were allegedly indulged in execution of non-genuine trades in Stock Options Segment of BSE during the investigation period. The following points narrate the dealings of the Noticee during the investigation period and the allegations against it for execution of non-genuine trades in illiquid stock options at BSE.

14. As regards all the dealings of the Noticee in the Stock Options segment of BSE during the investigation period, it was observed that the Noticee had traded in total 281 unique contracts, from which it allegedly executed 685 non-genuine trades in 280 contracts, which resulted in artificial volume of total 1,16,12,000 units.

15. For the purpose of understanding, the trading pattern of the Noticee in the aforementioned 280 contracts in respect of non-genuine trades and artificial volume created by the Noticee, are illustrated through the dealings of the Noticee in the contract viz, **"ALBK15APR115.00PE"** as under:

Trade Date	Client Name	CP Client Name	Trade Time	Trade Rate	Traded Quantity
24-04-2015	MADHU SUDAN AGGARWAL HUF	INDUS PORTFOLIO PRIVATE LTD.	12:29:18.294073	11.10	10000
24-04-2015	INDUS PORTFOLIO PRIVATE LTD.	MADHU SUDAN AGGARWAL HUF	12:29:25.694501	15.20	10000

(a) I note that during the investigation period, total 2 trades for 20,000 units were executed in the said contract on April 24, 2015, wherein Noticee was party to all the said trades.

(b) While dealing in the said contract on April 24, 2015, Noticee at 12:29:18 hrs. entered into 1 sell trade with counter party viz, MADHU SUDAN AGGARWAL HUF for 10,000 units at the rate of Rs. 11.10 per unit. Thereafter, on the same day, within 7 seconds of the above trade, Noticee, at 12:29:25 hrs. entered into 1 buy trade with same counterparty for 10,000 units at the rate of Rs. 15.20 per unit.

(c) From the above, it is noted that while dealing in the said contract, Noticee executed total 2 reversal trades (1 buy trade + 1 sell trade) with same counterparty viz, MADHU SUDAN AGGARWAL HUF on the same day and with significant price differential in buy and sell rate.

(d) Thus, Noticee, through its dealing in the contract viz, “ALBK15APR115.00PE”, executed 2 non genuine trades which is 100% of the total trades from the market in the said contract during the investigation period, and thereby, Noticee generated artificial volume of 20,000 units which is 100% of the volume traded in the said contract from the market.

16. Similarly, Noticee indulged in execution of non-genuine trades and generation of artificial volumes in other contracts during the investigation period. I note that the Noticee had executed 685 non-genuine trades in 280 unique contracts and created artificial volume of total 1,16,12,000 units. Summary of dealings of the Noticee in the said 280 Stock Options contracts, in which it executed non-genuine trades during the investigation period, is as follows:

S. No.	Contract Name	Avg. Buy Rate (Rs.)	Total Buy Volume (no. of units)	Avg. Sell Rate (Rs.)	Total Sell Volume (no. of units)	Number of non genuine trades executed by Entity in the Contract	Total number of trades executed by the Entity in the Contract	Total number of trades executed in the contract	Artificial volume generated by Entity in the Contract	% of Non Genuine trades of Noticee in the contract to Noticee’s Total trades in the Contract	% of Non Genuine trades of Entity in the contract to Total trades in the Contract	% of Artificial Volume generated by Noticee in the contract to Noticee’s Total Volume in the Contract	% of Artificial Volume generated by Noticee in the contract to Total Volume in the Contract
1	ALBK15APR110.00PE	11.20	20000	7.30	20000	4	4	4	40000	100%	100%	100%	100%
2	ALBK15APR110.00PEW2	17.75	26000	10.50	26000	2	2	4	52000	100%	50%	100%	72%
3	ALBK15APR115.00PE	15.20	10000	11.10	10000	2	2	2	20000	100%	100%	100%	100%
4	ALBK15APR115.00PEW3	25.90	20000	15.50	20000	2	2	2	40000	100%	100%	100%	100%
5	ALBK15APR120.00PE	21.68	22000	17.61	22000	4	4	4	44000	100%	100%	100%	100%
6	ALBK15APR80.00CE	21.90	10000	17.50	10000	2	2	2	20000	100%	100%	100%	100%
7	ALBK15APR85.00CE	16.50	12000	12.10	12000	2	2	2	24000	100%	100%	100%	100%
8	ALBK15APR90.00CE	11.71	14000	7.57	14000	4	4	14	28000	100%	29%	100%	3%
9	ALBK15JUL100.00PE	12.50	16000	7.10	16000	2	2	4	32000	100%	50%	100%	17%
10	ALBK15JUL105.00PE	17.30	16000	11.90	16000	2	2	2	32000	100%	100%	100%	100%
11	ALBK15JUL75.00CE	15.56	36000	10.43	36000	4	4	12	72000	100%	33%	100%	14%

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12	ALBK15MAR115.00PEW2	14.72	36000	7.83	36000	4	4	4	72000	100%	100%	100%	100%
13	ALBK15MAR120.00PEW3	15.50	20000	9.10	20000	2	2	14	40000	100%	14%	100%	6%
14	ALBK15MAR85.00CEW2	27.25	20000	20.10	20000	2	2	12	40000	100%	17%	100%	4%
15	ALBK15MAR85.00CEW3	21.50	20000	14.10	20000	2	2	2	40000	100%	100%	100%	100%
16	ALBK15MAR90.00CEW2	17.48	46000	10.63	46000	6	6	14	92000	100%	43%	100%	17%
17	ALBK15MAR90.00CEW3	22.10	20000	15.15	20000	2	2	15	40000	100%	13%	100%	5%
18	ALBK15MAY110.00PE	11.20	20000	6.98	20000	4	4	6	40000	100%	67%	100%	63%
19	ALBK15MAY115.00PE	13.90	14000	8.70	14000	2	2	4	28000	100%	50%	100%	16%
20	ALBK15MAY120.00PE	20.91	44000	15.52	44000	6	6	6	88000	100%	100%	100%	100%
21	ALBK15MAY125.00PE	28.90	14000	24.50	14000	2	2	4	28000	100%	50%	100%	50%
22	ALBK15MAY80.00CE	17.90	16000	14.10	16000	2	2	2	32000	100%	100%	100%	100%
23	ALBK15MAY85.00CE	14.35	26000	11.48	26000	4	4	4	52000	100%	100%	100%	100%
24	ALBK15MAY90.00CE	12.98	38000	8.70	38000	6	6	14	76000	100%	43%	100%	17%
25	ALBK15MAY95.00CE	7.90	20000	4.10	20000	2	2	4	40000	100%	50%	100%	31%
26	AMBC15MAY230.00CE	12.50	14000	8.50	14000	2	2	2	28000	100%	100%	100%	100%
27	AMTK15MAY120.00CE	31.50	24000	26.50	24000	2	2	4	48000	100%	50%	100%	50%
28	AMTK15MAY125.00CE	29.10	14000	26.50	14000	2	2	4	28000	100%	50%	100%	58%
29	AMTK15MAY140.00CE	13.50	20000	10.10	20000	2	2	4	40000	100%	50%	100%	59%
30	AMTK15MAY145.00CE	8.00	20000	5.10	20000	2	2	2	40000	100%	100%	100%	100%
31	AMTK15MAY150.00CE	4.00	20000	2.10	20000	2	2	4	40000	100%	50%	100%	59%
32	ANBK15APR60.00CE	19.50	16000	16.50	16000	2	2	4	32000	100%	50%	100%	57%
33	ANBK15APR65.00CE	13.90	16000	9.80	16000	2	2	4	32000	100%	50%	100%	11%
34	ANBK15APR70.00CEW4	11.07	320000	6.40	320000	5	5	5	640000	100%	100%	100%	100%
35	ANBK15MAR100.00PEW2	17.50	20000	11.40	20000	2	2	2	40000	100%	100%	100%	100%
36	ANBK15MAR70.00CEW2	14.00	20000	9.50	20000	2	2	6	40000	100%	33%	100%	16%
37	APLT15MAR160.00CE	19.50	16000	12.50	16000	2	2	2	32000	100%	100%	100%	100%
38	APLT15MAY165.00CE	22.50	14000	18.00	14000	2	2	2	28000	100%	100%	100%	100%
39	APLT15MAY170.00CE	14.00	12000	11.50	12000	2	2	4	24000	100%	50%	100%	43%
40	APLT15MAY195.00PE	14.50	20000	10.50	20000	2	2	2	40000	100%	100%	100%	100%
41	APLT15MAY205.00PE	24.50	16000	21.00	16000	2	2	4	32000	100%	50%	100%	50%
42	APLT15MAY210.00PE	32.50	10000	27.50	10000	2	2	2	20000	100%	100%	100%	100%
43	ARVI15APR280.00CEW1	19.50	20000	11.50	20000	2	2	2	40000	100%	100%	100%	100%

S. No.	Contract Name	Avg. Buy Rate (Rs.)	Total Buy Volume (no. of units)	Avg. Sell Rate (Rs.)	Total Sell Volume (no. of units)	Number of non genuine trades executed by Entity in the Contract	Total number of trades executed by the Entity in the Contract	Total number of trades executed in the contract	Artificial volume generated by Entity in the Contract	% of Non Genuine trades of Noticee in the contract to Noticee's Total trades in the Contract	% of Non Genuine trades of Entity in the contract to Total trades in the Contract	% of Artificial Volume generated by Noticee in the contract to Noticee's Total Volume in the Contract	% of Artificial Volume generated by Noticee in the contract to Total Volume in the Contract
44	ARVI15APR320.00PEW2	30.20	20000	22.10	20000	2	2	2	40000	100%	100%	100%	100%
45	ARVI15MAY230.00CE	19.50	18000	15.50	18000	2	2	8	36000	100%	25%	100%	17%
46	ARVI15MAY240.00CE	10.90	40000	7.70	40000	4	4	6	80000	100%	67%	100%	77%
47	ARVI15MAY250.00CE	13.86	32000	10.18	32000	4	4	8	64000	100%	50%	100%	52%
48	ARVI15MAY260.00CE	15.27	26000	11.01	26000	4	4	4	52000	100%	100%	100%	100%
49	ARVI15MAY280.00PE	17.10	14000	12.90	14000	2	2	2	28000	100%	100%	100%	100%
50	ARVI15MAY290.00PE	22.90	12000	18.70	12000	2	2	2	24000	100%	100%	100%	100%
51	BHEL15APR280.00PEW1	21.90	20000	15.10	20000	2	2	6	40000	100%	33%	100%	20%
52	BHEL15MAR240.00CE	29.50	20000	19.10	20000	2	2	2	40000	100%	100%	100%	100%
53	BHEL15MAR240.00CEW2	28.44	31000	20.40	31000	4	4	17	62000	100%	24%	100%	6%
54	BHEL15MAR240.00CEW3	22.50	20000	11.20	20000	2	2	8	40000	100%	25%	100%	9%
55	BHEL15MAR250.00CEW2	12.50	10000	8.50	10000	2	2	8	20000	100%	25%	100%	4%
56	BHEL15MAR250.00CEW3	6.70	15000	5.90	15000	2	2	4	30000	100%	50%	100%	43%
57	BHEL15MAR260.00CEW2	12.50	15000	8.00	15000	2	2	2	30000	100%	100%	100%	100%
58	BHEL15MAR270.00PEW2	13.50	16000	7.50	16000	2	2	7	32000	100%	29%	100%	4%
59	BHEL15MAR280.00PEW2	23.50	16000	14.50	16000	2	2	2	32000	100%	100%	100%	100%
60	BHEL15MAR280.00PEW3	18.50	15000	24.50	15000	2	2	10	30000	100%	20%	100%	6%
61	BIOC15APR420.00CEW3	20.45	20000	10.50	20000	2	2	2	40000	100%	100%	100%	100%
62	BIOC15APR450.00PEW1	24.50	20000	16.50	20000	2	2	10	40000	100%	20%	100%	6%
63	BIOC15MAR410.00CEW2	27.50	10000	17.50	10000	2	2	15	20000	100%	13%	100%	1%
64	BIOC15MAR460.00PEW2	33.50	10000	23.50	10000	2	2	4	20000	100%	50%	100%	40%
65	CANB15MAR390.00CEW2	32.50	15000	24.50	15000	2	2	12	30000	100%	17%	100%	3%
66	CANB15MAY340.00CE	13.50	14000	17.00	14000	2	2	2	28000	100%	100%	100%	100%
67	CANB15MAY350.00CE	7.50	16000	10.50	16000	2	2	2	32000	100%	100%	100%	100%
68	CARN15MAY175.00CE	26.50	16000	22.50	16000	2	2	2	32000	100%	100%	100%	100%
69	CARN15MAY220.00PE	26.50	16000	22.00	16000	2	2	2	32000	100%	100%	100%	100%
70	CRGL15AUG165.00CE	20.40	26000	16.30	26000	2	2	2	52000	100%	100%	100%	100%
71	CRGL15AUG200.00PE	19.30	26000	15.30	26000	2	2	2	52000	100%	100%	100%	100%
72	CRGL15AUG210.00PE	22.00	20000	17.50	20000	2	2	2	40000	100%	100%	100%	100%
73	CRGL15MAR140.00CE	36.50	15000	29.50	15000	2	2	2	30000	100%	100%	100%	100%
74	CRGL15MAR150.00CEW2	35.50	15000	24.50	15000	2	2	17	30000	100%	12%	100%	6%
75	CRGL15MAR150.00CEW3	25.90	18000	16.90	18000	2	2	13	36000	100%	15%	100%	3%

S. No.	Contract Name	Avg. Buy Rate (Rs.)	Total Buy Volume (no. of units)	Avg. Sell Rate (Rs.)	Total Sell Volume (no. of units)	Number of non genuine trades executed by Entity in the Contract	Total number of trades executed by the Entity in the Contract	Total number of trades executed in the contract	Artificial volume generated by Entity in the Contract	% of Non Genuine trades of Noticee in the contract to Noticee's Total trades in the Contract	% of Non Genuine trades of Entity in the contract to Total trades in the Contract	% of Artificial Volume generated by Noticee in the contract to Noticee's Total Volume in the Contract	% of Artificial Volume generated by Noticee in the contract to Total Volume in the Contract
76	CRGL15MAR165.00CEW3	13.50	16000	7.10	16000	2	2	6	32000	100%	33%	100%	6%
77	CRGL15MAR190.00PEW2	16.90	16000	9.10	16000	2	2	9	32000	100%	22%	100%	9%
78	CRGL15MAR190.00PEW3	19.20	18000	12.50	18000	2	2	4	36000	100%	50%	100%	47%
79	CRGL15MAY140.00CE	20.50	20000	29.00	20000	2	2	4	40000	100%	50%	100%	63%
80	DABU15MAR250.00CEW2	20.16	31000	13.40	31000	4	4	11	62000	100%	36%	100%	27%
81	DABU15MAR260.00CEW2	15.40	40000	8.31	40000	4	4	4	80000	100%	100%	100%	100%
82	DABU15MAR280.00PEW2	15.00	10000	9.10	10000	2	2	2	20000	100%	100%	100%	100%
83	DABU15MAR290.00PEW2	30.50	15000	23.00	15000	2	2	5	30000	100%	40%	100%	6%
84	DABU15MAR300.00PEW2	29.91	33000	19.97	33000	4	4	4	66000	100%	100%	100%	100%
85	DISH15JUL100.00CE	22.90	16000	18.50	16000	2	2	8	32000	100%	25%	100%	13%
86	DISH15MAR100.00PEW2	18.00	16000	11.00	16000	2	2	15	32000	100%	13%	100%	4%
87	DISH15MAR65.00CEW2	18.43	28000	12.21	28000	4	4	34	56000	100%	12%	100%	3%
88	DISH15MAR95.00PEW2	7.00	4000	12.00	4000	2	2	2	8000	100%	100%	100%	100%
89	DLFL15APR140.00CEW1	27.50	20000	18.15	20000	2	2	27	40000	100%	7%	100%	2%
90	DLFL15APR150.00CEW2	17.50	20000	9.90	20000	2	2	2	40000	100%	100%	100%	100%
91	DLFL15APR180.00PEW1	20.00	20000	9.50	20000	2	2	2	40000	100%	100%	100%	100%
92	DLFL15MAR125.00CEW2	30.00	16000	24.00	16000	2	2	2	32000	100%	100%	100%	100%
93	DLFL15MAR135.00CEW3	13.10	20000	6.10	20000	2	2	2	40000	100%	100%	100%	100%
94	DLFL15MAR140.00CEW2	19.50	20000	13.50	20000	2	2	2	40000	100%	100%	100%	100%
95	DLFL15MAR160.00PEW3	15.00	20000	9.50	20000	2	2	5	40000	100%	40%	100%	3%
96	DLFL15MAR170.00PEW2	17.00	10000	10.50	10000	2	2	4	20000	100%	50%	100%	38%
97	DLFL15MAR170.00PEW3	27.90	20000	16.90	20000	2	2	4	40000	100%	50%	100%	17%
98	EXID15AUG140.00CE	18.00	30000	15.50	30000	2	2	2	60000	100%	100%	100%	100%
99	FEDB15MAY115.00CE	23.50	24000	20.50	24000	2	2	8	48000	100%	25%	100%	31%
100	FEDB15MAY125.00CE	13.00	12000	10.80	12000	2	2	2	24000	100%	100%	100%	100%
101	FEDB15MAY130.00CE	9.50	16000	6.10	16000	2	2	8	32000	100%	25%	100%	6%
102	FEDB15MAY155.00PE	18.00	18000	13.50	18000	2	2	8	36000	100%	25%	100%	27%
103	HDIL15APR100.00CE	17.50	12000	14.50	12000	2	2	4	24000	100%	50%	100%	7%
104	HDIL15APR105.00CE	13.10	8000	10.00	8000	2	2	4	16000	100%	50%	100%	10%
105	HDIL15APR110.00CE	10.50	12000	7.10	12000	2	2	4	24000	100%	50%	100%	20%
106	HDIL15APR85.00CEW2	19.50	24000	10.90	24000	2	2	6	48000	100%	33%	100%	35%
107	HDIL15MAY100.00CE	9.80	12000	7.10	12000	2	2	14	24000	100%	14%	100%	5%

S. No.	Contract Name	Avg. Buy Rate (Rs.)	Total Buy Volume (no. of units)	Avg. Sell Rate (Rs.)	Total Sell Volume (no. of units)	Number of non genuine trades executed by Entity in the Contract	Total number of trades executed by the Entity in the Contract	Total number of trades executed in the contract	Artificial volume generated by Entity in the Contract	% of Non Genuine trades of Noticee in the contract to Noticee's Total trades in the Contract	% of Non Genuine trades of Entity in the contract to Total trades in the Contract	% of Artificial Volume generated by Noticee in the contract to Noticee's Total Volume in the Contract	% of Artificial Volume generated by Noticee in the contract to Total Volume in the Contract
108	HDIL15MAY105.00CE	6.00	12000	4.00	12000	2	2	4	24000	100%	50%	100%	7%
109	HDIL15MAY115.00PE	10.90	12000	8.10	12000	2	2	2	24000	100%	100%	100%	100%
110	HDIL15MAY120.00PE	12.37	24000	8.83	24000	4	4	10	48000	100%	40%	100%	34%
111	HDIL15MAY125.00PE	17.39	14000	14.21	14000	4	4	10	28000	100%	40%	100%	23%
112	HNDL15APR110.00CE	23.50	10000	18.50	10000	2	2	2	20000	100%	100%	100%	100%
113	HNDL15APR115.00CE	14.60	12000	10.50	12000	2	2	2	24000	100%	100%	100%	100%
114	HNDL15APR120.00CE	14.50	10000	8.10	10000	2	2	4	20000	100%	50%	100%	42%
115	HNDL15APR140.00PE	11.06	26000	6.94	26000	4	4	12	52000	100%	33%	100%	9%
116	HNDL15APR145.00PE	16.34	24000	10.85	24000	4	4	4	48000	100%	100%	100%	100%
117	HNDL15JUL120.00PE	15.00	16000	9.50	16000	2	2	2	32000	100%	100%	100%	100%
118	HNDL15JUL95.00CE	14.50	16000	9.20	16000	2	2	2	32000	100%	100%	100%	100%
119	HNDL15MAY125.00CE	15.90	14000	11.10	14000	2	2	6	28000	100%	33%	100%	8%
120	HNDL15MAY130.00CE	10.90	14000	7.10	14000	2	2	8	28000	100%	25%	100%	9%
121	HNDL15MAY150.00PE	14.36	30000	10.01	30000	4	4	4	60000	100%	100%	100%	100%
122	HNZL15AUG135.00CE	28.50	28000	24.50	28000	2	2	2	56000	100%	100%	100%	100%
123	HNZL15AUG145.00CE	17.80	20000	14.50	20000	2	2	6	40000	100%	33%	100%	56%
124	HNZL15AUG175.00PE	17.90	20000	13.50	20000	2	2	4	40000	100%	50%	100%	50%
125	HNZL15AUG185.00PE	24.00	20000	17.90	20000	2	2	2	40000	100%	100%	100%	100%
126	HNZL15MAY160.00CE	18.50	14000	13.90	14000	2	2	2	28000	100%	100%	100%	100%
127	HNZL15MAY195.00PE	16.90	16000	13.50	16000	2	2	2	32000	100%	100%	100%	100%
128	HNZL15MAY200.00PE	21.90	16000	17.50	16000	2	2	2	32000	100%	100%	100%	100%
129	IBRL15APR60.00CEW2	17.65	20000	11.50	20000	2	2	4	40000	100%	50%	100%	45%
130	IBRL15APR80.00PEW1	6.75	20000	3.00	20000	2	2	4	40000	100%	50%	100%	38%
131	ICIC15MAR310.00CEW2	25.00	10000	17.50	10000	2	2	2	20000	100%	100%	100%	100%
132	ICIC15MAR360.00PEW2	32.50	10000	25.00	10000	2	2	2	20000	100%	100%	100%	100%
133	IDEA15APR155.00CEW2	22.17	42000	15.00	42000	4	4	4	84000	100%	100%	100%	100%
134	IDEA15APR160.00CE	19.50	12000	14.90	12000	2	2	2	24000	100%	100%	100%	100%
135	IDEA15APR165.00CE	14.00	12000	10.50	12000	2	2	2	24000	100%	100%	100%	100%
136	IDEA15APR170.00CE	15.10	10000	11.50	10000	2	2	16	20000	100%	13%	100%	8%
137	IDEA15APR190.00PE	11.40	14000	7.50	14000	2	2	16	28000	100%	13%	100%	5%
138	IDEA15APR190.00PEW3	13.50	24000	5.10	24000	2	2	8	48000	100%	25%	100%	25%
139	IDEA15APR195.00PE	16.03	26000	11.72	26000	4	4	4	52000	100%	100%	100%	100%

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140	IDEA15APR200.00PE	16.39	26000	12.42	26000	4	4	5	52000	100%	80%	100%	63%
141	IDEA15APR205.00PE	22.40	10000	19.50	10000	2	2	2	20000	100%	100%	100%	100%
142	IDEA15APR210.00PE	23.50	12000	18.90	12000	2	2	4	24000	100%	50%	100%	18%
143	IDEA15AUG155.00CE	18.70	26000	12.95	26000	2	2	12	52000	100%	17%	100%	14%
144	IDEA15AUG160.00CE	11.96	100000	7.26	100000	8	8	12	200000	100%	67%	100%	33%
145	IDEA15AUG185.00PE	19.50	24000	16.50	24000	2	2	2	48000	100%	100%	100%	100%
146	IDEA15MAR150.00CE	26.50	20000	18.50	20000	2	2	2	40000	100%	100%	100%	100%
147	IDEA15MAY160.00CE	18.97	46000	14.29	46000	6	6	14	92000	100%	43%	100%	33%
148	IDEA15MAY165.00CE	14.02	46000	9.92	46000	6	6	6	92000	100%	100%	100%	100%
149	IDEA15MAY175.00CE	13.90	12000	10.50	12000	2	2	2	24000	100%	100%	100%	100%
150	IDEA15MAY180.00CE	11.00	12000	7.90	12000	2	2	2	24000	100%	100%	100%	100%
151	IDEA15MAY185.00PE	15.90	14000	11.50	14000	2	2	6	28000	100%	33%	100%	35%
152	IDEA15MAY190.00PE	16.12	58000	12.67	58000	8	8	16	116000	100%	50%	100%	52%
153	IDEA15MAY195.00PE	17.10	12000	14.00	12000	2	2	4	24000	100%	50%	100%	43%
154	IDEA15MAY200.00PE	24.00	28000	19.70	28000	4	4	6	56000	100%	67%	100%	74%
155	IDEA15MAY210.00PE	34.90	14000	31.50	14000	2	2	2	28000	100%	100%	100%	100%
156	IDFC15APR150.00CE	16.90	14000	12.10	14000	2	2	2	28000	100%	100%	100%	100%
157	IDFC15APR155.00CE	11.50	12000	7.10	12000	2	2	2	24000	100%	100%	100%	100%
158	IDFC15AUG125.00CE	25.70	20000	20.50	20000	2	2	2	40000	100%	100%	100%	100%
159	IDFC15AUG130.00CE	18.75	32000	16.00	32000	2	2	2	64000	100%	100%	100%	100%
160	IDFC15AUG140.00CE	18.90	20000	12.10	20000	2	2	4	40000	100%	50%	100%	31%
161	IDFC15AUG165.00PE	14.48	38000	8.39	38000	4	4	4	76000	100%	100%	100%	100%
162	IDFC15AUG170.00PE	20.30	20000	16.10	20000	2	2	2	40000	100%	100%	100%	100%
163	IDFC15MAR150.00CE	22.50	20000	14.50	20000	2	2	2	40000	100%	100%	100%	100%
164	IDFC15MAR180.00PE	14.10	20000	6.20	20000	2	2	14	40000	100%	14%	100%	2%
165	IDFC15MAY135.00CE	22.50	24000	20.50	24000	2	2	2	48000	100%	100%	100%	100%
166	IDFC15MAY150.00CE	18.90	12000	14.50	12000	2	2	6	24000	100%	33%	100%	24%
167	IDFC15MAY155.00CE	14.50	14000	9.90	14000	2	2	4	28000	100%	50%	100%	50%
168	IDFC15MAY170.00PE	14.60	20000	18.50	20000	2	2	4	40000	100%	50%	100%	45%
169	IDFC15MAY175.00PE	15.50	12000	19.50	12000	2	2	4	24000	100%	50%	100%	33%
170	IDFC15MAY180.00PE	19.47	34000	20.44	34000	4	4	8	68000	100%	50%	100%	47%
171	INCM15MAY100.00PE	7.50	14000	10.50	14000	2	2	2	28000	100%	100%	100%	100%

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172	INCM15MAY110.00PE	20.00	14000	24.50	14000	2	2	2	28000	100%	100%	100%	100%
173	INCM15MAY115.00PE	26.00	16000	22.50	16000	2	2	4	32000	100%	50%	100%	53%
174	INCM15MAY70.00CE	16.50	16000	19.00	16000	2	2	8	32000	100%	25%	100%	23%
175	IOCL15MAR320.00CEW2	34.50	15000	24.50	15000	2	2	5	30000	100%	40%	100%	9%
176	IOCL15MAR330.00CEW2	22.00	16000	14.50	16000	2	2	2	32000	100%	100%	100%	100%
177	IOCL15MAR360.00PEW2	14.10	15000	9.10	15000	2	2	2	30000	100%	100%	100%	100%
178	IOCL15MAR370.00PEW2	23.69	31000	15.26	31000	4	4	4	62000	100%	100%	100%	100%
179	ITCL15MAR320.00CEW2	27.50	15000	20.50	15000	2	2	2	30000	100%	100%	100%	100%
180	ITCL15MAR370.00PEW2	30.50	15000	23.50	15000	2	2	4	30000	100%	50%	100%	60%
181	JISL15MAR50.00CE	16.50	20000	10.20	20000	2	2	2	40000	100%	100%	100%	100%
182	JSPL15MAY120.00CE	19.00	18000	15.10	18000	2	2	2	36000	100%	100%	100%	100%
183	JSPL15MAY130.00CE	8.21	35000	8.36	35000	4	4	4	70000	100%	100%	100%	100%
184	JSPL15MAY150.00PE	15.50	18000	11.50	18000	2	2	2	36000	100%	100%	100%	100%
185	JSPL15MAY160.00PE	21.00	18000	16.50	18000	2	2	2	36000	100%	100%	100%	100%
186	JSPL15MAY170.00PE	31.50	18000	28.10	18000	2	2	2	36000	100%	100%	100%	100%
187	JSWE15MAY135.00PE	23.10	16000	17.50	16000	2	2	10	32000	100%	20%	100%	17%
188	JSWE15MAY85.00CE	28.10	14000	22.50	14000	2	2	2	28000	100%	100%	100%	100%
189	JSWE15MAY90.00CE	21.90	14000	19.50	14000	2	2	6	28000	100%	33%	100%	29%
190	JSWE15MAY95.00CE	16.80	16000	12.50	16000	2	2	4	32000	100%	50%	100%	44%
191	KARB15APR110.00CE	14.50	14000	9.50	14000	2	2	17	28000	100%	12%	100%	6%
192	KARB15APR115.00CE	10.82	26000	7.10	26000	4	4	6	52000	100%	67%	100%	68%
193	KARB15APR120.00CE	5.50	16000	2.90	16000	2	2	10	32000	100%	20%	100%	4%
194	KARB15APR130.00PE	6.90	14000	3.60	14000	2	2	6	28000	100%	33%	100%	13%
195	KARB15APR135.00PE	10.00	12000	7.00	12000	2	2	6	24000	100%	33%	100%	7%
196	KARB15APR140.00PE	18.10	14000	14.50	14000	2	2	4	28000	100%	50%	100%	54%
197	KARB15MAR115.00CEW2	20.00	16000	12.10	16000	2	2	10	32000	100%	20%	100%	6%
198	KARB15MAR120.00CEW2	13.50	16000	6.90	16000	2	2	4	32000	100%	50%	100%	47%
199	KARB15MAR145.00PEW2	11.10	16000	7.10	16000	2	2	2	32000	100%	100%	100%	100%
200	KARB15MAR150.00PEW2	21.47	48000	13.90	48000	6	6	8	96000	100%	75%	100%	73%
201	KARB15MAY100.00CE	27.50	16000	21.50	16000	2	2	8	32000	100%	25%	100%	23%
202	KARB15MAY105.00CE	21.00	12000	16.90	12000	2	2	8	24000	100%	25%	100%	21%
203	KARB15MAY110.00CE	16.90	14000	12.90	14000	2	2	4	28000	100%	50%	100%	41%

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204	KARB15MAY115.00CE	12.57	30000	8.97	30000	4	4	8	60000	100%	50%	100%	43%
205	KARB15MAY140.00PE	16.10	12000	13.50	12000	2	2	2	24000	100%	100%	100%	100%
206	KARB15MAY145.00PE	18.00	12000	15.10	12000	2	2	6	24000	100%	33%	100%	23%
207	KARB15MAY155.00PE	29.10	12000	24.50	12000	2	2	6	24000	100%	33%	100%	27%
208	NMDC15APR110.00CEW1	23.50	26000	14.90	26000	2	2	4	52000	100%	50%	100%	57%
209	NMDC15APR145.00PEW2	16.90	24000	8.50	24000	2	2	4	48000	100%	50%	100%	46%
210	NMDC15APR150.00PEW3	23.50	28000	13.90	28000	2	2	4	56000	100%	50%	100%	58%
211	NMDC15JUL105.00CE	12.50	20000	7.40	20000	2	2	2	40000	100%	100%	100%	100%
212	NMDC15JUL125.00PE	11.95	20000	7.20	20000	2	2	2	40000	100%	100%	100%	100%
213	NMDC15MAY105.00CE	26.90	12000	24.50	12000	2	2	8	24000	100%	25%	100%	18%
214	NMDC15MAY115.00CE	17.00	24000	12.50	24000	2	2	6	48000	100%	33%	100%	40%
215	NMDC15MAY120.00CE	13.10	16000	9.50	16000	2	2	4	32000	100%	50%	100%	62%
216	NTPC15APR125.00CE	26.90	10000	22.50	10000	2	2	2	20000	100%	100%	100%	100%
217	NTPC15APR130.00CEW1	31.00	20000	20.10	20000	2	2	6	40000	100%	33%	100%	31%
218	NTPC15APR135.00CE	16.50	14000	12.10	14000	2	2	2	28000	100%	100%	100%	100%
219	NTPC15APR140.00CE	11.90	12000	7.50	12000	2	2	4	24000	100%	50%	100%	14%
220	NTPC15APR160.00PE	10.84	22000	6.50	22000	4	4	6	44000	100%	67%	100%	12%
221	NTPC15APR170.00PE	20.95	22000	16.76	22000	4	4	7	44000	100%	57%	100%	10%
222	NTPC15MAR130.00CE	33.50	20000	26.50	20000	2	2	2	40000	100%	100%	100%	100%
223	NTPC15MAR130.00CEW2	30.50	16000	24.50	16000	2	2	29	32000	100%	7%	100%	3%
224	NTPC15MAR135.00CEW2	20.58	38000	13.18	38000	4	4	4	76000	100%	100%	100%	100%
225	NTPC15MAR140.00CEW2	15.72	36000	8.77	36000	4	4	4	72000	100%	100%	100%	100%
226	NTPC15MAR140.00CEW3	20.00	16000	14.50	16000	2	2	4	32000	100%	50%	100%	47%
227	NTPC15MAR165.00PEW2	14.50	10000	9.50	10000	2	2	9	20000	100%	22%	100%	56%
228	NTPC15MAR170.00PEW2	16.83	44000	9.90	44000	6	6	6	88000	100%	100%	100%	100%
229	NTPC15MAR170.00PEW3	18.50	18000	9.70	18000	2	2	6	36000	100%	33%	100%	47%
230	NTPC15MAR175.00PEW2	21.00	12000	17.00	12000	2	2	2	24000	100%	100%	100%	100%
231	ONGC15MAY310.00CE	13.50	15000	9.50	15000	2	2	2	30000	100%	100%	100%	100%
232	PGCL15MAY120.00CE	22.90	14000	18.90	14000	2	2	4	28000	100%	50%	100%	54%
233	PGCL15MAY125.00CE	18.36	48000	13.98	48000	6	6	14	96000	100%	43%	100%	32%
234	PGCL15MAY130.00CE	13.50	14000	8.90	14000	2	2	4	28000	100%	50%	100%	30%
235	PGCL15MAY165.00PE	24.85	32000	20.19	32000	4	4	6	64000	100%	67%	100%	73%

S. No.	Contract Name	Avg. Buy Rate (Rs.)	Total Buy Volume (no. of units)	Avg. Sell Rate (Rs.)	Total Sell Volume (no. of units)	Number of non genuine trades executed by Entity in the Contract	Total number of trades executed by the Entity in the Contract	Total number of trades executed in the contract	Artificial volume generated by Entity in the Contract	% of Non Genuine trades of Noticee in the contract to Noticee's Total trades in the Contract	% of Non Genuine trades of Entity in the contract to Total trades in the Contract	% of Artificial Volume generated by Noticee in the contract to Noticee's Total Volume in the Contract	% of Artificial Volume generated by Noticee in the contract to Total Volume in the Contract
236	PGCL15MAY170.00PE	29.50	12000	25.10	12000	2	2	4	24000	100%	50%	100%	46%
237	PLNG15APR160.00CEW1	22.50	20000	13.90	20000	2	2	10	40000	100%	20%	100%	8%
238	PLNG15APR190.00PEW1	15.40	20000	8.50	20000	2	2	2	40000	100%	100%	100%	100%
239	PLNG15MAY145.00CE	24.90	18000	20.50	18000	2	2	2	36000	100%	100%	100%	100%
240	PLNG15MAY160.00CE	14.50	14000	9.50	14000	2	2	2	28000	100%	100%	100%	100%
241	PLNG15MAY170.00CE	14.50	20000	10.50	20000	2	2	2	40000	100%	100%	100%	100%
242	PLNG15MAY175.00CE	13.50	12000	9.00	12000	2	2	2	24000	100%	100%	100%	100%
243	PLNG15MAY195.00PE	22.50	16000	18.90	16000	2	2	2	32000	100%	100%	100%	100%
244	PNBK15APR150.00CEW2	20.50	15000	12.30	15000	2	2	6	30000	100%	33%	100%	17%
245	PNBK15APR180.00PEW1	13.50	15000	9.50	15000	2	2	10	30000	100%	20%	100%	10%
246	PNBK15MAR145.00CEW2	19.50	10000	12.10	10000	2	2	4	20000	100%	50%	100%	40%
247	PNBK15MAR185.00PEW2	22.00	5000	18.00	5000	2	2	2	10000	100%	100%	100%	100%
248	PNBK15MAR190.00PEW2	27.50	15000	20.50	15000	2	2	4	30000	100%	50%	100%	50%
249	PTCI15APR90.00PEW4	15.01	156000	8.85	156000	6	6	6	312000	100%	100%	100%	100%
250	RECL15MAY270.00CE	40.00	14000	35.50	14000	2	2	2	28000	100%	100%	100%	100%
251	RECL15MAY280.00CE	33.50	14000	30.00	14000	2	2	2	28000	100%	100%	100%	100%
252	RECL15MAY300.00CE	11.20	20000	6.50	20000	2	2	2	40000	100%	100%	100%	100%
253	RECL15MAY370.00PE	63.50	15000	60.00	15000	2	2	2	30000	100%	100%	100%	100%
254	SBIL15APR260.00CE	17.90	10000	14.50	10000	2	2	2	20000	100%	100%	100%	100%
255	SBIL15APR270.00CE	11.50	10000	7.50	10000	2	2	24	20000	100%	8%	100%	6%
256	SBIL15APR290.00PE	15.50	10000	11.10	10000	2	2	2	20000	100%	100%	100%	100%
257	SBIL15APR300.00PE	23.70	10000	20.50	10000	2	2	2	20000	100%	100%	100%	100%
258	SESA15APR195.00CE	14.70	10000	10.50	10000	2	2	2	20000	100%	100%	100%	100%
259	SESA15APR200.00CE	10.50	12000	7.35	12000	2	2	2	24000	100%	100%	100%	100%
260	SESA15MAY210.00CE	9.20	12000	6.50	12000	2	2	2	24000	100%	100%	100%	100%
261	SESA15MAY215.00CE	7.90	10000	3.90	10000	2	2	2	20000	100%	100%	100%	100%
262	SYND15MAR95.00CEW2	25.50	16000	20.50	16000	2	2	17	32000	100%	12%	100%	2%
263	TATP15MAR110.00PEW2	27.00	12000	23.50	12000	2	2	2	24000	100%	100%	100%	100%
264	TATP15MAR65.00CEW2	24.50	16000	18.50	16000	2	2	2	32000	100%	100%	100%	100%
265	TGBL15APR145.00CEW2	17.10	20000	10.50	20000	2	2	2	40000	100%	100%	100%	100%
266	TGBL15APR170.00PEW1	12.90	20000	6.10	20000	2	2	4	40000	100%	50%	100%	50%
267	TGBL15MAY140.00CE	8.08	50000	7.86	50000	4	4	4	100000	100%	100%	100%	100%

S. No.	Contract Name	Avg. Buy Rate (Rs.)	Total Buy Volume (no. of units)	Avg. Sell Rate (Rs.)	Total Sell Volume (no. of units)	Number of non genuine trades executed by Entity in the Contract	Total number of trades executed by the Entity in the Contract	Total number of trades executed in the contract	Artificial volume generated by Entity in the Contract	% of Non Genuine trades of Noticee in the contract to Noticee's Total trades in the Contract	% of Non Genuine trades of Entity in the contract to Total trades in the Contract	% of Artificial Volume generated by Noticee in the contract to Noticee's Total Volume in the Contract	% of Artificial Volume generated by Noticee in the contract to Total Volume in the Contract
268	TGBL15MAY145.00CE	5.00	20000	3.50	20000	2	2	2	40000	100%	100%	100%	100%
269	TGBL15MAY170.00PE	26.50	18000	21.00	18000	2	2	2	36000	100%	100%	100%	100%
270	UCOB15APR55.00CE	10.39	28000	6.93	28000	4	4	28	56000	100%	14%	100%	4%
271	UCOB15APR60.00CE	6.45	12000	3.25	12000	2	2	4	24000	100%	50%	100%	8%
272	UCOB15APR70.00PE	6.40	12000	3.10	12000	2	2	12	24000	100%	17%	100%	1%
273	UCOB15APR75.00PE	11.40	12000	8.50	12000	2	2	2	24000	100%	100%	100%	100%
274	UCOB15APR80.00PE	15.80	12000	12.90	12000	2	2	2	24000	100%	100%	100%	100%
275	UCOB15MAR50.00CEW3	20.50	20000	12.10	20000	2	2	4	40000	100%	50%	100%	50%
276	UCOB15MAR55.00CEW2	14.10	20000	9.10	20000	2	2	2	40000	100%	100%	100%	100%
277	UCOB15MAR80.00PEW2	14.70	20000	7.20	20000	2	2	2	40000	100%	100%	100%	100%
278	UCOB15MAR90.00PEW3	29.10	20000	20.70	20000	2	2	4	40000	100%	50%	100%	50%
279	ZEEL15MAR320.00CEW2	26.50	15000	19.50	15000	2	2	13	30000	100%	15%	100%	3%
280	ZEEL15MAR360.00PEW2	20.00	9000	15.00	9000	2	2	12	18000	100%	17%	100%	3%

17. From the details in the above table, following is noted as regards to dealings of the Noticee in said 280 contracts:

a) Noticee has executed non-genuine trades in above 280 contracts, wherein 100% trades of the Noticee were non-genuine trades.

b) The number of non-genuine trades of the Noticee has significantly contributed to the total number of trades from the market in the above contracts, as a substantial 7% to 100% of the trades happened in the said 280 contracts were due to non-genuine trades executed by the Noticee.

c) A substantial 100% of volume generated by the Noticee in the said 280 contracts was artificial volume, and further artificial volume generated by the Noticee also contributed to significant 1% to 100% of the total volume from the market in the said 280 contracts.

d) Non-genuine trades executed by the Noticee in above contracts had significant differential in buy rates and sell rates considering that the trades were reversed on same day.

18. From the above trading pattern of the Noticee, I note that the Noticee had bought and sold option contracts with the same counter parties and also reversed its trades on the same day, from its earlier buy / sell trades, at substantial price difference. Such pattern of dealings suggests that they were not driven by the market parameters like underlying stock price, volatility, etc.

19. Therefore, I note that the aforesaid trades of the Noticee were non-genuine and have created false or misleading appearance of trading in terms of artificial volume in stock options and therefore manipulative and deceptive in nature.

20. The Noticee submitted that the trades in question are primarily jobbing transactions wherein generally delivery is not intended and any increase in volume is incidental. The Noticee further submitted that the period under SEBI scanner was fully covered by the inspection conducted by BSE in November 2016 and no non-genuine trades etc., were discovered. I note that it is the fact that the Noticee executed non-genuine trades in 280 contracts, wherein it executed total 685 non-genuine trades, which resulted in artificial volume of total 1,16,12,000 units. In all 280 contracts 100% trades of the Noticee were non-genuine. The number of non-genuine trades of the Noticee had contributed to the total number of trades from the market in the said 280 contracts, in the range of 7% to 100%. A substantial 100% of volume generated by the Noticee in the said 280 contracts was artificial volume. Further, artificial volume generated by the Noticee also contributed to significant (in the range of 1% to 100%) total volume from the market in the said 280 contracts. Non-genuine trades executed by the Noticee in above contracts had significant differential in buy rates and sell rates considering that the trades were reversed on same day. Considering the fact that

all these reversal transactions were carried out through a screen based trading platform on a segment with different contracts, the repeated sell/buy of illiquid stock options by the Noticee and subsequent reversal trades with the same set of entities for the same quantity, on same day with a significant difference in buy and sell value of stock options, in itself, exhibits abnormal market behaviour and defies economic rationality. I note from the above trading pattern of the Noticee that it was deliberately making blatant misuse of trading platform for creating artificial volume in the illiquid stock options and the rationale for such transactions entered by the Noticee are not genuine and irrational.

21. It is submission of the Noticee that the settlement prices on BSE are in line with those prevalent on the other major Exchange. Thus no manipulation can be attributed. Noticee further submitted that the transactions executed were neither manipulative nor fraudulent nor unfair trade practices. They were pure and simple jobbing transactions without any knowledge or collusion of the counter parties. No financial benefit was derived by the Noticee instead it suffered a huge loss amounting to Rs.2.90 Crore approximately.

22. In respect of the aforesaid contentions of the Noticee, I note that derivative contracts by its very nature derives its value from various factors including underlying price. The transactions of the Noticee as mentioned in above paras demonstrates that option contracts bought / sold were immediately reversed on same day at substantially different price, though there was no corresponding price changes in the underlying stock price. Further, analysis of such trades also indicates that price differentials have been deliberately structured for manipulative purposes as one party to the contract had deliberately foregone profitable proposition at the time of executing trade. Such pattern completely runs contrary to economic rationale of any investor to buy at lesser price and sell at higher price. Any rational investor would never deal in the market to deliberately register loss to facilitate buyer to profit at the time of entering trades. Had the

counterparties for trades of the Noticee are different, intraday squaring of positions would not have been possible as no genuine counter party investor would ever forego profits. The fact that the counterparties are same, corroborates that the trades were not genuine and executed for manipulative purposes. Therefore, I find no merit in the submission of the Noticee that the impugned reversal of trades are genuine in nature.

23. The Noticee denied the alleged violations of the provisions of Regulations 3(a), (b), (c), (d) and 4(1), 4(2)(a) of the PFUTP Regulations. I note that the scheme, plan, device and artifice employed by the Noticee in this case of executing reversal trades in illiquid stock options contracts at irrational, unrealistic and unreasonable prices, tantamount to fraud on the securities market in as much as it involves non-genuine/ manipulative transactions in securities and misuse of the securities market mechanism. The non-genuine and deceptive transactions of the Noticee are covered under the definition of 'fraud' and the dealings of the Noticee as discussed herein above were "fraudulent", as defined under regulation 2 (1) (c) of PFUTP Regulation and prohibited under the provisions of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) PFUTP Regulations, thereof.

24. Further, with respect to the reversal of trades carried out by the Noticee, I note that the Hon'ble Supreme Court in the matter of ***SEBI vs. Rakhi Trading Private Ltd.*****,** in *Civil appeals no., 1969 of 2011 with Civil Appeal Nos., 3174-3177 of 2011 and Civil Appeal No., 3180 of 2011* decided on February 8, 2018 had observed that *"the price discovery system itself was affected by synchronization and rapid reverse trade, which also had the impact of excluding other investors from participating in the market. The Supreme Court, therefore found that the traders having engaged in a fraudulent and unfair trade practice while dealing in securities, are hence liable to be proceeded against for violation of Regulations 3(a), 4(1) and 4(2)(a) of PFUTP Regulations".* The Apex Court also observed that *"considering the reversal transactions, quantity, price and time and sale, parties*

being persistent in the number of such trade transactions with huge price variations, it will be too naïve to hold that the transactions are through screen-based trading and hence anonymous. Such conclusion would be over-looking the prior meeting of minds involving synchronization of buy and sell order and not negotiated deals as per the Board's circular. The impugned transactions are manipulative/deceptive device to create a desired loss and/or profit. Such synchronized trading is violative of transparent norms of trading in securities."

25. The Noticee has denied any insinuation of collusion with the counter party or any knowledge of the counter parties and submitted that none of the Promoters / Directors / Employees / Sister-concerns of the Noticee are related to the counter parties in the impugned transactions of the Noticee. In this regard, I note that in the screen based trading, the manipulative or fraudulent intent can be inferred from various factors such as conduct of the party, pattern of transactions, etc. Further, in the absence of direct proof of meeting of minds, the conclusion can be derived from various circumstances like volume of trade, period of persistence of trading, particulars of buy and sell orders, proximity of time and such other relevant factors. In this regard, it is appropriate to refer to the Hon'ble SAT Order dated July 14, 2006, in the case of ***Ketan Parekh vs. SEBI (Appeal no. 2/2004)***, wherein, Hon'ble SAT has observed 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."*

26. In line with the aforesaid findings of Hon'ble SAT, I note that the trading pattern of the Noticee in terms of volume of reversal trades, proximity of buy/sell and subsequent reversal evidences the indulgence of the Noticee beyond a reasonable doubt of the manipulative intent in creation of artificial volume. Further, consistent pattern of dealings by Noticee in such options contracts which

are illiquid clearly demonstrates that the manipulative intent to use stock exchange platform to carry out non-genuine trades with the aim to execute such trades for various manipulative purposes. I note from the trading pattern of the Noticee that it was deliberately making repeated loss through its reversal trades in stock options which does not make any economic sense and it is a blatant misuse of trading platform for creating artificial volume in the illiquid stock options. I note that the rationale for such transactions entered by the Noticee is not genuine and legitimate as the behaviour exhibited by the Noticee defies the logic and basic economic sense. I note that no reasonable and rational investor will keep making repeated losses and still continue its trading endeavours.

27. In this regard, reliance is placed upon the judgement of Hon'ble Supreme Court in the matter of ***SEBI vs. Rakhi Trading Private Ltd.***, (Supra), where Apex Court stated at Para 35 and Para 41 of that said Order that *"The platform of the stock exchange has been used for a non-genuine trade. Trading is always with the aim to make profits. But if one party consistently makes loss and that too in pre-planned and rapid reverse trades, it is not genuine; it is an unfair trade practice". "The stock market is not a platform for any fraudulent or unfair trade practice. The field is open to all the investors. By synchronization and rapid reverse trade, as has been carried out by the traders in the instant case, the price discovery system itself is affected. Except the parties who have pre-fixed the price nobody is in the position to participate in the trade. It also has an adverse impact on the fairness, integrity and transparency of the stock market."*

28. Keeping in mind the dicta of the Hon'ble Supreme Court as reproduced above, I see no reason to take a different view in the present case. Therefore, I hold that the Noticee had indulged in execution of reversal trades in Stock Options with same entities on the same day, which are non-genuine in nature and had created false or misleading appearance of trading in terms of artificial volumes.

29. Therefore, I am of firm opinion that the Noticee by indulging in reversal of trades on the stock exchange platform, which are manipulative / unfair / fraudulent / non-genuine, in nature, had created artificial volumes in the contracts and thereby Noticee had violated the provisions of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003. The aforesaid violation of PFUTP Regulations by the Noticee attract monetary penalty under Section 15HA of the SEBI Act, which at the time of the violation committed by the Noticee, *inter-alia* reads as follows:

88[Penalty for fraudulent and unfair trade practices.
15HA. *If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty* ***89****[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].*

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88 *Inserted by the SEBI (Amendment) Act, 2002, w.e.f.29-10-2002.*
89 *Substituted for the words —twenty-five crore rupees or three times the amount of profits made out of such failure, whichever is higher || by the Securities Laws (Amendment) Act, 2014, w.e.f. 08-09-2014*

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

"15J - Factors to be taken into account 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."*

31. At this juncture, reliance is placed upon the Order of the Hon'ble Supreme Court in the matter of ***Chairman, SEBI Vs Shriram Mutual Fund {[2006]5 SCC 361}*** – where the Hon'ble Supreme Court of India 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….."*

32. As established above, the trades by the Noticee were non-genuine in nature and created a misleading appearance of trading in illiquid stock option contracts. Investigations have shown amount of profit / loss of the counterparties to the trades as a result of the non-genuine trades. However, I note that the Noticee indulged in creation of artificial volumes by way of reversal of trades in illiquid options contracts, where wider market participation was not involved in the trades, and the trades are such that one of the counterparty books a profit while the other counterparty books a loss. Hence, it would be appropriate to consider the impact of these transactions between the two counterparties in totality. As observed in the preceding paragraphs the Noticee executed non-genuine trades in 280 contracts, wherein it executed total 685 non-genuine trades, which resulted in artificial volume of total 1,16,12,000 units. In all 280 contracts 100% trades of the Noticee were non-genuine. The number of non-genuine trades of the Noticee had contributed to the total number of trades from the market in the said 280 contracts, in the range of 7% to 100%. A substantial 100% of volume generated by the Noticee in the said 280 contracts was artificial volume. Further, artificial volume generated by the Noticee also contributed to significant (in the range of 1% to 100%) of the total volume from the market in the said 280

contracts. Non-genuine trades executed by the Noticee in above contracts had significant differential in buy rates and sell rates considering that the trades were reversed on same day.

33. Such persistent trading pattern of the Noticee, which was fraudulent and deceptive, affects the normal price discovery mechanism in the securities market. People who indulge in manipulative, fraudulent and deceptive transaction, or abet the carrying out of such transaction which are fraudulent and deceptive should be suitably penalized for such acts of omissions and commissions.

34. In view of the forgoing, I conclude that the Noticee indulged in execution of reversal of trades in Stock Options segment of BSE with same entities on the same day. Such trades are non-genuine in nature and have created false and misleading appearance of trading in terms of artificial volumes in the stock options segment of BSE and thus the Noticee had violated the provisions of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations and liable for penalty under Section 15HA of the SEBI Act.

<u>ORDER</u>

35. After Taking into consideration the nature and gravity of the charges established in the preceding paragraphs, factors mentioned under Section 15J of the SEBI Act and in exercise of the powers conferred upon me under Section 15-I of the SEBI Act, read with Rule 5 of the SEBI Adjudication Rules, I hereby impose a penalty of Rs.25,00,000/- (Rupees Twenty Five Lakh Only) on the Noticee viz. M/s. Indus Portfolio Private Limited in terms of Section 15HA of the SEBI Act, for the violation of the provisions of Regulations 3 (a), (b), (c), (d) and 4 (1), 4 (2) (a) of PFUTP Regulations for indulging in execution of reversal trades in Stock Options with same entities on the same day, thereby creating artificial volume,

leading to false and misleading appearance of trading in the illiquid stock options at BSE.

36. The amount of penalty shall be paid either by way of demand draft in favour of “SEBI - Penalties Remittable to Government of India”, payable at Mumbai, or by e-payment in the account of “SEBI - Penalties Remittable to Government of India”, A/c No. 31465271959, State Bank of India, Bandra Kurla Complex Branch, RTGS Code SBIN0004380 within 45 days of receipt of this Order. The said demand draft or forwarding details and confirmations of e-payments made (in the format as given in table below) should be forwarded to “The Division Chief (Enforcement Department-DRA-I), the Securities and Exchange Board of India, SEBI Bhavan, Plot No. C4 – A, “G” Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.”

1. Case Name :	
2. Name of Payee :	
3. Date of Payment:	
4. Amount Paid :	
5. Transaction No. :	
6. Bank Details in which payment is made :	
7. Payment is made for : (like penalties/ disgorgement/ recovery/ settlement amount and legal charges along with order details)	

37. In terms of Rule 6 of the Adjudication Rules, 1995, copy of this Order is sent to the Noticee and also to the Securities and Exchange Board of India.

Date : March 08, 2019
Place : Mumbai

Satya Ranjan Prasad
Adjudicating Officer