BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/BS/YK/2023-24/ 29715-29721]

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

In respect of:

Noticee No.	Noticee	PAN
1	Nirmal Kumar Mangalchand Mittal	ABFPM8543C
2	Gagan Nirmal Kumar Mitttal	AGAPM6260A
3	Gagan N Mittal HUF	AAGHG1350K
4	Amay Spincot Pvt. Ltd.	AADCD9207C
5	Amrapali Industries Ltd.	AABCA8337J
6	Yashwant Amritlal Thakkar	AAIPT1697G
7	Chirag Thakkar	ADMPT4186H

*(The above-mentioned entities are individually referred to by their respective Noticee No. as assigned in the Show Cause Notice dated May 04, 2023 and collectively referred to as **'Noticees'**)*

In the matter of United Polyfab Gujarat Limited

FACTS OF THE CASE

1. Securities and Exchange Board of India (hereinafter referred to as **"SEBI"**) conducted an investigation into the trading activities of certain entities in the scrip of United Polyfab Gujarat Limited (hereinafter referred to as **"UPGL" or "company")**. The focus of the investigation was to ascertain whether there was any violation of the provisions of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as **"SEBI Act"**) and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as **"PFUTP Regulations"**) by the Noticees while executing trades in the scrip of UPGL during the period from February 01, 2018 to April 30, 2018 (hereinafter referred to as

the **"Investigation period/IP"**). The scrip was listed on the EMERGE (for SMEs) platform of National Stock Exchange of India Limited (hereinafter referred to as the **"NSE"**). Based on the findings of Investigation, SEBI initiated an adjudication proceeding under Section 15HA of the SEBI Act for the alleged violation of the provisions of Section 12A(a), (b), (c) of the SEBI Act and Regulation 3(a), (b), (c), (d) & Regulation 4(1), 4(2)(a), (b), (d) & (e) of PFUTP Regulations by Noticees.

APPOINTMENT OF ADJUDICATING OFFICER

2. Vide an order of the Competent Authority dated March 28, 2023, SEBI initiated adjudication under Section 15-I of the SEBI Act read with Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as **'Adjudication Rules'**), to inquire into and adjudge under the provisions of the Section 15HA of the SEBI Act for the violations alleged to have been committed by the Noticees. Subsequently, the undersigned was appointed as Adjudicating Officer (hereinafter referred to as **'AO'**) vide communique dated April 20, 2023.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. Common Show Cause Notice ref no. SEBI/EAD-1/BS/LD/18271/2023 dated May 04, 2023 (hereinafter referred to as **'SCN'**) was served upon the Noticees in terms of Rule 4 of the Adjudication Rules read with Section 15-I of the SEBI Act to show cause as to why an inquiry should not be held against the Noticees and why penalty not be imposed on it in terms of the provisions of the Section 15HA of the SEBI Act for the violations alleged to have been committed by the Noticees.

4. The allegations made in the said SCN, *inter alia*, are reproduced below:

4.1. During the IP, Noticees 5 to 7 bought 6,84,000 shares in the scrip of UPGL at an average price of Rs. 34.40. Thereafter, Noticee 6 and 7 started selling the shares in small quantities at lower prices and influenced the price of the scrip downwards by placing sell orders below LTP till March 22, 2018.This led to a price fall from Rs. 33.95 (close price as on February 22, 2018) to Rs.17.50 (close price on March 22, 2018). Subsequent to the fall in the price of the scrip, promoters of UPGL (Noticees 1 to 3) and their related entity – Noticee 4, together bought 5,85,000 shares in the scrip of UPGL at an average price of Rs. 19.41. Hence, it was alleged that Noticees 5 to 7 on account of their actions indulged in manipulation of price and volume in the scrip of UPGL by lowering its LTP and thereby aiding and abetting Noticees 1 to 4 by enabling them to purchase shares at a lower price and increasing their stake substantially.

4.2. **Individual-wise holding of the promoters in UPGL is as given below** :

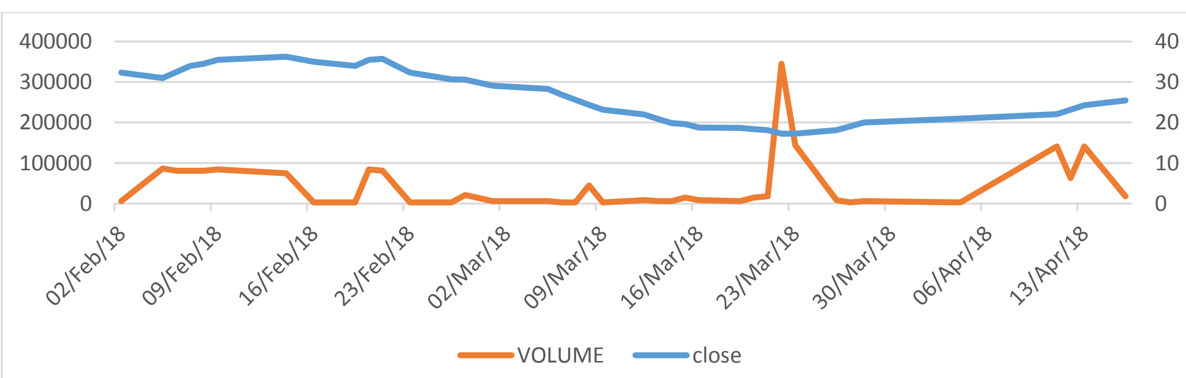
Sl. No	Name of the promoter	30-Sep-2017		31-Mar-18		30-Sep-18	
		No. of shares	%	No. of shares	%	No. of shares	%
1	Ronak Sushil Kejriwal	60,000	1.06	60,000	1.06	60,000	0.86
2	Shilpa Gagan Mittal	310,800	5.47	310,800	5.47	310,800	4.45
3	Gagan N Mittal HUF **(Noticee 3)**	310,000	5.45	310,000	5.45	514,000	7.36
4	Maitri Ronak Kejriwal	45,000	0.79	45,000	0.79	45,000	0.64
5	Mansi Nirmal Mittal	40,000	0.70	40,000	0.70	40,000	0.57
6	Manju Sushil Kejriwal	60,000	1.06	60,000	1.06	60,000	0.86
7	Nirmal Kumar Mangalchand Mittal **(Noticee 1)**	583,000	10.26	643,400	11.32	721,000	10.32
8	Sushil Radhakishan Kejriwal	60,000	1.06	60,000	1.06	60,000	0.86
9	Ritesh Kamalkishore Hada	2,500	0.04	2,500	0.04	2,500	0.04
10	Nirmal Mangalchand Mittal HUF	100,000	1.76	100,000	1.76	100,000	1.43
11	Gagan Nirmal Kumar Mittal **(Noticee 2)**	337,550	5.94	396,550	6.98	478,550	6.85
12	United Polyfab Private Ltd.	155,000	2.73	155,000	2.37	155,000	2.22
	Total	**2,063,850**	**36.32**	**2,183,250**	**38.06**	**2,546,850**	**36.46**

4.3. Price Volume Analysis of the Scrip on NSE during the Investigation Period is given below: -

Period	Dates		Opening Price (volume) on first day of the period (Rs)	Closing price (volume) on last day of the period (Rs.)	Low price (volume) during the period (Rs.)	High Price (volume) during the period (Rs.)	Avg. No. of (shares) traded daily during the period.
Pre Investigation Period	(01/11/17 to 24/01/18)	Price	29.50	34.00	28.00 (06 Dec 17)	36.00 (16 Jan 18)	4,667
		Vol	3,000	3,000	3,000 (01 Nov 17)	15,000 (29 Dec 17)	
Investigation Period	(02/02/18 to 16/04/18)	Price	33.00	25.50	16.40 (23 Mar 18)	36.25 (14 Feb 18)	45,077
		Vol	6,000	18,000	3,000 (16 Feb 18)	3,45,000 (22 Mar 18)	
Post Investigation Period	(02/05/18 to 31/07/18)	Price	26.75	35.55	26.75 (02 May 18)	39.40 (25 Jul 18)	4,800
		Vol	3,000	3,000	3,000 (02 May 18)	9,000 (24 Jul 18)	

4.3.1. From the above table, it was observed that the traded volume in the scrip was 6,000 shares at the opening of the IP and touched a high of 18,000 shares at the closing, registering an increase of 12,000 shares (200%). The volume also touched a highest of 3,45,000 shares on March 22, 2018 and lowest of 3,000 shares on February 16, 2018. The average volume for the IP was 45,077 shares as against 4,667 shares witnessed during the pre-investigation period and 4,800 shares during the post-investigation period.

4.3.2. Graph of Daily Closing Price-Volume in the scrip of Company at the NSE during the investigation period is as below:



4.4. **Clients' Concentration**:

4.4.1. Details of top 10 buy clients and sell clients concentration on NSE during the IP are given in the table below:

Sl. No.	Buy Client Name	Total	%age of Trade Vol	Selling Client Name	Total	%age of Trade Vol
1	Yashwant Amritlal Thakkar (Noticee 6)	240,000	13.65	NNM Securities Pvt Ltd	528,000	30.03
2	Chirag Y.Thakkar (Noticee 7)	231,000	13.14	Yashwant Amritlal Thakkar (Noticee 6)	240,000	13.65
3	Amrapali Industries Ltd. (Noticee 5)	213,000	12.12	Chirag YThakkar (Noticee 7)	231,000	13.14
4	Gagan N Mittal HUF (Noticee 3)	204,000	11.60	Amrapali Industries Ltd. (Noticee 5)	213,000	12.12
5	Miker Financial Consultants Pvt Ltd	141,000	8.02	Beeline Broking Limited	201,000	11.43
6	Gagan Nirmal Kumar Mittal (Noticee 2)	141,000	8.02	Mangesh Krishnakant Kangutkar	105,000	5.97
7	Nirmal Kumar Mangalchand Mittal (Noticee 1)	138,000	7.85	Premkumar Ram Krishna Pandey	81,000	4.61
8	Dhanshree Barter Private Limited	102,000	5.80	Interactive Financial Services Ltd	30,000	1.71
9	NNM Securities Pvt Ltd	69,000	3.93	Satyanarayan Jagnnath Kabra	27,000	1.54
10	Kishan Sohanlal Safaria	42,000	2.39	Suncare Traders Limited	24,000	1.37
Top 10 Buy Clients		**1,521,000**	**86.52**	**Top 10 Sell Clients**	**1,680,000**	**95.57**
Remaining Clients		**237,000**	**13.48**	**Remaining Clients**	**78,000**	**4.43**
Total Traded Volume		**1,758,000**	**100.00**	**Total Traded Volume**	**1,758,000**	**100.00**

4.4.2. It was observed that Mr. Yashwant Amritlal Thakkar (**Noticee 6)** had the highest gross buy position of 2,40,000 shares which was 13.65% of the gross market. The said entity had also held the second highest sell position with equal quantity and gross market percentage.

4.4.3. Further, on the sell side, trading member/ market maker NNM Securities Pvt. Ltd., had the highest gross sell position of 5,28,000 shares which was 30.03% of the gross market. The said trading member also had ninth highest buy position of 69,000 shares with 3.93% of the gross buy quantity for the market.

4.4.4. The top 10 clients had 86.52% and 96.57% of gross buy and gross sell quantity respectively, in the market during the IP.

4.4.5. Based on the above, following entities were significant volume contributors: -

Sl. No.	Name of the Entity	Buy Qty	% of Buy Qty to Mkt. Vol.	Sell Qty	% of Sell Qty to Mkt. Vol.
1	Yashwant Amritlal Thakkar (Noticee 6)	240000	13.65	240000	13.65
2	Chirag Thakkar (Noticee 7)	231000	13.14	231000	13.14
3	Amrapali Industries Ltd. (Noticee 5)	213000	12.12	213000	12.12
4	Gagan N Mittal HUF (Noticee 3)	204000	11.60	0	0.00
5	Gagan Nirmal Kumar Mittal (Noticee 2)	141000	8.02	0	0.00
6	Miker Financial Consultants Pvt Ltd	141000	8.02	0	0.00
7	Nirmal Kumar Mangalchand Mittal (Noticee 1)	138000	7.85	0	0.00
8	Amay Spincot Pvt. Ltd. (Noticee 4)	102000	5.80	0	0.00
9	NNM Securities Pvt Ltd.	69000	3.92	528000	30.03
10	Premkumar Ram Krishna Pandey	0	0.00	81000	4.61
11	Mangesh Krishnakant Kangutkar	0	0.00	105000	5.97
12	Beeline Broking Limited	0	0.00	201000	11.43
Total		**1479000**	**84.12**	**1599000**	**90.95**
Market total		**1758000**	**100.00**	**1758000**	**100.00**

4.4.6. Following observations are made from the above table:

i. Top 3 entities, namely, Mr. Yashwant Amritlal Thakkar **(Noticee 6),** Mr**.** Chirag Thakkar **(Noticee 7),** and Amarpali Industries Ltd. **(Noticee 5),** purchased and net sold 6,84,000 shares, amounting to 38.91% of the total trades done in the market.

ii. The promoters of UPGL, namely Gagan N Mittal HUF **(Noticee 3),** Mr**.** Gagan Nirmal Kumar Mittal **(Noticee 2)** and Mr. Nirmal Kumar Mangalchand Mittal (**Noticee 1)**, purchased 4,83,000 shares in the scrip of UPGL.

iii. Other entities, Miker Financial Consultants Pvt. Ltd., and Amay Spincot Pvt. Ltd. (**Noticee 4)**, bought 1,41,000 shares and 1,02,000 shares respectively. Similarly, Mr. Premkumar Ram Krishna Pandey, Mr. Mangesh Krishnakant Kangutkar, and

Beeline Broking Limited, sold 81,000 shares, 1,05,000 shares, and 2,01,000 shares respectively, in the scrip of UPGL.

iv. NNM Securities, the market maker of UPGL bought 69,000 shares and sold 5,28,000 shares of the said scrip.

4.4.7. Based on analysis of entities with significant contribution to trading volumes in the scrip during IP, trades of the following entities were analysed. It is also observed that these entities were connected with each other in the following manner:

Sl. No.	PAN	Name	Basis for Connection
1.	AABCA8337J	Amrapali Industries Ltd. **(Noticee 5)**	*Connection of **Noticee 5** with other clients*: - Yashwant Amritlal Thakkar **(Noticee 6)** is director in Amarpali Industries Ltd. (**Noticee 5)** - Yashwant Amritlal Thakkar **(Noticee 6)** is father of Chirag Thakkar (**Noticee 7).** - Chirag Thakkar **(Noticee 7)** is Managing Director of the group company & stock broker, Amrapali Capital & Finance Services Ltd., through whom the trades were undertaken. - As per UCC details, address, email ID, mobile no., is common for all clients at sl. No. 1 to 3. *Connection of Amrapali & connected entities with UPGL:* - Corporate Strategic Allianz Limited was the lead manager for the SME public issue of UPGL. - Corporate Strategic Allianz Limited was the lead manager for the public issue of group company of Amrapali Industries Ltd. (**Noticee 5)** namely, Amrapali Fincap Ltd., in 2015 and for the public issue of Amrapali Capital and Finance Services Ltd., in 2013. - Mayur Rajendrabhai Parikh was common director in Amrapali Industries Ltd. (**Noticee 5)**, as well as Corporate Strategic Allianz Ltd. Further, Corporate Strategic Allianz Ltd., and NNM Securities were the underwriters for the SME issue.
2.	AAIPT1697G	Yashwant Amritlal Thakkar **(Noticee 6)**	
3.	ADMPT4186H	Chirag Thakkar **(Noticee 7)**	

			- Chirag Thakkar **(Noticee 7)** and Monal Thakkar, who are sons of Yashwant Amritlal Thakkar (**Noticee 6)**, are common facebook friends of a director of UPGL, Ritesh Hada. Further, Amrapali Industries Ltd **(Noticees 5),** Yashwant Amritlal Thakkar **(Noticee 6) &** Chirag Thakkar **(Noticee 7)** have confirmed, vide email dated February 27, 2023, that Monal Thakkar knew Mr. Ritesh Hada (director in UPGL) in his personal capacity. - Thus, apparently there is a long drawn connection between the Company UPGL, and directors of Amrapali Industries Ltd. (**Noticee 5).**
4.	AAACN8070G	NNM Securities Pvt. Ltd.	<u>*Connection of NNM Securities Pvt. Ltd. with certain clients.:*</u> - Mangesh Krishnakant Kangutkar and Premkumar Ram Krishna Pandey, who also sold shares to Amrapali and connected entities – Amrapali Industries **(Noticee 5**), Yashwant Amritial Thakkar **(Notice 6)** & Chirag Thakkar **(Noticee 7)** through NNM Securities, are employees of NNM Securities Pvt. Ltd. - Apurva Anilkumar Mittal was a common director for Miker Financial Consultants Pvt. Ltd., and NNM Securities P. Ltd. <u>*Connection of NNM Securities Pvt. Ltd., with UPGL.:*</u> - NNM Securities Pvt. Ltd., was also the underwriter for the SME issue of UPGL. - NNM Securities Pvt. Ltd., was the market-maker for the scrip of UPGL., at NSE.
5.	ARAPK0064F	Mangesh Krishnakant Kangutkar	
6.	AOLPP2173G	Premkumar Ram Krishna Pandey	
7.	AAECM1798G	Miker Financial Consultants Pvt. Ltd.	
8.	AGAPM6260A	Gagan Nirmal Kumar Mittal **(Noticee 2)**	<u>*Connection of promoters of UPGL:*</u> - Nirmal Kumar Mangalchand Mittal **(Noticee 1),** Gagan Nirmal Kumar Mittal **(Noticee 2) and** Gagan N Mittal HUF **(Noticee 3)** are promoters of the Company, UPGL.
9.	ABFPM8543C	Nirmal Kumar Mangalchand Mittal **(Noticee 1)**	

<table>
<tr><td>10..</td><td>AAGHG1350K</td><td>Gagan N Mittal HUF (Noticee 3)</td><td rowspan="2"><u>Connection of Noticee 4, with the Company:</u>
- Ronak Sushilkumar Kejriwal is one of promoters of the Company UPGL as per its shareholding pattern, and was also director in Amay Spincot Pvt. Ltd. (Noticee 4), during January 2014 to March 2018.

- Shivang Mahendrabhai Prajapathi was director in UPGL during May 2022 to August 2022 and was also director in Amay Spincot Pvt. Ltd. (Noticee 4), during January 2014 to February 2022</td></tr>
<tr><td>11.</td><td>AADCD9207C</td><td>Amay Spincot Pvt. Ltd. (Noticee 4) (earlier known as Dhanshree Barter Private Ltd.)</td></tr>
</table>

4.4.8. It was observed that the promoters of UPGL i.e. Noticees 1 to 3 are connected with Amrapali & connected parties i.e. Noticees 5 to 7 through a Merchant Banker. Friendship through Social Media Facebook was observed between a director of UPGL, Mr. Ritesh Hada and two sons of Mr. Yashwant Amritlal Thakkar (**Noticee 6)**, namely Mr. Chirag Thakkar (**Noticee 7)** and Mr. Monal Thakkar. Further, Noticees 5 to 7 have confirmed, vide email dated February 27, 2023, that Mr. Monal Thakkar knew Mr. Ritesh Hada (director in UPGL) in his personal capacity. Amay Spincot Pvt. Ltd. **(Noticee 4),** is an entity related to UPGL as directors/promoters are common between the two entities.

4.5. **<u>Trades done by the Noticee 1 to 7 during IP:</u>**

4.5.1. **<u>Purchase by Amrapali and connected persons (Noticees 5, 6 & 7)</u>** :

a) During the IP, Noticees 5 to 7 bought 6,84,000 shares in the market from February 5, 2018 till March 9, 2018 for a total value of Rs. 2,35,28,550/- at an average price of Rs. 34.40.

b) The trade details are as under:

Trade Date	Buyer Name	Seller Name	Traded Price (Rs.)	Traded Quantity	Traded Value (Rs.)
05/02/2018	Chirag Thakkar (Noticee 7)	NNM Securities Pvt. Ltd.	30.7	3000	92100
05/02/2018	Chirag Thakkar (Noticee 7)	NNM Securities Pvt. Ltd.	31	24000	744000
05/02/2018	Amrapali Industries Ltd. (Noticee 5)	NNM Securities Pvt. Ltd.	31	6000	186000

05/02/2018	Amrapali Industries Ltd. (Noticee 5)	NNM Securities Pvt. Ltd.	31	21000	651000
05/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	NNM Securities Pvt. Ltd.	31	9000	279000
05/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	NNM Securities Pvt. Ltd.	31	18000	558000
06/02/2018	Amrapali Industries Ltd. (Noticee 5)	NNM Securities Pvt. Ltd.	31.5	3000	94500
06/02/2018	Amrapali Industries Ltd. (Noticee 5)	NNM Securities Pvt. Ltd.	32.5	24000	780000
06/02/2018	Chirag Thakkar (Noticee 7)	NNM Securities Pvt. Ltd.	32.5	6000	195000
06/02/2018	Chirag Thakkar (Noticee 7)	NNM Securities Pvt. Ltd.	32.5	21000	682500
06/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	NNM Securities Pvt. Ltd.	32.5	9000	292500
06/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	NNM Securities Pvt. Ltd.	32.5	18000	585000
07/02/2018	Amrapali Industries Ltd. (Noticee 5)	Mangesh Krishnakant Kangutkar	34	27000	918000
07/02/2018	Chirag Thakkar (Noticee 7)	Mangesh Krishnakant Kangutkar	34	3000	102000
07/02/2018	Chirag Thakkar (Noticee 7)	Mangesh Krishnakant Kangutkar	34	24000	816000
07/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	Mangesh Krishnakant Kangutkar	34	3000	102000
07/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	Mangesh Krishnakant Kangutkar	34	3000	102000
07/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	Mangesh Krishnakant Kangutkar	34	3000	102000
07/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	Mangesh Krishnakant Kangutkar	34	18000	612000
08/02/2018	Amrapali Industries Ltd. (Noticee 5)	Premkumar Ram Krishna Pandey	34.5	27000	931500
08/02/2018	Chirag Thakkar (Noticee 7)	Premkumar Ram Krishna Pandey	34.5	27000	931500
08/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	Premkumar Ram Krishna Pandey	34.5	27000	931500
09/02/2018	Amrapali Industries Ltd. (Noticee 5)	NNM Securities Pvt. Ltd.	34.75	3000	104250
09/02/2018	Amrapali Industries Ltd. (Noticee 5)	NNM Securities Pvt. Ltd.	35.5	24000	852000
09/02/2018	Chirag Thakkar (Noticee 7)	NNM Securities Pvt. Ltd.	35.5	6000	213000
09/02/2018	Chirag Thakkar (Noticee 7)	NNM Securities Pvt. Ltd.	35.5	21000	745500
09/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	NNM Securities Pvt. Ltd.	35.5	9000	319500
09/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	NNM Securities Pvt. Ltd.	35.5	18000	639000
14/02/2018	Amrapali Industries Ltd. (Noticee 5)	Mangesh Krishnakant Kangutkar	36.25	24000	870000
14/02/2018	Chirag Thakkar (Noticee 7)	NNM Securities Pvt. Ltd.	36.25	30000	1087500
14/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	NNM Securities Pvt. Ltd.	36.25	21000	761250

20/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	Beeline Broking Limited	35.5	27000	958500
20/02/2018	Chirag Thakkar (Noticee 7)	Beeline Broking Limited	35.5	27000	958500
20/02/2018	Amrapali Industries Ltd. (Noticee 5)	Beeline Broking Limited	35.5	27000	958500
21/02/2018	Amrapali Industries Ltd. (Noticee 5)	Beeline Broking Limited	35.7	27000	963900
21/02/2018	Chirag Thakkar (Noticee 7)	Beeline Broking Limited	35.7	27000	963900
21/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	Beeline Broking Limited	35.7	27000	963900
22/02/2018	Yashwant Amritlal Thakkar (Noticee 6)	Beeline Broking Limited	36.2	27000	977400
22/02/2018	Chirag Thakkar (Noticee 7)	Beeline Broking Limited	36.2	12000	434400
09/03/2018	Yashwant Amritlal Thakkar (Noticee 6)	NNM Securities Pvt. Ltd.	23.15	3000	69450
	Total			**6,84,000**	**2,35,28,550**

4.5.2. **Sale by Amrapali and connected persons (Noticees 5, 6 & 7)** :

c) Subsequently, Noticees 5 to 7 sold the entire 6,84,000 shares from February 22, 2018 to April 12, 2018, for a total value of Rs. 1,30,31,250 at an average price of Rs. 19.05, and thereby, incurred a loss of Rs. 1,04,97,300/-.

d) The details of sales by various entities are as under:

Trade Date	Buyer Name	Seller Name	Trade Price (Rs.)	Traded Qty.	Traded Value (Rs.)
22/02/2018	NNM Securities Pvt Ltd	Chirag Thakkar (Noticee 7)	33.95	3000	101850
01/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	29.1	3000	87300
01/03/2018	Satyanarayan Jagnnath Kabra	Yashwant Amritlal Thakkar (Noticee 6)	29.1	3000	87300
05/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	27.65	3000	82950
06/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	26.9	3000	80700
07/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	25.6	3000	76800
12/03/2018	Darshan Pankajbhai Shah	Yashwant Amritlal Thakkar (Noticee 6)	22	3000	66000
14/03/2018	Darshan Pankajbhai Shah	Yashwant Amritlal Thakkar (Noticee 6)	19.9	3000	59700
15/03/2018	Sudhir Goyal	Yashwant Amritlal Thakkar (Noticee 6)	19.9	3000	59700
15/03/2018	Darshan Pankajbhai Shah	Yashwant Amritlal Thakkar (Noticee 6)	18.95	3000	56850

16/03/2018	Alok Kumar Choudhary	Yashwant Amritlal Thakkar (Noticee 6)	18.9	3000	56700
16/03/2018	Aawas Vincom Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	18.65	3000	55950
16/03/2018	Aawas Vincom Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	18.65	3000	55950
20/03/2018	Pradeep Kumar	Yashwant Amritlal Thakkar (Noticee 6)	18.75	3000	56250
20/03/2018	Bharatkumar R Shah	Yashwant Amritlal Thakkar (Noticee 6)	18.7	3000	56100
20/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	17.8	3000	53400
21/03/2018	Aawas Vincom Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	18.25	3000	54750
21/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	18.2	3000	54600
21/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	17.8	3000	53400
22/03/2018	NNM Securities Pvt Ltd	Chirag Thakkar (Noticee 7)	19	3000	57000
22/03/2018	Aawas Vincom Pvt Ltd	Chirag Thakkar (Noticee 7)	19	3000	57000
22/03/2018	Pradeep Kumar	Chirag Thakkar (Noticee 7)	19	3000	57000
22/03/2018	NNM Securities Pvt Ltd	Chirag Thakkar (Noticee 7)	18	3000	54000
22/03/2018	Aawas Vincom Pvt Ltd	Chirag Thakkar (Noticee 7)	17.5	3000	52500
22/03/2018	Gagan Nirmal Kumar Mittal (Noticee 2)	Chirag Thakkar (Noticee 7)	17.2	21000	361200
22/03/2018	Gagan Nirmal Kumar Mittal (Noticee 2)	Chirag Thakkar (Noticee 7)	17.2	21000	361200
22/03/2018	Nirmal Kumar Mangalchand Mittal (Noticee 1)	Chirag Thakkar (Noticee 7)	17.2	21000	361200
22/03/2018	Nirmal Kumar Mangalchand Mittal (Noticee 1)	Chirag Thakkar (Noticee 7)	17.2	21000	361200
22/03/2018	Viral Praful Jhaveri	Chirag Thakkar (Noticee 7)	17.25	3000	51750
22/03/2018	Gagan Nirmal Kumar Mittal (Noticee 2)	Chirag Thakkar (Noticee 7)	17.2	21000	361200
22/03/2018	Nirmal Kumar Managalchand Mittal (Noticee 1)	Chirag Thakkar (Noticee 7)	17.2	21000	361200
22/03/2018	Gagan Nirmal Kumar Mittal (Noticee 2)	Chirag Thakkar (Noticee 7)	17.2	21000	361200
22/03/2018	Nirmal Kumar Mangalchand Mittal (Noticee 1)	Chirag Thakkar (Noticee 7)	17.2	21000	361200
22/03/2018	Gagan Nirmal Kumar Mittal (Noticee 2)	Chirag Thakkar (Noticee 7)	17.2	12000	206400
22/03/2018	Viral Praful Jhaveri	Chirag Thakkar (Noticee 7)	17.25	3000	51750

22/03/2018	Gagan Nirmal Kumar Mittal (Noticee 2)	Chirag Thakkar (Noticee 7)	17.2	27000	464400
22/03/2018	Gagan Nirmal Kumar Mittal (Noticee 2)	Yashwant Amritlal Thakkar (Noticee 6)	17.2	3000	51600
22/03/2018	Nirmal Kumar Mangalchand Mittal (Noticee 1)	Yashwant Amritlal Thakkar (Noticee 6)	17.2	42000	722400
22/03/2018	Gagan Nirmal Kumar Mittal (Noticee 2)	Yashwant Amritlal Thakkar (Noticee 6)	17.2	15000	258000
22/03/2018	Nirmal Kumar Mangalchand Mittal (Noticee 1)	Yashwant Amritlal Thakkar (Noticee 6)	17.2	12000	206400
23/03/2018	Sudhir Goyal	Yashwant Amritlal Thakkar (Noticee 6)	17.5	3000	52500
23/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	17.35	3000	52050
23/03/2018	Usha Saraogi	Yashwant Amritlal Thakkar (Noticee 6)	17	3000	51000
23/03/2018	Maru Varsha Khetsi	Yashwant Amritlal Thakkar (Noticee 6)	17	3000	51000
23/03/2018	NNM Securities Pvt Ltd	Yashwant Amritlal Thakkar (Noticee 6)	16.5	3000	49500
23/03/2018	Kishore Khamanchand Goyal	Yashwant Amritlal Thakkar (Noticee 6)	16.5	3000	49500
23/03/2018	Viral Praful Jhaveri	Yashwant Amritlal Thakkar (Noticee 6)	16.45	3000	49350
23/03/2018	Dhanshree Barter Private Limited	Yashwant Amritlal Thakkar (Noticee 6)	16.4	21000	344400
23/03/2018	Dhanshree Barter Private Limited	Yashwant Amritlal Thakkar (Noticee 6)	16.4	21000	344400
23/03/2018	Dhanshree Barter Private Limited	Yashwant Amritlal Thakkar (Noticee 6)	16.4	21000	344400
23/03/2018	Dhanshree Barter Private Limited	Yashwant Amritlal Thakkar (Noticee 6)	16.4	21000	344400
23/03/2018	Dhanshree Barter Private Limited	Yashwant Amritlal Thakkar (Noticee 6)	16.4	9000	147600
23/03/2018	Dhanshree Barter Private Limited	Amrapali Industries Ltd. (Noticee 5)	16.4	9000	147600
11/04/2018	Miker Financial Consultants Pvt Ltd	Amrapali Industries Ltd. (Noticee 5)	22.05	141000	3109050
12/04/2018	Gagan N Mittal HUF (Noticee 3)	Amrapali Industries Ltd. (Noticee 5)	23.15	63000	1458450
	Total			**684000**	**13031250**

e) In the context of the above, it is necessary to analyse the contributions of the entities to the Last Traded Price (LTP) and New Low Price (NLP).

The Top 10 LTP contributors are as under:

CP Pan No	Client name	All LTP Rate	All Traded Qty	All No Trades	Pos Traded Qty	Pos Traded Qty	Pos No Trades	Neg LTP Rate	Neg Traded Qty	Neg No Trades	Zero Traded Qty	Zero No Trades	%LTP
AAIPT1697G	Yashwant Amritlal Thakkar **(Noticee 6)**	-10.10	240000	34	0.25	3000	1	-10.35	81000	21	156000	12	30.94%
ADMPT4186H	Chirag Thakkar **(Noticee 7)**	-4.05	231000	18	0.10	6000	2	-4.15	78000	6	147000	10	12.41%
AMFPS0631J	Pallaviben Pareshbhai Shah	-3.25	6000	2	0.00	0	0	-3.25	6000	2	0	0	9.72%
ADKPM7724Q	Mittal Ajay Kumar Balwantrai	-3.00	9000	3	0.00	0	0	-3.00	9000	3	0	0	8.97%
ADVPM2221M	Ram Kishor Meena	-2.25	6000	2	0.00	0	0	-2.25	6000	2	0	0	6.73%
AAACI3644M	Interactive Financial Services Ltd	-1.10	30000	6	1.20	15000	1	-2.30	12000	4	3000	1	6.88%
AQEPS3770K	Darshan Pankajbhai Shah	-1.00	6000	2	0.10	3000	1	-1.10	3000	1	0	0	3.29%
ADGPK2858M	Satyanarayan Jagnnath Kabra	-0.50	27000	1	0.00	0	0	-0.50	27000	1	0	0	1.49%
AANHM8823Q	Manish Sureshkumar Tibrewal	-0.40	3000	1	0.00	0	0	-0.40	3000	1	0	0	1.20%
ABRPN8276H	Nahata Bharat Kumar	-0.35	3000	1	0.00	0	0	-0.35	3000	1	0	0	1.05%
Total		**-26.00**	**561000**	**70**	**1.65**	**27000**	**5**	**-27.65**	**228000**	**42**	**306000**	**23**	**82.66%**
Market Total		**-8.50**	**1758000**	**161**	**24.95**	**540000**	**42**	**-33.45**	**258000**	**52**	**960000**	**67**	**100.00%**

f) From the above, it is observed that Mr. Yashwant Amritlal Thakkar (**Noticee 6)** and Mr. Chirag Thakkar (**Noticee 7)** together contributed Rs. -14.15 to net LTP among sellers and Rs. -14.50 to total market negative LTP. These two entities together contributed 43.35% to the total market LTP.

g) **New Low Price (NLP) Contributors:**

Client name	Quantity	Number of Trades	Contribution To Market NLP	% of Market NLP	Contribution Among Group	Contribution to NLP in Sell Order First Trades With Non Group Entities
Yashwant Amritlal Thakkar (Noticee 6)	57000	13	-8.15	49.10%	-4.85	-1.25
NNM Securities Pvt Ltd.	24000	8	-3.45	20.78%	-1.20	-1.00
Chirag Thakkar (Noticee 7)	24000	2	-0.60	3.61%	-0.30	0
Total	**105000**	**23**	**-12.20**	**73.49%**	**-6.35**	**-2.25**
Market total	**120000**	**28**	**-16.60**	**100.00%**	**-6.35**	**-2.25**

h) From the above, it was observed that Mr. Yashwant Amritlal Thakkar **(Noticee 6)** and Mr. Chirag Thakkar **(Noticee 7)** together contributed Rs. -8.75 to market NLP. This was 52.71% of market NLP. NNM Securities Pvt. Ltd., market maker for the company contributed Rs. -3.45 to market NLP and this was 20.78% to market NLP.

i) It was also observed from trade log and order log that Mr. Yashwant Amritlal Thakkar **(Noticee 6)** and Mr. Chirag Thakkar **(Noticee 7)** had brought down the price substantially by placing small orders and then sold the majority of shares in the market at low price. Following are some of the significant transactions extracted from trade and order log, which show the pattern of orders placed by Mr. Yashwant Amritlal Thakkar **(Noticee 6)** and Mr. Chirag Thakkar **(Noticee 7)**.

TRADE DATE	BUYER NAME	SELLER NAME	BUY ORDER TIME	SELL ORDER TIME	TRADE TIME	Trade Price	LTP DIFF IN Rs.	LTP DIFF IN %	TRADE VALUE	BUY ORDER LIMIT PRICE	SELL ORDER LIMIT PRICE	BUY ORDER LST MOD PRICE	SELL ORDERS LST MOD PRICE	TRADED QUANTITY
22/02/2018	**YASHWANTBHAI A. THAKKAR**	BEELINE BROKING LIMITED	12:52:09	12:51:58	12:52:09	36.2	0.5	1.38	977400	36.2	36.2	35.7	35.7	27000
22/02/2018	**CHIRAG Y. THAKKAR**	BEELINE BROKING LIMITED	12:52:23	12:52:22	12:52:23	36.2	0	0	434400	36.2	36.2	36.2	36.2	12000
22/02/2018	NNM SECURITIES PVT LTD	**CHIRAG Y. THAKKAR**	15:21:36	15:12:26	15:21:36	33.95	-2..25	-6.63	101850	33.95	33.95	36.2	36.2	3000
15/03/2018	SUDHIR GOYAL	**YASHWANTBHAI A. THAKKAR**	10:32:18	15:28:26	15:28:26	19.9	-0.1	-0.5	59700	19.9	18.95	19.9	20	3000
16/03/2018	ALOK KUMAR CHOUDHARY	**YASHWANTBHAI A. THAKKAR**	11:28:13	15:25:01	15:25:01	18.9	-0.05	-0.26	56700	18.9	18.65	19.6	19.6	3000
20/03/2018	PRADEEP KUMAR	**YASHWANTBHAI A. THAKKAR**	14:29:54	15:26:59	15:26:59	18.75	-0.25	-1.33	56250	18.75	17.8	19	19	3000
20/03/2018	BHARATKUMAR R SHAH	**YASHWANTBHAI A. THAKKAR**	09:15:00	15:26:59	15:26:59	18.7	-0.05	-0.27	56100	18.7	17.8	18.6	18.75	3000
21/03/2018	AAWAS VINCOM PVT LTD	**YASHWANTBHAI A. THAKKAR**	13:59:28	15:24:09	15:24:09	18.25	-0.75	-4.11	54750	18.25	17.5	19	19	3000

22/03/2018	AAWAS VINCOM PVT LTD	**CHIRAG Y. THAKKAR**	14:20:16	14:58:41	14:58:41	19	0	0	57000	19	17.2	19	19	3000
22/03/2018	PRADEEP KUMAR	**CHIRAG Y. THAKKAR**	14:32:16	14:58:41	14:58:41	19	0	0	57000	19	17.2	19	19	3000
22/03/2018	AAWAS VINCOM PVT LTD	**CHIRAG Y. THAKKAR**	10:46:26	14:58:41	14:58:41	17.5	-0.5	-2.86	52500	17.5	17.2	18	18	3000

j)From the above, it was observed that on February 22, 2018, there were 3 transactions of Mr. Yashwant Amritlal Thakkar **(Noticee 6)** and Mr. Chirag Thakkar **(Noticee 7)**, of which 2 are buy transactions of Mr. Yashwant Amritlal Thakkar **(Noticee 6)** and Mr. Chirag Thakkar **(Noticee 7).** These two entities bought 27,000 shares and 12,000 shares at Rs. 36.2. On the same day, Mr. Chirag Thakkar **(Noticee 7)**, initiated placing sell order at 15:12:26 hrs., for 3000 shares at the price of Rs. 33.95, which was Rs. -2.25 down from the price at which he bought 12,000 shares on the same day. At 15:21:36 hrs., this order got matched with the buy order of NNM Securities and a transaction took place at Rs. 33.95.

k) On March 15, 2018, one Mr. Sudhir Goyal placed buy order at 10:32:18 hrs., for 3000 shares at Rs. 19.9, whereas Mr. Yashwant Amritlal Thakkar **(Noticee 6)** placed sell order at 15:28:26 hrs., at Rs. 18.95, which was Rs. -0.95 below from the buy order already available in the order book. In other words, when the buyer was ready to buy shares at a higher price, Mr. Yashwant Amritlal Thakkar **(Noticee 6)** placed sell order at a lower price. As the buyer was already willing to buy shares at Rs. 19.9, a transaction took place at Rs. 19.9 between the two.

l)On March 16, 2018, one Mr. Alok Kumar Choudhary placed buy order for Rs. 18.9 at 11:28:13 hrs., whereas Mr. Yashwant Amritlal Thakkar **(Noticee 6)** placed sell order at 15:25:01 hrs., for Rs. 18.65. However, as the buyer was already willing to buy shares at Rs. 18.9, a transaction took place at Rs. 18.9 between the two.

m)Similarly, on March 20, 2018, one Mr. Bharatkumar Shah and one Mr. Pradeep Kumar placed buy order for 3000 shares each at Rs. 18.7 and Rs. 18.75 at 09:15:00 and 14:29:54 hrs., respectively, whereas Mr. Yashwant Amritlal Thakkar **(Noticee 6)** placed a sell order at 15:26:59 hrs., for 9000 shares at Rs. 17.8, lower than the buy order price already available in the market. However, as the buyers were already willing to buy shares at higher price, transactions took place at Rs. 18.7 and Rs. 18.75 for 3000 shares each.

n) On March 21, 2018, one Aawas Vincom Pvt. Ltd., placed buy order at 13:59:28 hrs., for Rs. 18.25, whereas Mr. Yashwant Amritlal Thakkar **(Noticee 6)** placed sell order at 15:24:09 hrs., for Rs. 17.5. However, as there was already a buy order for Rs. 18.25, transaction took place at Rs. 18.25.

o) On March 22, 2018, one Aawas Vincom Pvt. Ltd., placed 2 buy orders for 3000 shares each at 10:46:26 hrs., and 14:20:16 hrs., for Rs. 17.5 and Rs. 19 respectively. Further, Mr. Pradeep Kumar placed a buy order at 14:32:16 hrs., for 3000 shares at Rs. 19/-, whereas Mr. Chirag Thakkar **(Noticee 7)** placed sell order at 14:58:41 hrs., for 99,000 shares at Rs. 17.2, lower than the available buy order price. Two trades took place at Rs. 19 for 3000 shares each and one trade at Rs. 17.5 for 3000 shares.

p) From the aforesaid, it was observed that Mr. Yashwant Amritlal Thakkar **(Noticee 6)** and Mr. Chirag Thakkar **(Noticee 7)** placed sell orders during February 22, 2018 to March 22, 2018 to bring down the price.

q) Following are the sell transactions of Mr. Yashwant Amritlal Thakkar **(Noticee 6)** and Mr. Chirag Thakkar **(Noticee 7)** during February 22, 2018 to March 22, 2018:

Sl. No.	Trade Date	Buyer Name	Seller Name	Trade Price (Rs.)	Volume
1	22/02/2018	NNM SECURITIES PVT LTD	Chirag Thakkar **(Noticee 7)**	33.95	3000
2	01/03/2018	NNM SECURITIES PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	29.1	3000
3	05/03/2018	NNM SECURITIES PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	27.65	3000
4	06/03/2018	NNM SECURITIES PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	26.9	3000
5	07/03/2018	NNM SECURITIES PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	25.6	3000
6	12/03/2018	DARSHAN PANKAJBHAI SHAH	Yashwant Amritlal Thakkar **(Noticee 6)**	22	3000
7	14/03/2018	DARSHAN PANKAJBHAI SHAH	Yashwant Amritlal Thakkar **(Noticee 6)**	19.9	3000
8	15/03/2018	SUDHIR GOYAL	Yashwant Amritlal Thakkar **(Noticee 6)**	19.9	3000
9	15/03/2018	DARSHAN PANKAJBHAI SHAH	Yashwant Amritlal Thakkar **(Noticee 6)**	18.95	3000

10	16/03/2018	ALOK KUMAR CHOUDHARY	Yashwant Amritlal Thakkar **(Noticee 6)**	18.9	3000
11	16/03/2018	AAWAS VINCOM PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	18.65	3000
12	20/03/2018	PRADEEP KUMAR	Yashwant Amritlal Thakkar **(Noticee 6)**	18.75	3000
13	20/03/2018	BHARATKUMAR R SHAH	Yashwant Amritlal Thakkar **(Noticee 6)**	18.7	3000
14	20/03/2018	NNM SECURITIES PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	17.8	3000
15	21/03/2018	AAWAS VINCOM PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	18.25	3000
16	21/03/2018	NNM SECURITIES PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	18.2	3000
17	21/03/2018	NNM SECURITIES PVT LTD	Yashwant Amritlal Thakkar **(Noticee 6)**	17.8	3000
18	22/03/2018	NNM SECURITIES PVT LTD	Chirag Thakkar **(Noticee 7)**	18	3000
19	22/03/2018	AAWAS VINCOM PVT LTD	Chirag Thakkar **(Noticee 7)**	17.5	3000
	Total				**57000**

r) It is observed from the above that Mr. Chirag Thakkar **(Noticee 7)** sold 3000 shares (minimum lot) on February 22, 2018 at Rs. 33.95. On March 1, 2018, Mr. Yashwant Amritlal Thakkar **(Noticee 6)** sold 3000 shares at Rs. 29.1. Mr. Chirag Thakkar (**Noticee 7)** and Mr. Yashwant Amritlal Thakkar (**Noticee 6)** together in a similar manner alleged to have brought down the price to Rs. 17.5, a reduction of 48.45%, in a month's time with using 57,000 shares through their sell trades.

s) Mr. Chirag Thakkar **(Noticee 7)** and Mr. Yashwant Amritlal Thakkar (**Noticee 6)** were observed to have sold in small quantities at lower prices and influenced the price of the scrip downwards by placing sell orders below sell LTP till March 22, 2018, which led to price fall from Rs.33.95 (close price as on February 22, 2018) to Rs.17.50 (close price on March 22, 2018) i.e., a fall of 48.45% in 19 trading days.

t) When the price of the scrip moved down, promoters of UPGL- Mr. Nirmal Kumar Mangalchand Mittal (**Noticee 1**), Mr. Gagan Nirmal Kumar Mittal **(Noticee 2)** & Gagan N Mittal HUF **(Noticee 3)** and their connected entity i.e Amay Spincot Pvt. Ltd. (**Noticee 4)** bought 5,85,000 shares from Amrapali Industries Ltd. (**Noticee 5),** Mr. Yashwant Amritlal Thakkar **(Noticee 6)** & Mr. Chirag Thakkar **(Noticee 7)** and N M

Securities Pvt. Ltd**.** at an average price of Rs. 19.41 for a total amount of Rs. 1,13,56,350, the details of which are as under:

Date	Buyer	Seller	Qty.	Value (Rs.)
22/03/18	Nirmal Kumar Mangalchand Mittal (Noticee 1)	Chirag Thakkar (Noticee 7)	84000	1444800
22/03/18	Nirmal Kumar Mangalchand Mittal (Noticee 1)	Yashwant Amritlal Thakkar (Noticee 6)	54000	928800
22/03/18	Gagan Nirmal Kumar Mittal (Noticee 2)	Chirag Thakkar (Noticee 7)	123000	2115600
22/03/18	Gagan Nirmal Kumar Mittal (Noticee 2)	Yashwant Amritlal Thakkar (Noticee 6)	18000	309600
23/03/18	Amay Spincot Pvt. Ltd (Noticee 4)	Amrapali Industries Ltd. (Noticee 5)	9000	147600
23/03/18	Amay Spincot Pvt. Ltd (Noticee 4)	Yashwant Amritlal Thakkar (Noticee 6)	93000	1525200
12/04/18	Gagan N Mittal HUF (Noticee 3)	Amrapali Industries Ltd. (Noticee 5)	63000	1458450
13/04/18	Gagan N Mittal HUF (Noticee 3)	NNM Securities Pvt. Ltd.	141000	3426300
	Total		**5,85,000**	**1,13,56,350**

4.6. From the aforesaid, it was alleged that during the period from February 05, 2018 to March 09, 2018, Noticees 5 to 7 bought 6,84,000 shares in the scrip of UPGL for a total value of Rs. 2,35,28,550 at an average price of Rs. 34.40. Thereafter, Noticee 6 and 7 started selling the shares from February 22, 2018 in small quantities at lower prices and influenced the price of the scrip downwards by placing sell orders below sell LTP till March 22, 2018.This led to a price fall from Rs. 33.95 (close price as on February 22, 2018) to Rs.17.50 (close price on March 22, 2018) i.e., a fall of 48.45% in 19 trading days. Subsequent to the fall in the price of the Scrip, promoters of UPGL (Noticees 1 to 3) and their related entity – Noticee 4, together bought 5,85,000 shares in the scrip of UPGL at an average price of Rs. 19.41 for a total amount of Rs. 1,13,56,350. The cost of acquisition of 5,85,000 shares at price prior to downward manipulation, i.e. Rs. 34.40 would come to Rs. 2,01,24,000. Therefore, in making the purchase transactions at depressed price, Noticees 1 to 4 benefitted and thereby booked a profit of Rs. 87,67,650. Hence, it was alleged that Noticees 5 to 7 on account of their actions indulged in manipulation of price and volume in the scrip of UPGL by lowering its LTP and thereby aiding and abetting Noticees 1 to 4 by enabling them to purchase shares at a lower price and increasing their stake substantially. Therefore, it was alleged that Noticees together became party to the price and volume manipulation in the said scrip and thereby allegedly violated the provisions of Section 12A(a), (b), (c) of the SEBI Act and Regulation 3(a), (b), (c), (d) & Regulation 4(1), 4(2) (a), (b), (d) & (e) of PFUTP Regulations.

REPLY OF THE NOTICEE

6. Vide letter dated August 21, 2023, August 22, 2023, August 23, 2023 and October 09, 2023, Noticees made the following major submissions in its reply to the SCN: -

<u>Noticee 1 (Letter dated August 21, 2023)</u>

6.1. Regarding Shareholding in UPGL, I would like to inform that in compliance with all regulatory obligations, I have promptly intimated to the Company and uploaded the necessary intimation to the stock exchange.

6.2. I want to clarify that it had no involvement in the concentration of brokers' positions mentioned in SCN. The market-making agreement with NNM Securities Pvt. Ltd., the market maker for the scrip UPGL, did not include any terms or conditions that could my influence or control the broker's trading activities. Additionally, I had no influence over Amrapali Capital and Finance Services Ltd.'s trading decisions, as reflected in their gross buy and sell positions. I maintain a transparent and fair trading environment, adhering to all regulatory guidelines to ensure the integrity of the market.

6.3. I want to clarify that I had no knowledge or association with Mr. Yashwant Amritlal Thakkar and holds no involvement with any of the entities mentioned in SCN regarding clients' concentration. Furthermore, I affirm that there is no affiliation or connection between me and the trading member/market maker NNM Securities Pvt. Ltd., as indicated in their gross buy and sell positions.

6.4. Based on the observations provided in the SCN, it is essential to note that multiple entities, including the promoters of UPGL, various individuals, and market participants, were involved in the purchase and sale of shares during the mentioned period. The trading activity reflects a diverse range of stakeholders engaged in transactions related to UPGL. As per the trade log provided in the SCN, it is evident that I am not the only buyer during that specific period. The market activity involves numerous entities, and my actions as a buyer are in line with the prevailing market dynamics and not expressly singled out as an anomaly. Therefore, it can be concluded that the overall trading pattern in UPGL shares during the mentioned period was broad and involved several entities, and there is no indication or proof to suggest any wrongdoing on my part.

6.5. I wanted to clarify that, I have never heard of name and do not have any direct or indirect relation with Amrapali Industries Ltd., Yashwant Amritlal Thakkar, Chirag Thakkar, Mangesh Krishnakant Kangutkar, Premkumar Ram Krishna Pandey, Miker Financial Consultants Pvt. Ltd. In case of Amay Spincot Private Limited is concerned, as I had financial transaction with old name 'Dhanshree barter Private Limited' but do not have any direct or indirect influence or control over it.

6.6. Regarding the observations made during the investigation, we would like to clarify that Mr. Ritesh Hada is a Non-Executive Director of UPGL and does not oversee the day-to-day operations of the company. He holds no explicit influence over the company's promoters or their entities. Mr. Hada has explicitly confirmed that he has no personal relationship with any individual from the Thakkar family, including Mr. Chirag Thakkar and Mr. Monal Thakkar. Additionally, there is no connection between Mr. Ritesh Hada and Amrapali Industries Ltd., Mr. Yashwant Amritlal Thakkar, or Mr. Chirag Thakkar,as evidenced by his statement and the fact that he is not associated with any of their entities.

6.7. In case of relationship between Amay Spincot Pvt.Ltd. and UPGL concerned, i do not recollect anything as I become the Director on 22/11/2021. And I do not recollect any relation between Amay Spincot Private Limited and UPGL.

6.8. *In response to the points raised in the investigation, I would like to reiterate that I am not connected in any way with the entities mentioned, except for GM and GM HUF. Regarding the purchase of shares, I can confirm that I bought the shares at the best prevailing market price without any malintention. The decision to purchase the shares was based on the market conditions and the book value of the shares, and I paid a premium for them. My purchase decisions are in line with market practices, and I have paid the best possible price for the shares.*

6.9. *As previously mentioned in my response, I reiterate that I have no connection or relation with any individual from the Thakkar family, Amay Spincot Pvt. Ltd., NNM Securities Pvt. Ltd., or Mayur Parikh. My association with the mentioned entities is non-existent, and I am not involved in any capacity as a director, promoter, or related party. Any suggestions of a connection between myself and the entities mentioned in the investigation are unfounded and inaccurate.*

6.10. *I am aware of the circumstances that led to the decline in the share price. The market price was influenced by various factors, and it presented a favorable opportunity for investors, including myself, to make purchases. As an investor, I carefully considered the prevailing market conditions and believed that it was a suitable time to acquire shares at a lower price. My actions were in line with standard investment practices, taking advantage of market opportunities to make informed decisions.*

Noticee 2 & 3 (Letter dated August 22, 2023)

6.11. *I had executed a market purchase, and all required statutory intimations related to the purchase were duly submitted to the stock exchange.*

6.12. *I wants to clarify that board of directors of UPGL had made market-making agreement with NNM Securities Pvt Ltd.*

6.13. *In regard to connection among the Noticees:*

Sr. No.	***Name mentioned in SCN point no. 12 & 13***
1	*Amrapali Industries Ltd.*
2	*Yashwant Amritlal Thakkar*

3	*Chirag Thakkar*
4	*Monal Thakkar*
5	*Mangesh Krishnakant Kangutkar*
6	*Premkumar Ram Krishna Pandey*
7	*Miker Financial Consultants Pvt Ltd.*
8	*Mayur Rajendrabhai Parikh*
9	*NNM Securities Pvt. Ltd.*
10	*Nirmal Kumar Mangalchand*
11	*Gagan N Mittal HUF*
12	*Amay Spincot Pvt Ltd.*
13	*Ronak Sushilkumar Kejriwal*
14	*Shivang Prajapati*

I do not know or have any relation with any entities mentioned in sr.no. 1 to 7 mentioned hereinabove.

I recollect the name of sr. no. 8, Mr. Mayur Parikh who was Director of Corporate Strategic Allianz Limited, which were merchant banker at the time of IPO. After completion of IPO, I never had any relation and do not require any work which require appointment of merchant banker.

I recollect the name of sr. no. 9, NNM Securities Pvt Ltd. was market maker.

For the sr. no.12, Amay Spincot private Limited with whose UPGL had been doing the business in the ordinary course.

Regarding serial number 13, I'd like to clarify that Mr. Ronak Sushilkumar Kejriwal is my brother-in-law and a member of the Promoter group at UPGL. I recently had a conversation with him, during which he unequivocally confirmed and provided a formal declaration that he was director but he has never been involved in any activities of Amay Spincot Private Limited, nor has he ever held a position as a promoter within the company.

Regarding serial number 14, the matter concerning Mr. Shivang Prajapati requires clarification. As per the information available from the MCA Database and based on *my recollection, he previously held a directorial position in Amay Spincot Private Limited, which was formerly known as Dhanshree Barter Private Limited, during the mentioned time frame. However, it's important to note that he was approached for the role of an Independent Director on May 31, 2023, a period during which he was not serving as a director and was not associated with any activities of Amay Spincot Private Limited.*

6.14. I wish to clarify that my acquisition of shares in UPGL was conducted in strict adherence to the rules and regulations outlined by SEBI (Substantial Acquisition of Shares and Takeovers), 2011.

6.15. I have no affiliations with any entities apart from GM HUF and Nirmal Mittal. Therefore, the notion of engaging in price manipulation and deriving profit from it is unfounded. My share acquisitions were executed opportunistically within the market's parameters.

<u>Noticee 4 (Letter dated August 23, 2023)</u>

6.16. ***Management during the Investigation Period:***

Based on available database, following directors are appointed and resigned during the IP:

Sr. No.	***Name***	***Date of Appointment***	***Date of Cessation***
1	*Ronak Kejriwal*	*06-01-2014*	*20-03-2018*
2	*Vijay Agarwal*	*20-03-2018*	*05-11-2020*
3	*Shivang Prajapati*	*06-01-2014*	*05-02-2022*

We have approached to Directors of Dhanshree Barter Private Limited of IP and asked about the purchases made during the IP. Upon careful consideration of the points outlined in the query, I would like to address each aspect with utmost sincerity:

Mr. Ronak Kejriwal had no involvement in the day-to-day operations of the company during the relevant period mentioned in the SCN. Furthermore, he was a Non-Executive director nor associated with the Amay Spincot Private Limited in any capacity at the time of share purchased. His lack of connection to the company's activities is well-documented and can be corroborated through official records.

Mr. Shivang Prajapati, being an individual with no prior experience or knowledge of the share market, was not informed about my share acquisitions. As a result, he did not possess any awareness or understanding of actions in this regard. His unfamiliarity with the intricacies of the share market further solidifies the fact that acquisitions were independent and conducted without any undue influence.

Despite our best efforts, we have not been able to establish contact with Mr. Vijay Agrawal, the other director mentioned in the SCN. Our attempts to communicate with him have been met with challenges beyond our control. We remain committed to cooperating fully and will continue our diligent efforts to establish contact for his input, should it be required.

6.17. ***Acquisition of shares:***

After attempting to get reliable answer, as other Director is not getting contacted but based on a comprehensive review of the available database and recollections, it becomes apparent that the company's share acquisitions were not limited solely to United Polyfab. This observation indicates that the company's intent was not exclusive to the acquisition of a single script. Rather, it suggests that the company's decisions were based on finding opportune moments to enter into various scripts, indicating a prudent approach to capitalizing on reliable prices available at that time. We have attached Holding statement of FY 2017-18 & 2018-19 along with this letter for your reference.

6.18. ***Connection between Entities Mentioned in SCN:***

United Polyfab Gujarat Limited: *Upon thorough examination of the available data, it is discerned that Amay Spincot Private Limited maintained a business trade history throughout that specific period. It is crucial to emphasize that, apart from this documented evidence, there is a notable absence of any correspondence or tangible indications suggesting that share acquisitions were not conducted under any form of influence. Furthermore, there is no established connection between Amay Spincot Private Limited and individuals such as Gagan Mittal, Nirmal Mittal, and Gagan Mittal HUF.*

***Gagan Mittal, Nirmal Mittal & Gagan Mittal HUF**: It is imperative to underscore that the company maintains no affiliation whatsoever with Gagan Mittal, Gagan Mittal HUF, or Nirmal Mittal. Furthermore, there is absolutely no evidence of their involvement in any facet of Amay Spincot Private Limited's operations or activities.*

***Entities and Noticees mentioned apart from the above:** The company has had no prior knowledge or familiarity with any of the mentioned entities or individuals. There exists no discernible connection, whether direct or indirect, between them and the company.*

6.19. ***No Involvement of Price Manipulation:***

Based on the comprehensive analysis of Demat transactions, it becomes evident that the company executed a singular purchase order, guided by the prevailing best market price. It is essential to note that this solitary transaction holds no significant influence in the context of price manipulation. This assertion is substantiated by the presence of other buyers who participated in both buying and selling shares, as can be gathered from the trading logs thoughtfully provided by your esteemed office.

<u>Noticees 5 to 7 (Letter dated October 09, 2023)</u>

6.20. It is necessary to prove that two contracting parties had struck a deal beforehand, i.e. there was a meeting of minds between the two contracting parties. It is submitted that the Noticee was completely unaware of the identity of the actual seller or buyer and counter party broker. There cannot be any question of a meeting of minds. In fact, no evidence or averments has been put forth in the Notice to suggest that the Noticee had any prior consensus or there existed a meeting of minds with the counterparty buyer or seller.

6.21. It is humbly submitted that the said connection with the promoter of UPGL is very farfetched and by no stretch of the imagination, it can be presumed that the Noticee has traded in collusion or traded for the promoter of the UPGL, so that they can buy shares at lower price. Noticee does not have any direct connection with any director or promoter of UPGL and with respect to Mr. Ritesh Hada, it is submitted that one of *our family member met him at a road show, and there is nothing wrong with it. Just because one person is a facebook friend and meets at a road show, the Noticee is connected to all the promoters and directors of UPGL. the Noticee deny such an erroneous connection with unrelated parties.*

6.22. The Noticee has also relied upon the Judgment of Hon'ble SAT in the matter of Jagruti Securities Ltd. Vs. SEBI and Nishith M Shah (HUF) Vs. SEBI.

6.23. It can be observed that during the examination period, the Noticee had traded with distinct counter parties out of which none of them are alleged in the Notice. There is no mention of the other persons/ entities anywhere in the Notice.

6.24. Now, if any person/ entity is alleged to have carried out manipulative trades, its counter party in such trades should also be alleged with the same charges. In the entire manipulative trading, both the parties are to be alleged and if the allegation is levied merely on one trading party, such allegation does not hold ground.

6.25. The Noticee humbly submits that the Noticee, with the hope for better profit, has bought the shares. However, after buying the shares, the price of the share started falling, and to protect from further risk of loss, the Noticee tried to sell as much as quantities in the market, which were not in small quantities. However, at the time putting sell order, when Noticee put its sell orders, the required quantity was not available as per demand or buyer need. Therefore, the Noticee do not have any option but to sell the shares as per the quantity and price demanded in the market.

6.26. The trades have all the characteristics of being genuine trades and cannot be categorised as non-genuine trades. These trades were executed on the anonymous platform of the Exchange, without any knowledge of counter party, at price ranges that were permitted by the Exchange and SEBI and the obligations arising out of it have been settled through the clearing mechanism of the Exchange.

HEARING

7. **Noticees 1 to 4**

7.1. Noticees 1 to 4 vide letter dated June 07, 2023 requested for additional time to file their submissions in response to the SCN, which had been acceded to and the Noticees 1 to 4 were advised to file their submission, if any, latest by June 20, 2023. However, no submissions were made by Noticees 1 to 4 in response to SCN till June 20, 2023.

7.2. Thereafter, in compliance with the principles of natural justice, an opportunity of personal hearing was granted to the Noticees 1 to 4 on July 18, 2023 vide Hearing Notice dated July 03, 2023. Noticees 1 to 4 were also advised to file their submissions, if any, in response to the SCN on or before July 03, 2023.

7.3. Noticees 1 to 4 vide letter dated July 17, 2023 requested for extension to the hearing which had been acceded to and the hearing was postponed to August 10, 2023. Also, Noticees 1 to 4 were advised to file their submissions, if any, in response to the SCN on or before August 10, 2023. However, Noticees 1 to 4 neither appeared for Personal Hearing on August 10, 2023 nor submitted their response to the SCN till August 10, 2023.

7.4. In compliance with the principles of natural justice, one more opportunity of Personal Hearing was granted to the Noticees 1 to 4 on August 25, 2023 at 12:00 PM vide Hearing Notice dated August 11, 2023. Also, Noticees 1 to 4 were advised to file their submissions, if any, in response to the SCN on or before August 25, 2023. Noticees 1 to 4 filed their submissions separately vide letter dated August 21, 2023 (Noticee 1), August 22, 2023 (Noticee 2 & 3) and August 23, 2023 (Noticee 4). Thereafter, Noticees 1 to 4 separately, vide e-mail dated August 24, 2023 (Noticees 1 to 3) and August 25, 2023 (Noticee 4) submitted that due to unforeseen and unavoidable circumstances, they would be unable to attend the Hearing scheduled on August 25, 2023 and their written submissions to be considered as formal representation for the hearing. Thereafter, Noticee No. 2 vide e-mail dated August 25, 2023 requested to extend the hearing scheduled at 12 PM to 4 PM which was not acceded to as sufficient opportunities were already granted to the Noticee.

7.5. In compliance with the principles of natural justice, one more opportunity of Personal Hearing was granted to Noticees 1 to 4 on September 08, 2023 vide Hearing Notice dated September 01, 2023. Noticee 2 appeared and made submissions on behalf of himself and Noticee 1 & 3. The submissions were primarily on the lines of their written replies filed with SEBI vide letter dated August 21, 2023 (Noticee 1) and August 22, 2023 (Noticee 2 & 3).

<u>Noticees 5 to 7</u>

7.6. Noticees 5 to 7 vide e-mail dated May 24, 2023 informed that they are filing settlement application and hence requested to keep the adjudication proceedings in abeyance.

7.7. In compliance with the principles of natural justice, an opportunity of personal hearing was granted to the Noticees 5 to 7 on September 08, 2023 vide Hearing Notice dated September 01, 2023. Noticees 5 to 7 were also advised to file their submissions, if any, in response to the SCN on or before date of hearing.

7.8. Authorised Representative (AR) of the Noticees 5 to 7 vide e-mail dated September 07, 2023 requested for the additional time to submit response against SCN and also to extend the hearing, which had been acceded to and the next hearing was scheduled on September 14, 2023. They were also advised to file their submissions, if any, in response to the SCN on or before September 14, 2023.

7.9. Thereafter, vide e-mail dated September 13, 2023 and September 14, 2023, AR requested for additional documents/materials relied upon in the instant case which were provided vide e-mail dated September 15, 2023. Vide these e-mails, AR also sought adjournment for Hearing scheduled on September 14, 2023 and additional time to submit response to the SCN which had been acceded to and the next hearing was scheduled on September 20, 2023. They were also advised to file their submissions, if any, in response to the SCN on or before September 20, 2023. The AR appeared on the Hearing scheduled on September 20, 2023 and was advised to file his written submissions latest by September 27, 2023.

7.10. The AR vide e-mail dated September 28, 2023 again requested for additional time to file their written submissions against the SCN which had been acceded to and the AR was advised to file their written submissions latest by October 07, 2023 which were filed vide e-mail dated October 09, 2023.

7.11. SEBI vide e-mail dated October 13, 2023 informed the undersigned that the settlement applications filed by Noticees 5 to 7 have been rejected by the panel of Whole Time Members and accordingly, adjudication proceedings against Noticees 5 to 7 stand resumed.

CONSIDERATION OF ISSUES AND EVIDENCE

8. I have carefully perused the charges levelled against the Noticee in the SCN, their replies and the material / documents available on record. In the instant matter, the following issues arise for consideration and determination: -

I. **Whether Noticees had violated the provisions of Section 12A(a), (b), (c) of the SEBI Act and Regulation 3(a), (b), (c), (d) & Regulation 4(1), 4(2) (a), (b), (d) & (e) of PFUTP Regulations?**

II. **Do the violation, if any, on the part of the Noticee attract monetary penalty under Section 15HA of SEBI Act?**

III. **If so, what would be the quantum of monetary penalty that can be imposed on the Noticee after taking into consideration the factors mentioned in section 15J of the SEBI Act?**

Issue I. Whether Noticees had violated the provisions of Section 12A(a), (b), (c) of the SEBI Act and Regulation 3(a), (b), (c), (d) & Regulation 4(1), 4(2) (a), (b), (d) & (e) of PFUTP Regulations?

9. Before adverting to the factual conspectus of the case, I note that the Noticees 1 to 4 had been alleged to have violated certain provisions of SEBI Act and PFUTP Regulations. Therefore, the text of the said provisions are reproduced hereunder:

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

PFUTP Regulations
3. Prohibition of certain dealings in securities
No person shall directly or indirectly—
(a) buy, sell or otherwise deal in securities in a fraudulent manner;
(b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;
(c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
(d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

4. Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practice in securities.
(2) Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely
(a) indulging in an act which creates false or misleading appearance of trading in the securities market;
(b) dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;
(c) ….
(d) paying, offering or agreeing to pay or offer, directly or indirectly, to any person any money or money's worth for inducing such person for dealing in any security with the object of inflating, depressing, maintaining or causing fluctuation in the price of such security;
(e) any act or omission amounting to manipulation of the price of a security;

10. From the material available on record, I note that the allegation against the Noticees is that during the period from February 05, 2018 to March 09, 2018, Noticees 5 to 7 bought 6,84,000 shares in the scrip of UPGL for a total value of Rs. 2,35,28,550 at an average price of Rs. 34.40. Thereafter, Noticee 6 and 7 started selling the shares from February 22, 2018 in small quantities at lower prices and influenced the price of the scrip downwards by placing sell orders below LTP till March 22, 2018.This led to a price fall from Rs. 33.95 (close price as on February 22, 2018) to Rs.17.50 (close price on March 22, 2018) i.e., a fall of 48.45% in 19 trading days. Subsequent to the fall in the price of the scrip, promoters of UPGL (Noticees 1 to 3) and their related entity – Noticee 4, together bought 5,85,000 shares in the scrip of UPGL at an average price of Rs. 19.41 for a total amount of Rs. 1,13,56,350. The cost of acquisition of 5,85,000 shares at price prior to downward manipulation, i.e. at Rs. 34.40 would come to Rs. 2,01,24,000. Therefore, in making the purchase transactions at depressed price, Noticees 1 to 4 benefitted by the notional amount of Rs. 87,67,650. Hence, it was alleged that Noticees 5 to 7 on account of their actions indulged in manipulation of price and volume in the scrip of UPGL by lowering its LTP and thereby enabling Noticees 1 to 4 to purchase shares at a lower price. Therefore, it was alleged that Noticees together became party to the price and volume manipulation in the said scrip and thereby allegedly violated the provisions of Section 12A(a), (b), (c) of the SEBI

Act and Regulation 3(a), (b), (c), (d) & Regulation 4(1), 4(2) (a), (b), (d) & (e) of PFUTP Regulations.

11. I note that Noticees 5 to 7 had bought 6,84,000 shares in the scrip of UPGL during the period from February 05, 2018 to March 09, 2018 at an average price of Rs. 34.40 from 4 other entities who are not the Noticee in the SCN. Thereafter, they have sold the entire 6,84,000 to the following entities during the period from February 22, 2018 to April 12, 2018

Trade Date	Buyer Name	Seller Name	Trade Price	Traded Quantity	Buy Order Original Volume	Sell Order Original Volume
22/02/2018	NNM Securities Pvt. Ltd.	Noticee 7	33.95	3,000	3,000	3,000
01/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	29.10	3,000	3,000	9,000
01/03/2018	Satyanarayan Jagnnath Kabra	Noticee 6	29.10	3,000	3,000	9,000
05/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	27.65	3,000	3,000	6,000
06/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	26.90	3,000	3,000	6,000
07/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	25.60	3,000	3,000	6,000
12/03/2018	Darshan Pankajbhai Shah	Noticee 6	22.00	3,000	3,000	3,000
14/03/2018	Darshan Pankajbhai Shah	Noticee 6	19.90	3,000	3,000	6,000
15/03/2018	Sudhir Goyal	Noticee 6	19.90	3,000	3,000	9,000
15/03/2018	Darshan Pankajbhai Shah	Noticee 6	18.95	3,000	3,000	9,000
16/03/2018	Alok Kumar Choudhary	Noticee 6	18.90	3,000	3,000	6,000
16/03/2018	Aawas Vincom Pvt. Ltd.	Noticee 6	18.65	3,000	3,000	6,000
16/03/2018	Aawas Vincom Pvt. Ltd.	Noticee 6	18.65	3,000	3,000	3,000
20/03/2018	Pradeep Kumar	Noticee 6	18.75	3,000	3,000	9,000
20/03/2018	Bharatkumar R Shah	Noticee 6	18.70	3,000	3,000	9,000
20/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	17.80	3,000	3,000	9,000
21/03/2018	Aawas Vincom Pvt. Ltd.	Noticee 6	18.25	3,000	3,000	9,000
21/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	18.20	3,000	3,000	9,000
21/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	17.80	3,000	3,000	9,000
22/03/2018	NNM Securities Pvt. Ltd.	Noticee 7	19.00	3,000	3,000	99,000
22/03/2018	Aawas Vincom Pvt. Ltd.	Noticee 7	19.00	3,000	3,000	99,000
22/03/2018	Pradeep Kumar	Noticee 7	19.00	3,000	3,000	99,000
22/03/2018	NNM Securities Pvt. Ltd.	Noticee 7	18.00	3,000	3,000	99,000
22/03/2018	Aawas Vincom Pvt. Ltd.	Noticee 7	17.50	3,000	3,000	99,000
22/03/2018	Noticee 2	Noticee 7	17.20	21,000	21,000	99,000
22/03/2018	Noticee 2	Noticee 7	17.20	21,000	21,000	99,000

22/03/2018	Noticee 1	Noticee 7	17.20	21,000	21,000	99,000
22/03/2018	Noticee 1	Noticee 7	17.20	21,000	21,000	99,000
22/03/2018	Viral Praful Jhaveri	Noticee 7	17.25	3,000	3,000	99,000
22/03/2018	Noticee 2	Noticee 7	17.20	21,000	21,000	99,000
22/03/2018	Noticee 1	Noticee 7	17.20	21,000	21,000	99,000
22/03/2018	Noticee 2	Noticee 7	17.20	21,000	21,000	99,000
22/03/2018	Noticee 1	Noticee 7	17.20	21,000	21,000	99,000
22/03/2018	Noticee 2	Noticee 7	17.20	12,000	42,000	99,000
22/03/2018	Viral Praful Jhaveri	Noticee 7	17.25	3,000	3,000	30,000
22/03/2018	Noticee 2	Noticee 7	17.20	27,000	42,000	30,000
22/03/2018	Noticee 2	Noticee 6	17.20	3,000	42,000	72,000
22/03/2018	Noticee 1	Noticee 6	17.20	42,000	42,000	72,000
22/03/2018	Noticee 2	Noticee 6	17.20	15,000	15,000	72,000
22/03/2018	Noticee 1	Noticee 6	17.20	12,000	12,000	72,000
23/03/2018	Sudhir Goyal	Noticee 6	17.50	3,000	3,000	1,14,000
23/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	17.35	3,000	3,000	1,14,000
23/03/2018	Usha Saraogi	Noticee 6	17.00	3,000	3,000	1,14,000
23/03/2018	Maru Varsha Khetsi	Noticee 6	17.00	3,000	3,000	1,14,000
23/03/2018	NNM Securities Pvt. Ltd.	Noticee 6	16.50	3,000	3,000	1,14,000
23/03/2018	Kishore Khamanchand Goyal	Noticee 6	16.50	3,000	3,000	1,14,000
23/03/2018	Viral Praful Jhaveri	Noticee 6	16.45	3,000	3,000	1,14,000
23/03/2018	Noticee 4	Noticee 6	16.40	21,000	21,000	1,14,000
23/03/2018	Noticee 4	Noticee 6	16.40	21,000	21,000	1,14,000
23/03/2018	Noticee 4	Noticee 6	16.40	21,000	21,000	1,14,000
23/03/2018	Noticee 4	Noticee 6	16.40	21,000	21,000	1,14,000
23/03/2018	Noticee 4	Noticee 6	16.40	9,000	18,000	1,14,000
23/03/2018	Noticee 4	Noticee 5	16.40	9,000	18,000	9,000
11/04/2018	Miker Financial Consultants Pvt. Ltd.	Noticee 5	22.05	1,41,000	1,41,000	1,41,000
12/04/2018	Noticee 3	Noticee 5	23.15	63,000	90,000	63,000
				6,84,000		

From the above table, I note that Noticees 5 to 7 had sold 2,40,000 shares to the entities who are not the Noticee in the SCN at an average price of Rs. 21.26 and 4,44,000 shares to Noticees 1 to 4 at an average price of Rs. 17.86.

12. I note that Noticees 5 to 7 in their submissions contended that since they had bought the shares, the price of the shares started falling, and to protect from further risk of

loss, they had to sell the shares. Moreover, they further contended that when they put their sell orders, the requisite quantity was not available from the buyer's side and hence, the Noticees did not have any option but to sell the shares as per the quantity and price demanded in the market. From the table mentioned in para 11 of this order, I find that in most of the instances, buy order volume was lesser than sell order volume. Hence, the contention of the Noticees in this regard is tenable. However, I also note that there were 8 instances of 3000 shares each mentioned in para 4.5.2. of this order wherein Noticee 6 & 7 had placed sell order at the price which was lower than the buy order already available in the order book. However, since buy order was at higher price, trades executed at buy order price. Rationale for the same had not been explained by Noticee 6 & 7 in their submissions.

13. I note that Noticees 5 to 7 further contended that they do not have any direct connection with any director or promoter of UPGL. The fact that their family member met Mr. Ritesh Hada who is a director of UPGL in a road show and is a facebook friend, does not imply that they are connected to all the promoters and directors of UPGL. Noticees 5 to 7 further contended that no evidence has been put forth in the SCN which depicts their prior meeting of minds with the counterparty buyer or seller. In this regard, from the material available on record, I note that Mr. Ritesh Hada is the Non-Executive director in UPGL and Noticee 7 and Monal Thakkar (Son of Noticee 6) knows him in his personal capacity. However, there is nothing on record which shows direct relationship between Noticees 1 to 4 and Noticees 5 to 7. The fact that one director in UPGL knows some of the family members of Noticees 5 to 7 including Noticee 7, doesn't clearly indicate that Noticees 5 to 7 have direct connection with promoters and other directors of UPGL and its related parties. Hence, contention of Noticees 5 to 7 in this regard appears to be substantiated in view of the facts and material available on record.

14. I further note that other connection between Noticees 5 to 7 and UPGL alleged in SCN was that Corporate Strategic Allianz Limited was the lead manager for the SME public

issue of UPGL as well as the lead manager for the public issue of group companies of Noticee 5. It is also noted that the said entities have one common director – Mr. Mayur Rajendrabhai Parikh. In this regard, I find that Noticee 6 and 7 in their statement recorded by SEBI on February 13, 2023 mentioned that Mr. Mayur Rajendrabhai Parikh is an Independent director in Noticee 5 and they are not aware that he is also a director in Corporate Strategic Allianz Limited. Further, a common lead manager for public issue does not establish any direct relation between two entities.

15. I further note that Noticees 5 to 7 also contended that distinct counter parties with whom they had traded with during the IP were not charged in the SCN. In this regard, I would like to refer to the decision of the Hon'ble Tribunal made in matter of *Systematix Shares Stocks India Limited v. SEBI (2012)*, where the Hon'ble SAT also had the occasion to deal with a similar argument advanced by the appellant therein, contending that the Board should have proceeded against all wrong doers and the action against the appellant and a few entities alone was discriminatory. In the said case, the Hon'ble SAT had observed that *"We cannot subscribe to this view since the Board has set its own benchmark in selecting cases for action and, in any case, the appellant cannot plead himself innocent or his trades as lawful."* In view of the same, I find that contention of Noticees 5 to 7 in this regard is devoid of merit.

16. I note that Noticees 1 to 4 had bought 5,85,000 shares in the scrip of UPGL during the period from March 22, 2018 to April 13, 2018 at an average price of Rs. 19.41 from the following entities:

Seller Name	Buyer Name	Traded Quantity	Average Price
Noticee 7	Noticee 2	1,23,000	17.20
	Noticee 1	84,000	
Noticee 6	Noticee 4	93,000	16.75
	Noticee 2	18,000	
	Noticee 1	54,000	
NNM Securities Pvt. Ltd.	Noticee 3	1,41,000	24.30
Noticee 5	Noticee 4	9,000	22.31
	Noticee 3	63,000	
Total		**5,85,000**	**19.41**

17. I note that Noticees 1 to 4 contended that they had no connection or any affiliation with Noticees 5 to 7 and they had purchased the shares of UPGL considering the prevailing market conditions which were in line with standard investment practices. In respect of direct connection between Noticees 1 to 3 and Noticees 5 to 7, I would like to refer to Para 13 and 14 of this order wherein the said content is discussed. Hence, the contention of the Noticees 1 to 3 in this regard appears to be reasonable in the absence of any other material indicating connection between the buyers and the sellers. I further note that connection of Noticee 4 with Noticees 5 to 7 was alleged in the SCN through UPGL. Now since direct connection between UPGL and Noticees 5 to 7 is not proven, I am inclined to accept the contention of Noticee 4 that the connection between them is not established on the basis of the material available on record.

18. I find that the investigation report neither depicts any transfer of funds between Noticees nor any other material indicating the relationship between Noticees 1 to 4 and Noticees 5 to 7 as discussed in the previous paragraphs. The trading pattern of Noticees with counter parties does not appear to have been synchronized and no instance of reversal or circular trades were observed.

19. As regards the complicity of the promoters and the sellers, it is pertinent to mention here that the instant case does not appear to be the case of preferential allotment wherein the subscriber to the issue of preferential allotment was given an exit by the promoters or vice-versa. Further, no benefit of substantial change in control on account of purchase of shares by promoters and their related entity has been alleged in the SCN. The allegation in the SCN was that promoters and their related entity were benefitted on account of substantial decrease in the price of shares. This alone is not sufficient evidence to allege the nexus between the seller i.e. Noticees 5 to 7 and the buyers i.e. Noticees 1 to 4 in the absence of any other material evidence. I further find that out of 5,85,000 shares bought by Noticees 1 to 4 at an average price of Rs. 19.41, 1,41,000 shares (24.1%) had been bought from another entity who is not the Noticee

in the SCN and Noticees 5 to 7 had not only sold the shares to Noticees 1 to 4 but also to other entities who are not the Noticees in the SCN. Investigation report does not deal with their involvement. Moreover, no collusion/relationship has been established in the Investigation report between Noticees 5 to 7 and from whom they have bought the shares during the IP. Hence, in view of the same, I find that evidence to show collusion/prior meeting of minds between the Noticees and counter Parties with whom Noticees have traded are not available on record in the instant case and considering the evidence and material on record, I am inclined to give benefit of doubt to the Noticees.

20. Hence, in view of the aforesaid, I hold that the allegations made against the Noticees in SCN regarding violation of provisions of Section 12A(a), (b), (c) of the SEBI Act and Regulation 3(a), (b), (c), (d) & Regulation 4(1), 4(2) (a), (b), (d) & (e) of PFUTP Regulations are not established on the basis of the facts and circumstances of the case and the evidence available on record. Accordingly, consideration of Issue II and III does not arise.

ORDER

21. In view of the above observations/findings, after considering all the facts and circumstances of the case and exercising the powers conferred upon me under Section 15-I of the SEBI Act read with Rule 5 of Adjudication Rules, the adjudication proceedings initiated against the Noticees vide Show Cause Notice dated May 04, 2023, disposed of without imposition of any monetary penalty.

22. In terms of the provisions of Rule 6 of the Adjudication Rules, copies of this order are sent to the Noticee and also to the Securities and Exchange Board of India.

Date : October 31, 2023
Place : Mumbai

Biju S
Adjudicating Officer