BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

ADJUDICATION ORDER No. Order/BS/RG/2023-24/29278-29303

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

In respect of:

Noticee. No.	Noticee	PAN
1	Anand H Soni	CJHPS9562H
2	Ritu Rahul Mehta	BMCPS7297E
3	Dhaval Vinodbhai Gadani	BWGPG2510J
4	Sharda Sharma	BKQPS3900Q
5	Kamleshkumar Bipinchandra Parmar	CLYPP2035H
6	Vipul Bharatbhai Pithadia	CJIPP3064Q
7	Dinesh Avadheshsingh Thakur	AVRPT3394C
8	Jitendrabhai Madhavlal Mistri	DDDPM8675Q
9	Rahul Rameshbhai Mehta	ARCPM5961D
10	Anurudhkumar Barelal Yadav	AXIPY0954G
11	Durgeshkumar Kalidas Sathvara	GBYPS3750L
12	Keyur V Parmar	BYNPP4009C
13	Amit Vijaybhai Makwana	CSMPM5079H
14	Parmar Akshay J	COPPP4646J
15	Rekhaben Harishbhai Sakariya	DZEPS8946B
16	Hari Gopal Sharma	BDHPS5040K
17	Parmar Nareshbhai Pappubhai	CAXPP4771J
18	Vijay Ishvarbhai Chauhan	BSVPC7326K
19	Ramesh BhaiLala Bhai Solanki	BYNPS1222G
20	Salej Vijaybhai Makwana	CCJPM9654D
21	Nayanbhai Shivshankar Vyas	ADGPV6374B

22	Vishal Khimjibhai Begda	CSRPB2757A
23	Sonu Argal	BQWPA5223L
24	Rajesh Siyaram Kushavaha	CPGPK0246H
25	Sanjaybhai Pappubhai Parmar	EAIPP7482M
26	Vijay Ghyanshambhai Pujara	AGXPP5209R

In the matter of Capri Global Capital Ltd.

A. FACTS OF THE CASE IN BRIEF

1. Capri Global Capital Limited ((hereinafter referred to as "**CGCL**") is a diversified Non-Banking Financial Company (NBFC) with presence across four key verticals – Micro, Small and Medium Enterprises (MSME) loans, Construction Finance loans, Indirect Lending loans and Home loans.

2. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") investigated the trading pattern in the scrip of CGCL for the period August 29, 2019 to June 04, 2020 (hereinafter referred as "**Investigation Period/IP**") to ascertain whether there was any violation of the provisions of 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 entities mentioned above (hereinafter referred to as "**Noticee Nos. 1 to 26"**).

B. APPOINTMENT OF ADJUDICATING OFFICER

3. SEBI had appointed Shri Sahil Malik as the Adjudicating Officer vide communique dated March 20, 2023, under Section 15I of SEBI Act read with Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties), 1995 (hereinafter referred to as "**SEBI Adjudication Rules**") to enquire into and adjudge under Sections 15HA and 15A (a) of SEBI Act, for the alleged violations by the Noticees mentioned

above. Subsequently, vide communique dated April 21, 2023, the undersigned was appointed as the Adjudication Officer.

C. SHOW CAUSE NOTICE, REPLY AND HEARING

4. A common show cause notice (hereinafter referred to as "**SCN**") with reference no. SEBI/EAD-1/BS/RG/18453/2023, dated May 08, 2023, was served upon the Noticees under Rule 4(1) of the SEBI Adjudication Rules to show cause as to why an inquiry should not be held and penalty not be imposed against the Noticee No. 1 to 26 under Section 15HA of the SEBI Act, for the violations of the provisions of PFUTP Regulations and against Noticee No.26 under Section 15A(a) of the SEBI Act, for the violations of the provisions of SEBI Act.

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

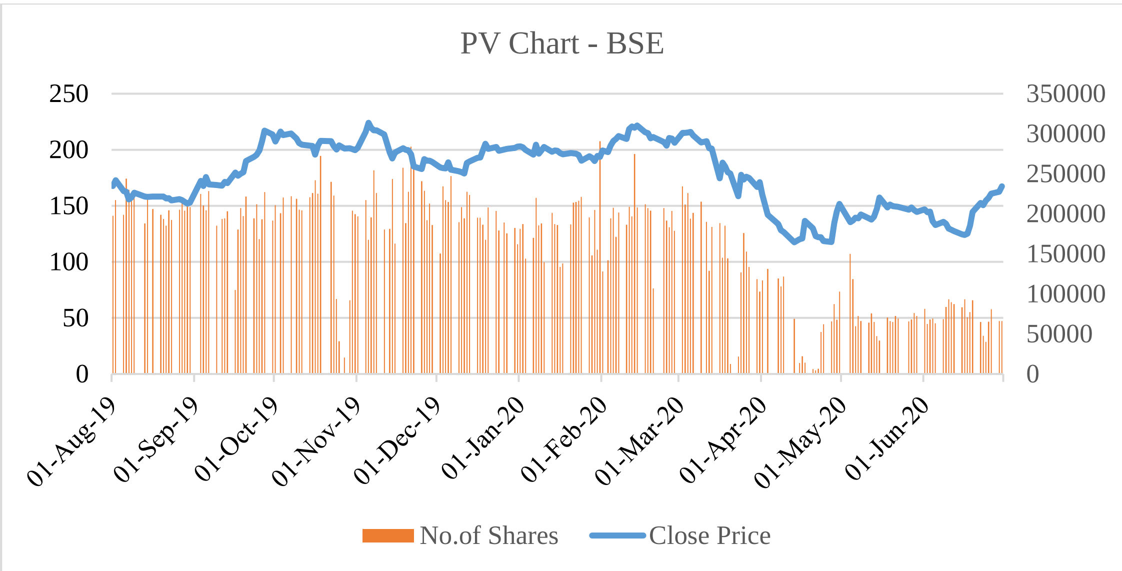
    5.1. It was observed that during the investigation period, a group of 25 entities (hereinafter referred to as "**group entities/Noticee Nos. 1 to 25**") connected based on the Unique Client Code (hereinafter referred to as "**UCC**") details, Know Your Client (hereinafter referred to as "**KYC**") documents and bank transactions were involved in volume manipulation in the scrip of CGCL by executing synchronized trades and reversal trades without changing the beneficial ownership of such shares.

    5.2. Price Volume Analysis of the scrip of CGCL on Bombay Stock Exchange Limited (hereinafter referred to as "**BSE**") and National Stock Exchange of India Limited (hereinafter referred to as "**NSE**") is illustrated below:

5.2.1. Price Volume analysis on BSE

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.)	Average Daily volume
Before IP	August 01, 2019 to August 28, 2019	**Price**	155.40	153.50	149.10	165.20	2,07,731
		Date	01/08/2019	28/08/2019	07/08/2019	02/08/2019	
		Vol	1,97,398	2,03,978	2,29,788	2,16,991	
		Date	01/08/2019	28/08/2019	07/08/2019	02/08/2019	
During IP	August 29, 2019 to June 04, 2020	**Price**	154.10	137.50	115.00	230.00	1,63,921
		Date	29/08/2019	04/06/2020	13/04/2020	14/02/2020	
		Vol	2,16,029	3,88,909	69,069	2,08,030	
		Date	29/08/2019	04/06/2020	13/04/2020	14/02/2020	
After the IP	June 05, 2020 to June 30, 2020	**Price**	136.30	167.25	122.35	170	74,049
		Date	05/06/2020	30/06/2020	12/06/2020	30/06/2020	
		Vol	63,327	66,015	87,216	66,015	
		Date	05/06/2020	30/06/2020	12/06/2020	30/06/202	

5.2.2. Price Volume chart of the scrip during the Investigation Period

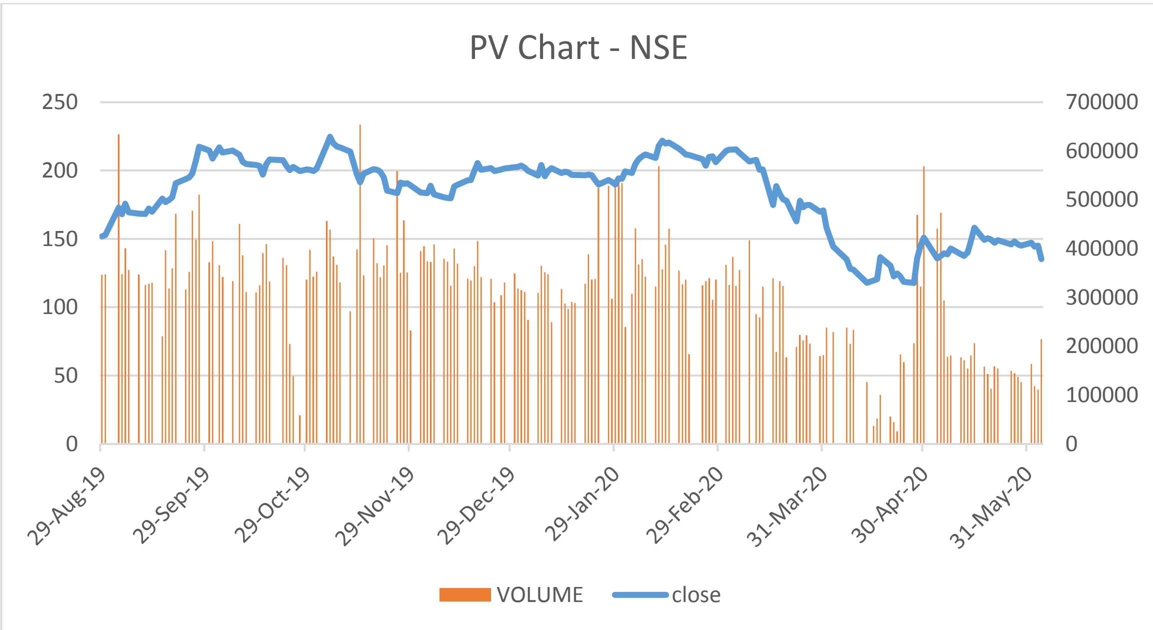


It was observed from the price volume chart and Table-1 that the price moved from Rs.154.10 to Rs.137.50 during the IP, and touched a high of Rs.230.00 on February 14, 2020, showing a net fall of Rs.16.60 during the IP.

5.2.3. Price Volume analysis on NSE:

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.)	Average Daily volume
Before IP	August 01, 2019 to August 28, 2019	**Price**	153.50	154.05	149.00	174.95	3,94,085
		Date	01/08/2019	28/08/2019	07/08/2019	02/08/2019	
		Vol	4,47,219	3,18,988	4,65,002	4,56,968	
		Date	01/08/2019	28/08/2019	07/08/2019	02/08/2019	
During IP	August 29, 2019 to June 04, 2020	**Price**	155	135.2	115.15	230.00	3,06,363
		Date	29/08/2019	04/06/2020	13/04/2020	14/02/2020	
		Vol	3,46,377	2,14,652	1,27,077	4,40,708	
		Date	29/08/2019	04/06/2020	13/04/2020	14/02/2020	
After the IP	June 05, 2020 to June 30, 2020	**Price**	136.70	168.30	122.25	170	1,55,610
		Date	05/06/2020	30/06/2020	12/06/2020	30/06/2020	
		Vol	2,52,003	1,39,782	1,19,781	1,39,782	
		Date	05/06/2020	30/06/2020	12/06/2020	30/06/2020	

5.2.4. Price Volume chart of the scrip during the Investigation Period



It was observed from the price volume chart that the price moved from Rs.155.00 to Rs.135.20 during the IP, and touched a high of Rs.230.00 on February 14, 2020, showing a net fall of Rs.19.80 during the IP.

5.3. Group entities

The group of entities Noticee Nos. 1 to 25 are alleged to have excuted trades during the IP and are alleged to be connected.

5.3.1. The basis of connection between the Noticee Nos. 1 to 25 is mentioned below:

<table>
<tr><th>S. No</th><th>Name</th><th>PAN</th><th>Basis of connection</th></tr>
<tr><td>1</td><td>Anand H Soni</td><td>CJHPS9562H</td><td rowspan="24">Vipul Bharatbhai Pithadia, Amit Makwana, Dinesh Avadheshsingh Thakur, Durgeshkumar Kalidas Sathvara and Hari Gopal Sharma are connected through common mobile no. 7096608344.

Vipul Bharatbhai Pithadia, Rahul Rameshbhai Mehta, Rekhaben Sakariya, Kamleshkumar B Parmar and Keyur Parmar are connected through common mobile no. 9724874578.

Vipul Bharatbhai Pithadia, Akshay Parmar J, Nayanbhai Shivshankar Vyas, Amitkumar Navinchandra Patel, Anurudhkumar Barelal Yadav and Keyur Parmar are connected through common mobile no. 7874981425.

Vipul Bharatbhai Pithadia, Kamlesh Parmar, Akshay Parmar, Anurudhkumar Barelal Yadav, Ritu Mehta, Dhaval Gadani, Keyur Parmar and Sharda Sharma are connected through bank account transactions.

Parmar Akshay J, Keyur Parmar, Anurudhkumar Barelal Yadav, Kamleshkumar B Parmar, Sharda Sharma and Vijay Chauhan are connected through common mobile no. 7567458413.

Anurudhkumar Barelal Yadav and Sonu Argal are connected through common address “A 9 Jagdamba Appartment opp Memnagar Petrol Pump memnagar”

Parmar Akshay J, Rekhaben Sakariya, Kamleshkumar B Parmar, Vijay Chauhan, Jitendrabhai Madhavlal Mistri and Ritu Rahul Mehta are connected through common mobile no. 9724874576.

Parmar Akshay J, Kamlesh Parmar, Vipul Pithadia, Anurudhkumar Barelal Yadav and Ritu Mehta through bank account transactions.

Amit Vijaybhai Makwana, Nayanbhai Shivshankar Vyas, Ritu Rahul Mehta, Salej Makwana, Durgeshkumar Kalidas Sathvara , Keyur Parmar, Anurudhkumar Barelal Yadav, Vijay Chauhan and Rahul Mehta through common mobile no. 8511341363.</td></tr>
<tr><td>2</td><td>Ritu Rahul Mehta</td><td>BMCPS7297E</td></tr>
<tr><td>3</td><td>Dhaval Vinodbhai Gadani</td><td>BWGPG2510J</td></tr>
<tr><td>4</td><td>Sharda Sharma</td><td>BKQPS3900Q</td></tr>
<tr><td>5</td><td>Kamleshkumar Bipinchandra Parmar</td><td>CLYPP2035H</td></tr>
<tr><td>6</td><td>Vipul Bharatbhai Pithadia</td><td>CJIPP3064Q</td></tr>
<tr><td>7</td><td>Dinesh Avadheshsingh Thakur</td><td>AVRPT3394C</td></tr>
<tr><td>8</td><td>Jitendrabhai Madhavlal Mistri</td><td>DDDPM8675Q</td></tr>
<tr><td>9</td><td>Rahul Rameshbhai Mehta</td><td>ARCPM5961D</td></tr>
<tr><td>10</td><td>Anurudhkumar Barelal Yadav</td><td>AXIPY0954G</td></tr>
<tr><td>11</td><td>Durgeshkumar Kalidas Sathvara</td><td>GBYPS3750L</td></tr>
<tr><td>12</td><td>Keyur V Parmar</td><td>BYNPP4009C</td></tr>
<tr><td>13</td><td>Amit Vijaybhai Makwana</td><td>CSMPM5079H</td></tr>
<tr><td>14</td><td>Parmar Akshay J</td><td>COPPP4646J</td></tr>
<tr><td>15</td><td>Nayanbhai Shivshankar Vyas</td><td>ADGPV6374B</td></tr>
<tr><td>16</td><td>Hari Gopal Sharma</td><td>BDHPS5040K</td></tr>
<tr><td>17</td><td>Sonu Argal</td><td>BQWPA5223L</td></tr>
<tr><td>18</td><td>Vijay Ishvarbhai Chauhan</td><td>BSVPC7326K</td></tr>
<tr><td>19</td><td>Salej Vijaybhai Makwana</td><td>CCJPM9654D</td></tr>
<tr><td>20</td><td>Rekhaben Harishbhai Sakariya</td><td>DZEPS8946B</td></tr>
<tr><td>21</td><td>Vishal Khimjibhai Begda</td><td>CSRPB2757A</td></tr>
<tr><td>22</td><td>Ramesh Bhai Lala Bhai Solanki</td><td>BYNPS1222G</td></tr>
<tr><td>23</td><td>Parmar Nareshbhai Pappubhai</td><td>CAXPP4771J</td></tr>
<tr><td>24</td><td>Rajesh Siyaram Kushavaha</td><td>CPGPK0246H</td></tr>
</table>

25	Sanjaybhai Pappubhai Parmar	EAIPP7482M	Amit Vijaybhai Makwana and Kamlesh Parmar are connectioned through bank account transactions. Anand H Soni, Anurudhkumar Barelal Yadav, Hari Gopal Sharma, Sharda Sharma, Ritu Rahul Mehta, Vijay Chauhan, Keyur Parmar and Dhaval Vinodbhai Gadani through common mobile no. 6356120754. Anurudhkumar Barelal Yadav, Kamlesh Parmar, Vipul Pithadia, Akshay Parmar and Ritu Mehta through bank account transactions. Rajesh Siyaram Kushavaha, Dhaval Vinodbhai Gadani, Sharda Sharma and Anurudhkumar Barelal Yadav are connected through common mobile no. 8490948213. Rajesh Siyaram Kushavaha, Keyur V Parmar and Vijay Ishvarbhai Chauhan are connected through common mobile no. 7698637981. Dhaval Vinodbhai Gadani, Rahul Mehta, Ritu Mehta, Kamlesh Parmar, Keyur Parmar, Vipul Pithadia and Sharda Sharma through bank account transactions. Dinesh Avadheshsingh Thakur, Hari Gopal Sharma, Rahul Rameshbhai Mehta and Ritu Rahul Mehta are connected through common mobile no. 7096177586. Hari Gopal Sharma, Ritu Rahul Mehta and Rekhaben Harishbhai Sakariya are connected through common mobile no. 8511362441. Kamleshkumar Bipinchandra Parmar, Vijay Chauhan, Amit Makwana, Salej Makwana, Vipul Pithadia, Akshay Parmar, Anurudhkumar Barelal Yadav, Ritu Mehta, Dhaval Gadani, Keyur Parmar, Sharda Sharma and Amitkumar Patel are connected through bank account transactions. Rahul Rameshbhai Mehta and Ritu Rahul Mehta are connected through common email id: rahul4956@gmail.com, common mobile no. 9714688911 and address: 40/ 468 Mangalmurti Apartment, Near Telephone Exchange, Naranpura, Ahmedabad, Gujarat. As per UCC Details, Sonu Argal and Anurudhkumar Barelal Yadav share same address “A-9 Jagdamba Appartment Opp Petrol Pump Mamnagar Ahmedabad 380052” Rameshbhai Lala Bhai Solanki, Parmar Nareshbhai Pappubhai, Vipul Bharatbhai Pithadia and Sanjaybhai Pappubhai Parmar are connected through common mobile no. 9687218631 As per the bank statements of Vijay Pujara, he has transferred funds into the bank account of Dhaval Vinodhbhai Gadani, Sharda Sharma, Kamleshkumar Bipinchandra Parmar, vipul Bharatbhai Pithadia, Dinesh

			Thakur, Jitendrabhai Mistry, Rahul Mehta, Anurudhkumar Barelal Yadav, Durgeshkumar Sathvara, Amit Vijaybhai Makwana, Parmar Akshay J, Nayanbhai Shivshankar Vyas, Hari Gopal Sharma, Salej Vijaybhai Chauhan, Salej Vijaybhai Makwana, Rekhaben Harishbhai Sakariya, Vishal Khimjibhai Begda.

5.4. Trading by Noticee Nos. 1 to 25:

5.4.1. The details of trading by the Noticee Nos. 1 to 25 in BSE are summarized as under

BSE					
Sr. No	**Name of the Entity**	**Buy Traded Qty**	**% Buy Qty to Total Traded Volume**	**Sell Traded Qty**	**% Sell Qty to Total Traded Volume**
1	Ritu Rahul Mehta	2459394	8.02%	2459394	8.02%
2	Keyur V Parmar	1728357	5.64%	1729054	5.64%
3	Dhaval Vinodbhai Gadani	1548283	5.05%	1548283	5.05%
4	Anand H Soni	1511480	4.93%	1511480	4.93%
5	Hari Gopal Sharma	1387285	4.53%	1387285	4.53%
6	Vijay Ishvarbhai Chauhan	1310547	4.28%	1310547	4.28%
7	Anurudhkumar Barelal Yadav	1104704	3.60%	1104704	3.60%
8	Sharda Sharma	808682	2.64%	808682	2.64%
9	Dinesh Avadheshsingh Thakur	783774	2.56%	783774	2.56%
10	Vipul Bharatbhai Pithadia	718733	2.34%	718725	2.34%
11	Ramesh Bhai Lala Bhai Solanki	531308	1.73%	531308	1.73%
12	Parmar Nareshbhai Pappubhai	491720	1.60%	491712	1.60%
13	Jitendrabhai Madhavlal Mistri	446066	1.46%	446066	1.46%
14	Rahul Rameshbhai Mehta	427404	1.39%	427404	1.39%
15	Kamleshkumar Bipinchandra Parmar	408730	1.33%	408730	1.33%
16	Sanjaybhai Pappubhai Parmar	406043	1.32%	406043	1.32%
17	Akshay Parmar	404168	1.32%	404168	1.32%
18	Amit Vijaybhai Makwana	368047	1.20%	368047	1.20%
19	Rekhaben Harishbhai Sakariya	309905	1.01%	309905	1.01%
20	Salej Vijaybhai Makwana	145898	0.48%	145898	0.48%
21	Vishal Khimjibhai Begda	129345	0.42%	129345	0.42%
22	Durgeshkumar Kalidas Sathvara	129250	0.42%	129250	0.42%
23	Sonu Argal	117358	0.38%	117358	0.38%
24	Nayanbhai Shivshankar Vyas	74848	0.24%	74848	0.24%
25	Rajesh Siyaram Kushavaha	41028	0.13%	41028	0.13%
Total		**17792357**	**58.04%**	**17793038**	**58.05%**
Market total		**30653149**	**100.00%**	**30653149**	**100.00%**

5.4.2. The details of trading by the Noticee Nos. 1 to 25 in NSE are summarized as under:

NSE					
Sr. No	**Name of the Entity**	**Buy Traded Qty.**	**% Buy Qty. to Total Traded Volume**	**Sell Traded Qty.**	**% Sell Qty. to Total Traded Volume**
1	Ritu Rahul Mehta	4181057	7.09%	4181057	7.09%
2	Keyur V Parmar	3020283	5.12%	3020283	5.12%
3	Dhaval Vinodbhai Gadani	2999784	5.09%	2999784	5.09%
4	Anand H Soni	2124514	3.60%	2124514	3.60%
5	Hari Gopal Sharma	2090684	3.55%	2090684	3.55%
6	Vijay Ishvarbhai Chauhan	1989460	3.37%	1989460	3.37%
7	Anurudhkumar Barelal Yadav	1754278	2.98%	1754278	2.98%
8	Sharda Sharma	1539344	2.61%	1539344	2.61%
9	Dinesh Avadheshsingh Thakur	1484355	2.52%	1484355	2.52%
10	Vipul Bharatbhai Pithadia	1360343	2.31%	1360343	2.31%
11	Ramesh Bhai Lala Bhai Solanki	889211	1.51%	889211	1.51%
12	Parmar Nareshbhai Pappubhai	768256	1.30%	768256	1.30%
13	Jitendrabhai Madhavlal Mistri	710948	1.21%	710956	1.21%
14	Rahul Rameshbhai Mehta	624378	1.06%	624378	1.06%
15	Kamleshkumar Bipinchandra Parmar	607211	1.03%	607211	1.03%
16	Sanjaybhai Pappubhai Parmar	551195	0.93%	551195	0.93%
17	Akshay Parmar	517943	0.88%	517943	0.88%
18	Amit Vijaybhai Makwana	507846	0.86%	507846	0.86%
19	Rekhaben Harishbhai Sakariya	500038	0.85%	500038	0.85%
20	Salej Vijaybhai Makwana	314904	0.53%	314904	0.53%
21	Vishal Khimjibhai Begda	231897	0.39%	231897	0.39%
22	Durgeshkumar Kalidas Sathvara	211867	0.36%	211867	0.36%
23	Sonu Argal	162529	0.28%	162529	0.28%
24	Nayanbhai Shivshankar Vyas	90244	0.15%	90244	0.15%
25	Rajesh Siyaram Kushavaha	42351	0.07%	42351	0.07%
Total		**29503993**	**50.04%**	**29504009**	**50.04%**
Market total		**58963322**	**100.00%**	**58963322**	**100.00%**

Allegations against Noticee Nos. 1 to 25

5.5. Volume Manipulation

5.5.1. Synchronised trades:

5.5.1.1. During the investigation period, it was observed that artificial volume was created by group entities i.e. Noticee Nos. 1-25 by executing synchronized trades among themselves for 1,54,70,598 shares at BSE (i.e. 50.47% of total market volume) and 2,49,87,646 shares at NSE (i.e., 42.38% of total market volume).

5.5.1.2. Summary of total synchronized trades by Noticee Nos. 1 to 25 at BSE & NSE is given in the following table:

Market volume	**Gross Buy Qty of Noticee Nos. 1 to 25**	**Gross Sell Qty of Noticee Nos. 1 to 25**	**Total traded qty among Noticee Nos. 1 to 25**	**Synchronized traded qty by Noticee Nos. 1 to 25**	**Sync Trades as % of total traded qty among the Noticee Nos. 1 to 25**	**Sync Trades as % of Total market volume**
A	**B**	**C**	**D**	**E**	**F**	**G**
BSE						
3,06,53,149	1,77,92,357	1,77,93,038	1,63,95,372	1,54,70,598	94.36%	50.47%
NSE						
5,89,63,322	2,95,03,993	2,95,04,009	2,70,51,404	2,49,87,646	92.37%	42.38%

5.5.1.3. It was therefore, alleged that Noticee Nos. 1 to 25 executed synchronized trades and contributed to a volume of 50.47% and 42.38% at BSE and NSE, respectively (Annexure 5 of the SCN).

5.5.2. Reversal trades:

5.5.2.1. During the investigation period, it was observed that artificial volume was created by Noticee Nos. 1 to 25 by executing reversal trades among themselves for 1,15,42,402 shares at BSE (i.e. 37.65% of total market volume) and 2,02,62,274 shares at NSE (i.e., 34.36% of total market volume).

5.5.2.2. Summary of reversal trades by Noticee Nos. 1 to 25 at BSE & NSE is given in the following table:

BSE				
Market Volume	**Sum. of Reversal Qty**	**% of Reversal Qty to mkt. Vol.**	**Sum of No. of Reversal Trades**	**No. of days of reversal Trades**
3,06,53,149	1,15,42,402	37.65%	849	180
NSE				
Market Volume	**Sum. of Reversal Qty**	**% of Reversal Qty to mkt. Vol.**	**Sum of No. of Reversal Trades**	**No. of days of reversal Trades**
5,89,63,322	2,02,62,274	34.36%	1080	180

5.5.2.3. Thus, it was alleged that the group entities created artificial volume by synchronized trades (50.47% and 42.38% of market volume in BSE and NSE respectively) and through reversal trades (37.65% and 34.36% of market volume in BSE and NSE respectively) without changing the beneficial ownership.

5.6. Price manipulation:

Analysis of LTP contribution of Noticee Nos. 1 to 25 are given below:

5.6.1. BSE

5.6.1.1. During the investigation period, the price of the scrip opened at price of Rs.154.1 on August 29, 2019, reached a high of Rs.230.0 on February 14, 2020, reached a low of Rs.115.0 on February 13, 2020 and closed at Rs.137.5 on June 04, 2020.

5.6.1.2. Acting as buyers, the group entities contributed Rs.652.30 to net LTP and Rs.2246.20 to positive LTP in 13,185 positive LTP trades. On analysing counterparties to their positive LTP trades, it was observed that in their 8,355 positive LTP trades, the counterparties were among the group entities only and through trades among themselves they contributed 8.14% to market positive LTP. In remaining 4,830 positive LTP trades with non-group entities, they contributed Rs.969.80 to positive LTP. Out of 4,830 trades, in 607 trades they placed buy order first and contributed Rs. 101.75 to Positive LTP. The details are tabled as below:

Noticee Nos. 1 to 25 as Buyers			
Net LTP contribution by trading with market	Positive LTP contribution by trading with market	Total Net Market LTP	Total Market Positive LTP
A	**B**	**C**	**D**
Rs.652.30	Rs.2246.20	Rs.-16.60	Rs.15671.05
Noticee Nos. 1 to 25 as Sellers			
Net LTP contribution by trading with market	Positive LTP contribution by trading with market	Total Net Market LTP	Total Market Positive LTP
E	**F**	**G**	**H**
Rs.604.95	Rs.1566.75	Rs.-16.60	Rs.15671.05
Difference in Net LTP of Noticee Nos. 1 to 25 as buyer and Sellers (A – E)		Rs.47.35/-	
Remarks		Contributed positively to Net LTP in a period of price fall.	

5.6.1.3. Thus, the difference in net LTP contributed by Noticee Nos. 1 to 25 as a buyers and sellers is Rs.47.35 in BSE. In this regard, the net market LTP during the IP is Rs.-16.60. Thus, in a period of price fall, the entities have contributed to a net LTP of Rs.47.35.

5.6.1.4. With the above findings, it was alleged that the group entities contributed positively to net LTP, thereby supporting the price of the scrip during the period of price fall by executing synchronized trades and reversal trades.

5.6.2. NSE

5.6.2.1. During the investigation period, the price of the scrip opened at Rs.155.00 on August 29, 2019 and touched period high of Rs.230.00 on February 14, 2020, reached a low of Rs.115.15 on April 13, 2020 and closed at Rs.135.2 on June 04, 2020.

5.6.2.2. Acting as buyers, the group entities contributed Rs. 4054.20 to positive LTP through 30,210 trades i.e. 8.43% of total market positive LTP. On analyzing the counterparties to their positive LTP trades, it was observed that in their 13,544 positive LTP trades, the counterparties were group entities and through trades among themselves they contributed 3.28% to market positive LTP. In remaining 16,666 positive LTP trades with non-group entities, they contributed Rs.2475.60 to positive LTP. Of which in 744 trades, they placed buy order first and contributed Rs. 132.95 to Positive LTP. The details are tabled as below:

<table>
<tr><th colspan="4">Group Entities as Buyers</th></tr>
<tr><td>Net LTP contributed by Group Entities by trading with market</td><td>Positive LTP contributed by group entities by trading with market</td><td>Total Net Market LTP</td><td>Total Market Positive LTP</td></tr>
<tr><td>A</td><td>B</td><td>C</td><td>D</td></tr>
<tr><td>Rs.1711.65</td><td>Rs.4054.20</td><td>Rs.-19.80</td><td>Rs.48109.55</td></tr>
<tr><td colspan="4">Group Entities as Sellers</td></tr>
<tr><td>Net LTP contributed by Group Entities by trading with market</td><td>Positive LTP contributed by group entities by trading with market</td><td>Total Net Market LTP</td><td>Total Market Positive LTP</td></tr>
<tr><td>E</td><td>F</td><td>G</td><td>H</td></tr>
<tr><td>Rs.1446.50</td><td>Rs.2453.20</td><td>Rs.-19.80</td><td>Rs.48109.55</td></tr>
<tr><td colspan="2">Difference in Net LTP of Group entities as buyer and Sellers
(A – E)</td><td colspan="2">Rs.265.15</td></tr>
<tr><td colspan="2">Remarks</td><td colspan="2">Contributed positively to Net LTP in a period of price fall.</td></tr>
</table>

5.6.2.3. Thus, the difference in net LTP contributed by 25 group entities as a buyers and sellers is Rs.265.15 in NSE. In this regard, the net market LTP during the IP is Rs.-19.80. Thus, in a period of price fall, the entities have contributed to a net LTP of Rs.265.15.

5.6.3. Thus, it was alleged that the group entities contributed positively to net LTP of Rs.47.35 and Rs.265.15 in BSE and NSE respectively, thereby maintaining the price of the scrip in the range of Rs.155.00 to Rs.135.2 by trading among themselves and through synchronized trades and reversal trades. Therefore, it is alleged that the Noticee Nos. 1 to 25 had violated the provisions of Regulations 3(a), (b), (c), (d), 4(1), 4 (2)(a), (b), (d), (e) & (g) of PFUTP Regulations read with Section 12 A (a), (b), (c) of SEBI Act.

5.7. Allegation against Noticee No. 26

5.7.1. In order to identify the beneficiaries of the said manipulation scheme carried out by Noticee Nos. 1 to 25, Customer Application Forms (hereinafter referred to as "CAFs") with common mobile numbers, the bank transactions, mode of placement of orders, etc., of the group entities were analysed during the period April 01, 2019 to June 30, 2020. On analysis, the following were noted:

5.7.2. Analysis of common mobile numbers:

5.7.2.1. The mobile numbers which evidence the basis of connection for the group entities were analysed to identify the real beneficiary / subscribers of the said mobile numbers. In this regard, their CAFs were obtained from Telecom Service Providers for analysis. The details of the said mobile numbers and their actual subscribers are described below:

S. No	Mobile Number	Name of the Subscriber	Date of Activation	Address of the Subscriber
1	6356120754	Bharatkumar Trivedi	August 14, 2019	Sahyar, Surya Nagar-2, Nana Mauva Main Road, Rajkot Gujarat - 360004
2	7567458413			
3	7096177586	Kaushikkumar Chamar S/o Harjivanbhai,	March 12, 2019	Village Ganeshpura, Savala, Mahesana, Gujarat - 384001
4	7096608344	Rahul Solanki S/o Solanki Punamchandraji ,	March 12, 2019	Khanaji 24/A, Gurukrupa Society Part 1, Opp Arjun Ashram, Ahmedabad - 382481
5	7264067621	Karan Prabhudayal Bairwa S/o Prabhu	Sept 05, 2019	Dayal, C78, Bairwa Colony, Tonk Phatak, Bajaj Nagar, Jaipur, Rajasthan - 302015 Local Address: Kbn 1 Appartment room

				no.311, Virar Road, Rehmat Nagar, Nallosapare, Maharashtra - 401209
6	7874977418	Kaushikkumar Chamar S/o Harjivanbhai,	March 12, 2019	Village Ganeshpura, Savala, Mahesana, Gujarat - 384001
7	7874981425	Rajan Gajjar S/o Amrutbhai,	March 12, 2019	B-18, Manilal Nagar, Near Dhanjibhai kuva, Chandlodia, Daskroi, Chandlodia, Ahmedabad, Gujarat - 382481
8	8511341363	Sathvara Sejalben W/o Preyash Kumar,	January 30, 2018	Block B, A12, Vraj Vihar Appartment, Godasar, Ahmedabad City - 380050
9	8511362441	Sathvara Preyash, S/o Ramesh Bhai,	January 30, 2018	Block B, A12, Vraj Vihar Appt, Godasar, Ahmedabad -380050, Godasar Lake
10	9724874576	Sakariya Deepak Ganpatibhai,	March 21, 2018	A11, Vimalnath Tenament, Nirnayanagar Road, Ahmedabad City, 382480
11	9724874578	Sakariya Jayshreeben Ganpatibhai,	March 21, 2018	A11, Vimalnath Tenament, Nirnayanagar Road, Ahmedabad City, 382480
12	9054816312	Bharatkumar Prabhashankar Trivedi,	July 24, 2019	Sahyar, Surya Nagar-2, Nana Mauva Main Road, Rajkot Gujarat - 360004
13	8490948213	Bharatkumar Prabhashankar Trivedi,	August 14, 2019	Sahyar, Surya Nagar-2, Nana Mauva Main Road, Rajkot Gujarat - 360004

5.7.2.2. On perusing the above table, the following were observed:

- Most of the numbers were activated in the year 2019.
- None of the mobile numbers were subscribed / in the name of group entities.
- All the mobile numbers except one were subscribed by entities who are based out of Gandhi Nagar / Ahmedabad, Gujarat.
- Same entities have subscribed and bought more SIM cards. For instance, the entity, Bharathkumar Trivedi has bought four SIM cards which were used by the group entities.

5.7.2.3. Considering the above observations, it was alleged that the proxy mobile numbers for the group entities were obtained by a mastermind who in turn used the same while opening trading accounts with the brokers.

5.7.3. Analysis of bank transactions:

5.7.3.1. The pay-in / pay-out bank account details of the entities were perused by the investigation team to ascertain the source of funds using which the scheme of volume manipulation is orchestrated.

5.7.3.2. On analysing the bank statements of the said group entities, it was observed that they have received funds in the form of cash deposits and online transfers. Further, some of the cash deposits are deposited via Cash Deposit Machines. However, on perusing the online transactions, it is observed that the credits were received from Noticee No. 26 through his ICICI Bank account (A/c No.006401519717). The said online transactions were happening between Noticee No. 26 and some of the group entities since April 01, 2019 i.e. four months prior to the start of IP till June 30, 2020. The amount deposited in the form of online transfers is tabled below:

S. No	Name of the Entity	Amount Deposited from April 01, 2019 to June 30, 2020 (in Rs.)
1	Anand H Soni	NIL
2	Ritu Rahul Mehta	NIL
3	Dhaval Vinodbhai Gadani	20,000
4	Sharda Sharma	10,500
5	Kamleshkumar Bipinchandra Parmar	3,23,250
6	Vipul Bharatbhai Pithadia	5,29,586
7	Dinesh Avadheshsingh Thakur	90,000
8	Jitendrabhai Madhavlal Mistri	2,07,849
9	Rahul Rameshbhai Mehta	2,91,822
10	Anurudhkumar Barelal Yadav	24,26,000

11	Durgeshkumar Kalidas Sathvara	1,09,650
12	Keyur V Parmar	NIL
13	Amit Vijaybhai Makwana	53,000
14	Parmar Akshay J	1,36,750
15	Nayanbhai Shivshankar Vyas	1,25,500
16	Hari Gopal Sharma	60,000
17	Sonu Argal	NIL
18	Vijay Ishvarbhai Chauhan	NIL
19	Salej Vijaybhai Makwana	2,06,800
20	Rekhaben Harishbhai Sakariya	1,01,000
21	Vishal Khimjibhai Begda	80,000
22	Ramesh Bhai Lala Bhai Solanki	NIL
23	Parmar Nareshbhai Pappubhai	NIL
24	Rajesh Siyaram Kushavaha	NIL
25	Sanjaybhai Pappubhai Parmar	NIL
Total Amount Transferred		**37,00,522**

5.7.3.3. Further, on analysing the bank statements of the group entities, it was observed that they had been receiving funds in the form of cash deposits which were made through Cash Deposits Machines using the mobile nos. 9898366366, 7874981425, 9375570249 and 9825255993. The details of these mobile numbers and their connection with Noticee No. 26 is stated as below:

S.No	Mobile Number	Name of the entity	Relationship with Vijay Pujara	Amount Deposited into the bank account of Group entities during the period from April 01, 2019 to June 30, 2020
1	9898366366	Pinto Ruparel	Acquainted to Vijay Pujara	Rs.46,32,600/- (4 entities)
2	7874981425	Natu Vegda	Poen in the office of Vijay Pujara	Rs.16,40,900/- (5 entities)

3	9375570249	Ajay Pujara	Brother of Vijay Pujara	Rs.30,000/- (one entity)
4	9825255993	Vijay Pujara	Self	Rs.19,66,000 (6 entities)

5.7.3.4. The 6 entities to whom Noticee No. 26 had transferred money through cash deposits are Noticee No. 10 (Rs. 2,87,800), Noticee No. 6 (Rs. 3,89,000), Noticee No. 5 (Rs. 7,15,300), Noticee No. 12 (Rs. 4,26,600), Noticee No. 3 (Rs. 1,05,000) and Noticee No. 2 (Rs. 42,300).

5.7.3.5. Since the cash deposits are made through Cash Deposit Machines, Cash deposit slips could not be obtained from bank. However, based on mobile number which appears in the bank statements of six of the group entities, it is observed that the group entities were funded by the entities mentioned in the above table.

5.7.3.6. Thus, it was alleged that Noticee No. 26 had funded the group entities through online transactions and cash deposits which in turn were used for trading and manipulating the scrip of CGCL. The details of his funding is tabled below:

Mode of Transaction	**Amount deposited/transferred**	**Number of Group Entities**
Online	Rs.37,00,522/-	16
Cash Deposit Machine	Rs.19,66,000	6

5.7.3.7. Noticee No. 26 also received cash deposits of Rs.71,74,450/- in his bank Account during the period April 01, 2019 to June 30, 2020 which he had allegedly used to fund the above said entities.

5.7.4. MAC Addresses and correlation:

5.7.4.1. The connection log of all the group entities during the IP across different scrips were obtained from their respective trading members and compared to identify if they have any common Media Access Control Address (hereinafter referred to as "MAC address").

5.7.4.2. On analysing the same, it was observed that the orders of multiple entities were placed from a single MAC address. The details of common MAC address is tabled below:

S. No.	MAC address	Name of the Entity
1	00:1C:C0:80:63:98	Jitendrabhai Mistri, Rahul Mehta, Durgeshkumar Kalidas Sathvara, Rekhaben Harishbhai Sakariya
2	0A:3D:02:87:FC:37	Dhaval Gadani, Keyur Vinodchandra Parmar
3	0C:5B:8F:27:9A:64	Ritu Rahul Mehta, Jitendrabhai Mistri, Rekhaben Harishbhai Sakariya, Vishal Khimjibhai
4	1A:D6:B9:03:C5:48	Jitendrabhai Mistri, Vipul Bharatbhai Pithadia
5	3A:A5:D8:08:90:64	Dhaval Gadani, Dinesh Avadheshsingh Thakur, Ritu Rahul Mehta
6	20:E8:17:06:14:9B	Jitendrabhai Mistri, Vipul Bharatbhai Pithadia
7	22:9B:AC:5C:65:E6	Jitendrabhai Mistri, Vipul Bharatbhai Pithadia, Kamleshkumar Parmar
8	1E:A4:5A:91:A5:C5	Dinesh Avadheshsingh Thakur, Ritu Rahul Mehta
9	42:2F:36:3A:B6:33	Dhaval Gadani, Ritu Rahul Mehta
10	5A:79:0A:7E:74:0D	Rahul Mehta, Ritu Rahul Mehta, Sharda Sharma, Rekhaben Harishbhai Sakariya, Salej Vijaybhai Makwana
11	72:C6:FD:45:76:8C	Dhaval Gadani, Sharda Sharma
12	82:B4:FF:7A:21:E4	Dhaval Gadani, Ritu Rahul Mehta
13	9A:F8:FE:FA:74:49	Sharda Sharma, Dinesh Avadheshsingh Thakur
14	AE:1E:B7:A3:9B:07	Ritu Rahul Mehta, Sharda Sharma, Kamleshkumar Parmar

15	CA:E3:07:81:05:BF	Keyur Vinodchandra Parmar, Dhaval Gadani, Ritu Rahul Mehta
16	D6:13:F1:CC:71:2E	Dinesh Avadheshsingh Thakur, Ritu Rahul Mehta, Salej Makwana, Sharda Sharma
17	DA:A8:FB:94:03:45	Dhaval Gadani, Ritu Rahul Mehta
18	E6:E2:4A:BE:0C:33	Rahul Mehta, Sharda Sharma, Durgeshkumar Kalidas Sathvara
19	F2:27:0F:BF:20:32	Rahul Mehta, Ritu Rahul Mehta, Keyur Vinodchandra Parmar
20	F4:B5:20:00:07:F6	Dinesh Avadheshsingh Thakur, Rahul Mehta, Amit Makwana, Jitendrabhai Mistri.
21	06:44:58:10:36:50 3A:A5:D8:08:90:64	Dhaval Jaysuklal Gadani, Dinesh Avadheshsingh Thakur
22	B8:86:87:24:36:71	Amit Vijaybhai Makwana, Durgeshkumar Kalidas Sathvara
23	DE:F0:AC:48:76:45	Jitendrabhai Madhavlal Mistri, Keyur Vinodchandra Parmar, Vipul Pithadia
24	EA:61:35:E9:F8:3D	Dhaval Jaysuklal Gadani, Vijay Ishvarbhai Chauhan

5.7.4.3. Further, the connection log of Noticee No. 26 across all the scrips during the IP was analysed to see if they had any commonalities with the group entities. It is found that five of the MAC addresses used by Noticee No. 26 appears in the list of MAC addresses used by the group entities. The details are tabled below:

S. No.	MAC ID	Name of the Entity
1	20:E8:17:06:14:9B	Vijay Pujara, Jitendrabhai Mistri, Vipul Bharatbhai Pithadia,
2	DE:F0:AC:48:76:45	Vijay Pujara, Jitendrabhai Madhavlal Mistri, Keyur Vinodchandra Parmar, Vipul Pithadia
3	0C:5B:8F:27:9A;64	Vijay Pujara, Ritu Rahul Mehta, Jitendrabhai Mistri, Rekhaben Harishbhai Sakariya, Vishal Khimjibhai
4	02:1E:A6:9B:47:95,	Vijay Pujara and Vishal Khimjibhai
5	0C:5B:8F:27:9A;64	Vijay Pujara, Vishal Khimjibhai and Jitendrabhai Madhavlal Mistri

5.7.4.4. Thus, it was observed that six of the Group entities are having the MAC addresses of that of Noticee No. 26 for the trades executed during the IP.

5.7.4.5. Considering the fact that the MAC addresses are device specific and unique in nature, it was alleged that the trading accounts of the group entities, were operated by Noticee No. 26 for trading in the scrip of CGCL during the IP.

5.7.5. Thus, it was alleged that Noticee No. 26 had acted as a mastermind and operated the trading accounts of the group entities by opening their trading accounts, creating proxy mobile numbers, sourcing funds, placing orders and executing trades in the scrip of CGCL, thereby, involved in the act of market manipulation by executing synchronized and reversal trades. Further, one of the Noticee has stated that the Noticee No. 26 had opened his demat account and used it in return of Rs. 2000/- monthly payment to him. Therefore, it was alleged that Noticee No. 26 had been using the trading accounts of group entities, in return for monetary payments.

5.7.5.1. Further, on analyzing the UCC details of entities trading in the scrip during the pre-IP and Post-IP, the number of unique PANs used to trade in the scrip of CGCL is stated below:

S.No	Period	Number of Unique PANs Traded
1	Pre-IP (Month of July 2019)	1363
2	During the IP (month-wise average for the period from August 2019 to June 2020)	2328
3	Post IP (Month of July 2020)	4608

5.7.5.2. Based on the above table, it was observed that during the Post-IP, number of unique PANs which traded in the scrip of CGCL has increased by around 240% than that of pre-IP.

5.7.6. Thus, it was alleged that Noticee No. 26 masterminded the said manipulative action by funding the group entities who traded in the scrip to create artificial volume and to maintain price levels by executing synchronized and reversal trades, thereby, violating regulation 3 (a), (b), (c), (d), 4(1), 4 (2)(a), (b), (d), (e) & (g) of PFUTP Regulations read with Section 12 A (a), (b), (c) of SEBI Act.

5.8. Summons and submissions:

5.8.1. Noticee No. 26 was summoned under Section 11C (3) and (5) of SEBI Act. Statement of Examination on Oath of Noticee No. 26 was recorded under Section 11 C (5) of SEBI Act before the Investigation Authority on November 21, 2022. The submission of the entity, in this regard, is summarized as follows.

i. He knew the entities, Keyur V Parmar and Vipul B Pithadia. For both of whom he has transferred funds on the request of his brother, Shri. Ajay Pujara.
ii. Noticee No. 26 also submitted that he is not connected to any of the group entities.

5.8.2. Further, Noticee No. 26 was also summoned to produce the document / information before SEBI related to his banking transaction with the group entities under section 11 C (3) of SEBI Act, on January 27, 2023. Queries were also raised regarding the cash deposits received by Noticee No. 26 to the tune of Rs.71,74,450/- during the period from April 01, 2019 to June 30, 2020 in his ICICI Bank Account no.006401519717. He has submitted that he was involved in lending business and he might have extended credit facilities to some of the group entities. He also added that he has no involvement in how that money was spent by the group entities in the securities market. Further, regarding the unusual level of cash deposits received in his account (ICICI Bank A/c No.006401519717), he did not provide any acceptable response.

5.8.3. Following his submission, more details were sought vide summons dated February 21, 2023, regarding his lending business, book of accounts held and other related information with respect to his banking transactions. The summons were sent to his address and a scanned copy of the same was also sent to his email id on February 21, 2023. However, the entity had failed to respond to the said summons.

5.8.4. Thus, Noticee No. 26 was alleged to have hampered the process of investigation and violated section 11 C (2) and (3) of SEBI Act.

6. The chronology of events pertaining to the service of notices and subsequent correspondence in the adjudication proceedings is stated below:

<u>Noticee Nos. 1 to 25</u>

Date	Remark
May 08, 2023	SCN dated May 08, 2023 issued against the Noticees.
May 09, 2023	SCN was served upon the Noticee Nos. 1 to 26 through an e-mail.
May 15, 2023	SCN delivered to Noticee No. 2,4,8,9,17,20,25 through Speed Post with Acknowledment Due (hereinafter referred to as "**SPAD**").
May 16, 2023	SCN delivered to Noticee No. 5,11,13,16, 22 through SPAD.
May 18, 2023	SCN delivered to Noticee No. 19 through SPAD.
May 20, 2023	Noticee No. 7 refused to accept the Speed Post containing the SCN and it was returned back to SEBI.
May 31, 2023	Hearing Notice dated May 31, 2023 was issued against the Noticee Nos. 2,4,5,8,9,11,13,16,17,20,22,25,26 for hearing scheduled on June 15, 2023.
June 01, 2023	Hearing Notice was served upon the Noticees through an e-mail.
June 09, 2023	Hearing Notice delivered to Noticee No. 2,4,5,8,9, 11,13,16,20,22 through SPAD.
June 10, 2023	Hearing Notice delivered to Noticee No. 17,19 through SPAD.

June 15, 2023	SEBI, vide an email, postponed the hearing to June 26, 2023 due to unavoidable circumstances.
June 21, 2023	The Noticees did not attend the hearing.
June 22, 2023	Since the Noticee No. 7 refused to accept the SCN, it was hand delivered to Noticee No. 7 on June 22, 2023.
June 28, 2023	SEBI, vide an email, provided Noticee Nos. 2,4,5,8, 9,11,13,16,17,19,20,22,25 with the opportunity of being heard on 6 July, 2023.
July 03, 2023	Since the SCN could not be delivered to Noticee No. 18, it was hand delivered to the Noticee No. 18 on July 03, 2023.
July 06, 2023	The Noticee Nos. 2,4,5,8,9,11,13,16,17,19,20,22,25 did not attend the hearing.
July 06, 2023	Subsequent to hand delivery of SCN to Noticee No. 7, Hearing Notice dated July 06, 2023 was issued against him for hearing scheduled on July 21, 2023.
July 10, 2023	Noticee No. 7 refused to accept the physical delivery of the Hearing Notice.
July 25, 2023	Subsequent to hand delivery of SCN to Noticee No. 7 and 18, Hearing Notice dated July 25, 2023 was issued against them for hearing scheduled on August 09, 2023.
July 31, 2023	Noticee No. 7 refused to accept the physical delivery of the Hearing Notice.
August 06, 2023	Since the SCN and Hearing Notice could not be served to Noticee Nos. 1,3,6,10,12,14,15,21,23,24 through other means, the same was communicated to them through newspaper publication, whereby a final opportunity of hearing was provided to the Noticees on August 23, 2023.
August 16, 2023	Noticee No. 12 submitted reply to the SCN, vide an email.
August 17, 2023	Noticee No. 6 submitted reply to the SCN, vide an email.
August 17, 2023	Noticee No. 14 submitted reply to the SCN, vide an email.
August 18, 2023	Noticee No. 9 submitted reply to the SCN, vide an email.
August 21, 2023	SEBI, vide an email, provided the Noticee Nos. 6, 9,12,14 with a final opportunity of being heard in the interest of natural justice, with the hearing scheduled on 23 August, 2023.
August 23, 2023	Noticee Nos. 6, 9,12,14 did not attend the hearing.
September 15, 2023	Since the Hearing Notice could not be served to Noticee No. 7, 8, 18 thorugh other means, the same was communicated to them through newspaper publication, whereby a final opportunity of hearing was provided to the Noticees on September 15, 2023. However, the Noticees did not appear for hearing.

Noticee No. 26

Date	Remark
May 08, 2023	SCN dated May 08, 2023 issued against the Noticee.
May 09, 2023	SCN was served upon the Noticee through an e-mail.
May 15, 2023	SCN delivered to the Noticee through SPAD.
May 31, 2023	Hearing Notice dated May 31, 2023 was issued against the Noticee for hearing scheduled on June 15, 2023.
June 01, 2023	Hearing Notice was served upon the Noticee through an e-mail.
June 15, 2023	SEBI, vide an email, rescheduled the hearing to June 21, 2023 because of unavoidable circumstances.
June 21, 2023	Ther Noticee sought extension to the date of hearing vide an email.
June 28, 2023	SEBI, vide an email, acceded to the Noticee's request of extension to the date of hearing and the hearing was rescheduled to July 06, 2023.
July 06, 2023	Vide an email, the Noticee requested further extension to the date of hearing.
July 06, 2023	SEBI, vide an email, acceded to the Noticee's request of further extension to the date of hearing and the hearing was rescheduled to July 21, 2023.
July 21, 2023	The Noticee's AR appeared for hearing and submitted that being in the business of private finance, he had given the loans to other Noticees that traded in the scrip of Capri Global. Other Noticees were the clients of Mr. Manoj Somani, who is an acquaintance of the Noticee and is in the business of Investment Advisory. Further, the AR submitted that he had replied to the SEBI's summons dated 24 February, 2023, on February 27, 2023, whereas the SCN mentioned that the Noticee did not respond to the aforesaid summons.
July 21, 2023	The Noticee filed settlement application in the captioned matter.
August 02, 2023	The Noticee made written submissions in reply to the SCN.
August 03, 2023	The settlement application was returned to the Noticee as it was not filed within the limitation period provided under Regulation 4(1) of SEBI (Settlement Proceedings) Regulations, 2018.

7. In response to SCN, the Noticees have submitted as follows:

7.1. Noticee No. 6

i. *Noticee has not done any manipulation in trading.*
ii. *Noticee has been regularly investing/trading in various scrips in the securities market over the years.*
iii. *The contact numbers 7096608344, 7874981425, 9724874578 and 9687218631 mentioned do not belong to the Noticee all but are of Manish Somani.*
iv. *Bank transactions recorded in IP are not related to the matters of synchronized trading.*
v. *Noticee has no connection with any other Noticees or with the promoters of Capri Global Capital Ltd.*
vi. *All the funds taken from Vijay Pujara by the Noticee were for the purpose of trading through banks itself on interest basis.*
vii. *Noticee is not aware of the transactions done by other Noticees.*
viii. *The Noticee did not execute any synchronized trades.*
ix. *The Noticee's trading constitutes merely 2.34% for buying and 2.34% for selling i.e. same as the Noticee had done the transactions considering market opportunities.*
x. *On the basis of the frivolous connection, SEBI has tried to conclude that Noticee is a part of the purported group which has allegedly executed manipulative trades in the scrip of Capri and while doing so had also merged his miniscule independent trading in the scrip with the alleged group. However, while doing so SEBI has neither provided any connection with any of such entities of the group nor has provided any manipulative intent which has allegedly resulted in the trades being executed in a purported scheme to increase the volume in the scrip of Capri.*

7.2. Noticee No. 9

i. *Noticee has no connection with any other Noticees except Noticee No. 2, who is Noticee Noticee No.9's wife. For this reason, the Noticee share* *a common e-mail, address and phone number with her. No other basis of connection listed are true or accurate.*

ii. *The transaction with Vijay Pujara happened because the Noticee had borrowed from him for his business and its expansion through bank itself. These funds were returned within the shortest time possible with an interest of 12% per annum.*

iii. *Total contribution to volume to BSE and NSE are also 1.39% and 1.06% respectively, which is very negligible in relation to the total volume.*

iv. *The transactions were carried out based on analysis by the Noticee and there was no involvement in any malpractice.*

7.3. Noticee No. 12

i. *Noticee has been regularly investing/trading in various scrips in the securities market since 2015*

ii. *Noticee has been associated with Mr. M. Somani and followed his advice for investing. Noticee gave him 40% commission out of profit.*

iii. *With respect to Para 7 of SCN, the contact number mentioned and recorded as 9724874578 alleged to be used during the process doesn't belong to the Noticee and Noticee has no knowledge of the same.*

iv. *Noticee has no connection with any other Noticees or with the promoters of Capri Global Capital Ltd.*

v. *Noticee is not aware about the fund transfer stated in the SCN by Vijay Pujara and do not have any connection with him.*

vi. *Noticee is not aware of the transactions done by other Noticees.*

vii. *The Noticee did not execute any synchronized trades.*

viii. *The Noticee has not either directly or indirectly engaged 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.*

7.4. Notice No. 14

i. *Noticee's trades were not executed with the intent to make malafide profits. Instead, they were merely an attempt of maximizing the gains looking at the market trends through information available in public domain.*

ii. *Noticee has no connection with any other Noticees or with the promoters of Capri Global Capital Ltd.*

iii. *All the transactions from Noticee's trading account were done by Manoj Somani as it was handled completely by him.*

iv. *With regards to the amounts deposited by Vijay Pujara, the Noticee had borrowed it from him on interest rate of 1% for boosting his trading portfolio for period of 3 months as per the suggestion by Manoj Somani.*

v. *The numbers mentioned as 7567458413, 7874981425 and 9724874576 for establishing basis of connections are not related to the Noticee.*

vi. *The Noticee made miniscule contributions of volume through his account i.e. of 1.32% and 0.88% in BSE and NSE during the IP.*

7.5. Noticee No. 26

i. *Noticee denied the allegations levelled aginst him in the SCN.*

ii. *Noticee is not connected to any other Noticees.*

iii. *Noticee had filed the reply to the SEBI's summons dated 21 February, 2023.*

iv. *Noticee is involved in the business of private financing and used to provide loans with the funds he received from family, friends and relatives.*

v. *The Noticee had provided the details of fund transfer vide its reply to the summons dated 21 February 2023.*

vi. *Manoj Somani Group is an investment advisor who worked in the same building and same floor as the noticee and the Noticee had provided loans to other Noticees on the reference of Manoj Somani, but there is no loan agreement between the Noticee and other Noticees to whom he lent the money.*

vii. *Manoj Somani & its group also operate demat accounts of other persons and, in return for the same they transfer an amount of Rs. 2000- Rs. 5000 to their respective bank account on a monthly basis.*

viii. *Manoj Somani offered the Noticee with 10% return every month if the Noticee agrees to lend him his demat account and offered 2% of profit of each client, Noticee would refer to Manoj Somani.*

ix. *Noticee sought cross examination of "Deepak" since he made the statement that he was working for the Noticee.*

x. *The investigation could not find the details of entities beyond Vijay Pujara who are involved in the manipulation scheme.*

xi. *SEBI has excluded Manoj Somani and Group from present proceedings, who were the real culprits.*

The Noticee replied to specific allegations in the SCN as below:

- *The Noticee is not related to promoters or directors of CGCL.*
- *Noticee is not aware of the trades done by other entities.*
- *All the MAC addresses mentioned in Para 12.4 of the SCN belong to Manoj Somani and Noticee has no knowledge of the same. The devices were operated by Manoj Somani.*
- *Noticee has not done any manipulative trades and the Noticee's account was operated by Manoj Somani.*
- *Noticee has never, directly or indirectly, employed any manipulative or deceptive device or contrivance, in relation to the issue, purchase or sale of any shares listed or proposed to be listed on a recognised stock exchange, in contravention of the SEBI Act and rules or regulations made thereunder. So, the Noticee has not violated Section 12A(a) of SEBI Act.*
- *Noticee has never, directly or indirectly, employed any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange. So, the Noticee has not violated Section 12A(b) of SEBI Act.*

- *Notice has never, directly or indirectly, engaged in any act, practice, course of business which operates as or would operate as a fraud or deceit upon any person, in connection with the issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange, in contravention of the SEBI Act and rules or regulations made thereunder. So, the Noticee has not violated Section 12A(c) of SEBI Act.*
- *Noticee has never, directly or indirectly, employed any manipulative or deceptive device or contrivance, in relation to the issue, purchase or sale of any shares listed or proposed to be listed on a recognized stock exchange, in contravention of the SEBI Act and rules or regulations made thereunder. So, the Noticee has not violated Regulation 3(b) of the PFUTP Regulations.*
- *Noticee has never, directly, or indirectly, employed any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange. So, the Noticee has not violated Regulation 3(c) of the PFUTP Regulations.*
- *Noticee has never, directly or indirectly, engaged ourselves in any act, practice, course of business which operates as or would operate as a fraud or deceit upon any person, in connection with the issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange. So, the Noticee has not violated Regulation 3(d) of the PFUTP Regulations.*
- *Noticee has never, directly or indirectly, indulged in any manipulative, fraudulent or an unfair trade practices in connection with the issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange. So, the Noticee has not violated Regulation 4(1) of the PFUTP Regulations.*
- *Noticee has have never, directly, or indirectly, indulged in any act which creates false or misleading appearance of trading in connection with the issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange. So, the*

Noticee has not violated Regulation 4(2)(a) of the PFUTP Regulations.

- *Noticee has never, directly, or indirectly, indulged 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 in connection with the issue or dealing in securities which are Listed or proposed to be listed on a recognised stock exchange. So, the Noticee has not violated Regulation 4(2)(b) of the PFUTP Regulations.*
- *Noticee has never, directly, or indirectly, paid, offer or agreed to offer or agreed to pay or offer, 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 in connection with the issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange. So, the Noticee has not violated Regulation 4(2)(d) of the PFUTP Regulations.*
- *Noticee has never, directly, or indirectly, any act or practice that creates a false or misleading appearance of trading, manipulation, or artificial transactions inconnection with the issue or dealing in securities which are listed or proposed to be listed on a recognised stock. So, the Noticee has not violated Regulation 4(2)(e) of the PFUTP Regulations.*
- *Noticee has never, directly, or indirectly, any act or practice that involves making a misleading statement or disseminating false information to induce the sale or purchase of securities in connection with the issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange. So, the Noticee has not violated Regulation 4(2)(g) of the PFUTP Regulations*
- *Allegation of fraud cannot be based on surmises and conjectures. Noticee has quoted the judgements viz. the Hon'ble Supreme Court in Union of India v. Chaturbhai M. Patel & Co., the Hon'ble SAT in*

Parsoli Corportion v. SEBI, the Hon'ble SAT in Sterlite Industries v. SEBI, the Hon'ble SAT in Paresh Parekh v. SEBI, the Hon'ble SAT in Ess Ess Intermediaries v. SEBI to support his arugment.

- *The Noticee has not made any disproportionate gain and no investor complaint has been filed against the Noticee and Noticee's act are not repetitive in nature under section 15J of SEBI Act. Based on this, the Noticee has requested to not levy any penalty on him and to support the same, the Noticee has relied on the judgments viz., the Hon'ble Supreme Court in Hindustan Steel v. State of Orissa, the Hon'ble Supreme Court in Ex-Naik Sardar Singh v. Union of India, the Hon'ble Supreme Court in Ranjit Thakur vs. Union of India, the Hon'ble Supreme Court in Adjudicating Officer v. Bhavesh Pabari.*

D. CONSIDERATION OF ISSUES AND EVIDENCE

8. I have considered the allegations levelled in the SCN, the relevant material brought on record, and replies/ submissions of the Noticee made during the instant proceedings before the undersigned. In the light of the aforesaid factual position, I proceed to adjudicate the matter, and find that essentially, the following issues arise for determination in the instant matter:

Issue 1: Whether the Noticee Nos. 1 to 25 have violated Regulation 3(a), (b), (c), (d) and 4(1), 4(2) (a), (b), (d), (e) & (g) of PFUTP Regulations read with Section 12A(a), 12A(b), 12A(c) of SEBI Act?

Issue 2: Whether the Noticee No. 26 has violated Regulation 3(a), (b), (c), (d) and 4(1), 4(2) (a), (b), (d), (e) & (g) of PFUTP Regulations read with Section 12A(a), 12A(b), 12A(c) of SEBI Act and Section 11C (2) and (3) of SEBI Act?

Issue 3: Do the violations, if any, attract penalty under Sections 15HA and 15A(a) of SEBI Act?

Issue 4: If answer to the aforesaid question is in affirmative, what should be the quantum of the monetary penalty?

9. Before proceeding further, I would like to refer to the relevant provisions of the SEBI Act and PFUTP Regulations:

"**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 manipulative, fraudulent or an unfair trade practice in securities markets.
[Explanation.– For the removal of doubts, it is clarified that any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that

would directly or indirectly manipulate the price of securities of that company shall be and shall always be deemed to have been considered as manipulative, fraudulent and an unfair trade practice in the securities market.]

(2) Dealing in securities shall be deemed to be a manipulative fraudulent or an unfair trade practice if it involves any of the following:

(a) knowingly 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;

(d) inducing any person for dealing in any securities for artificially inflating, depressing, maintaining or causing fluctuation in the price of securities through any means including by paying, offering or agreeing to pay or offer any money or money's worth, directly or indirectly, to any person;

(e) any act or omission amounting to manipulation of the price of a security including, influencing or manipulating the reference price or bench mark price of any securities

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

"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.

10. I will now proceed to deal with the allegations levelled against the Noticee in the SCN, the submissions made by the Noticee and record my observations/findings in the following paragraphs:

Issue 1: Whether the Noticee Nos. 1 to 25 have violated Regulation 3(a), (b), (c), (d) and 4(1), 4(2) (a), (b), (d), (e) & (g) of PFUTP Regulations read with Section 12A(a), 12A(b), 12A(c) of SEBI Act?

10.1. Noticee No. 1,2,3,4,5,7,8,10,11,13,15,16,17,18,19,20,21,22,23,24,25

10.1.1. I note that the Noticee Nos. 1, 2, 3, 4, 5, 7, 8, 10, 11, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 have not responded to the SCN despite being given the sufficient opportunities. I am of the view that the principles of natural justice have been adhered to, as the SCN and the Hearing Notice were duly served upon the Noticees and sufficient opportunities were granted to them to reply to the SCN and also to appear for the Personal Hearing. Considering the fact that the Noticees have neither filed any reply nor availed the opportunity of personal hearing despite service of notices upon them, I am of the view that the Noticees have nothing to submit and hence admitted to the allegations levelled against them in the SCN.

10.1.2. In this regard, I would like to rely upon the findings of the Hon'ble SAT in the matter of Sanjay Kumar Tayal vs. SEBI (Appeal No. 68 of 2013 order dated February 11, 2014, regarding the significance of filing the reply to the SCN, in which it stated that "*appellants have neither filed reply to show cause notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges levelled against them in the show cause notice.*"

10.1.3. I will now proceed to deal with the allegations levelled against the Noticees in the SCN.

10.1.4. I note that it is alleged that these Noticees being one of the group entities were involved in volume manipulation in the scrip of CGCL by executing synchronized trades and reversal trades without changing the beneficial ownership of such shares.

10.1.5. The Noticees were connected to other Noticees and acted as a group to execute synchronized trades and reversal trades, which had caused volume manipulation and LTP contribution in the scrip of CGCL. As observed from the UCC:

- Noticee Nos.1, 2, 3, 4, 10, 12, 16 and 18 had a common mobile number
- Noticee Nos. 6, 7, 11, 13 and 16 had a common mobile number
- Noticee Nos. 5, 6, 9, 12 and 20 had a common mobile number
- Noticee Nos. 6, 10, 12, 14 and 15 had a common mobile number
- Noticee Nos. 4, 5, 10, 12, 14 and 18 had a common mobile number
- Noticee Nos. 10 and 17 had a common address
- Noticee Nos. 2, 5, 8, 14, 18, 20 had a common mobile number
- Noticee Nos. 2, 9, 10, 11, 12, 13, 15, 18, 19 had a common mobile number
- Noticee Nos. 1, 2, 3, 4, 10, 12, 16, 18 had a common mobile number
- Noticee Nos. 3, 4, 10 and 24 had a common mobile number
- Noticee Nos. 12, 18 and 24 had a common mobile number
- Noticee Nos. 2, 7, 9 and 16 had a common mobile number
- Noticee Nos. 2, 16 and 20 had a common mobile number
- Noticee Nos. 2 and 9 had common mobile number, email ID and address
- Noticee Nos. 6, 22 and 25 had a common mobile number

10.1.6. Further, the Noticee Nos. 2, 3, 4, 5, 6, 9, 10, 12, 13 14, 18 and 19 were observed to be connected through bank account transactions.

10.1.7. Therefore, based on the above, it is established that the Noticee Nos. 1 to 25 were connected to each other and had caused systematic manipulation with synchronized and reversal trades, in the scrip of CGCL.

10.1.8. The Noticees' trading details on BSE during the IP were as below:

Sr. No	Name of the Entity	Buy Traded Qty	% Buy Qty to Total Traded Volume	Sell Traded Qty	% Sell Qty to Total Traded Volume
1	Noticee No. 2	2459394	8.02%	2459394	8.02%
2	Noticee No. 12	1728357	5.64%	1729054	5.64%
3	Noticee No. 3	1548283	5.05%	1548283	5.05%
4	Noticee No. 1	1511480	4.93%	1511480	4.93%
5	Noticee No. 16	1387285	4.53%	1387285	4.53%
6	Noticee No. 18	1310547	4.28%	1310547	4.28%
7	Noticee No. 10	1104704	3.60%	1104704	3.60%
8	Noticee No. 4	808682	2.64%	808682	2.64%
9	Noticee No. 7	783774	2.56%	783774	2.56%
10	Noticee No. 6	718733	2.34%	718725	2.34%
11	Noticee No. 22	531308	1.73%	531308	1.73%
12	Noticee No. 23	491720	1.60%	491712	1.60%
13	Noticee No. 8	446066	1.46%	446066	1.46%
14	Noticee No. 9	427404	1.39%	427404	1.39%
15	Noticee No. 5	408730	1.33%	408730	1.33%
16	Noticee No. 25	406043	1.32%	406043	1.32%
17	Noticee No. 14	404168	1.32%	404168	1.32%
18	Noticee No. 13	368047	1.20%	368047	1.20%
19	Noticee No. 20	309905	1.01%	309905	1.01%
20	Noticee No. 19	145898	0.48%	145898	0.48%
21	Noticee No. 21	129345	0.42%	129345	0.42%
22	Noticee No. 11	129250	0.42%	129250	0.42%
23	Noticee No. 17	117358	0.38%	117358	0.38%
24	Noticee No. 15	74848	0.24%	74848	0.24%
25	Noticee No. 24	41028	0.13%	41028	0.13%
Total		**17792357**	**58.04%**	**17793038**	**58.05%**
Market total		**30653149**	**100.00%**	**30653149**	**100.00%**

10.1.9. The Noticees' trading details on NSE during the IP were as below:

NSE					
Sr. No	**Name of the Entity**	**Buy Traded Qty.**	**% Buy Qty. to Total**	**Sell Traded Qty.**	**% Sell Qty. to Total**

			Traded Volume		Traded Volume
1	Noticee No. 2	4181057	7.09%	4181057	7.09%
2	Noticee No. 12	3020283	5.12%	3020283	5.12%
3	Noticee No. 3	2999784	5.09%	2999784	5.09%
4	Noticee No. 1	2124514	3.60%	2124514	3.60%
5	Noticee No. 16	2090684	3.55%	2090684	3.55%
6	Noticee No. 18	1989460	3.37%	1989460	3.37%
7	Noticee No. 10	1754278	2.98%	1754278	2.98%
8	Noticee No. 4	1539344	2.61%	1539344	2.61%
9	Noticee No. 7	1484355	2.52%	1484355	2.52%
10	Noticee No. 6	1360343	2.31%	1360343	2.31%
11	Noticee No. 22	889211	1.51%	889211	1.51%
12	Noticee No. 23	768256	1.30%	768256	1.30%
13	Noticee No. 8	710948	1.21%	710956	1.21%
14	Noticee No. 9	624378	1.06%	624378	1.06%
15	Noticee No. 5	607211	1.03%	607211	1.03%
16	Noticee No. 25	551195	0.93%	551195	0.93%
17	Noticee No. 14	517943	0.88%	517943	0.88%
18	Noticee No. 13	507846	0.86%	507846	0.86%
19	Noticee No. 20	500038	0.85%	500038	0.85%
20	Noticee No. 19	314904	0.53%	314904	0.53%
21	Noticee No. 21	231897	0.39%	231897	0.39%
22	Noticee No. 11	211867	0.36%	211867	0.36%
23	Noticee No. 17	162529	0.28%	162529	0.28%
24	Noticee No. 15	90244	0.15%	90244	0.15%
25	Noticee No. 24	42351	0.07%	42351	0.07%
Total		**29503993**	**50.04%**	**29504009**	**50.04%**
Market total		**58963322**	**100.00%**	**58963322**	**100.00%**

10.1.10. As mentioned in Para 5.5 above, the Noticees being one of the group entities had indulged in volume manipulation by executing synchorined trades and reversal trades with the group entities.

- The details of synchronized trades executed by the group entities on BSE and NSE is as below:

Market volume	**Gross Buy Qty of Noticee Nos. 1 to 25**	**Gross Sell Qty of Noticee Nos. 1 to 25**	**Total traded qty among Noticee Nos. 1 to 25**	**Synchronized traded qty by Noticee Nos. 1 to 25**	**Sync Trades as % of total traded qty among the Noticee Nos. 1 to 25**	**Sync Trades as % of Total market volume**
A	**B**	**C**	**D**	**E**	**F**	**G**
BSE						
3,06,53,149	1,77,92,357	1,77,93,038	1,63,95,372	1,54,70,598	94.36%	50.47%

NSE						
5,89,63,322	2,95,03,993	2,95,04,009	2,70,51,404	2,49,87,646	92.37%	42.38%

- The details of reversal trades executed by the group entities is as below:

BSE				
Market Volume	**Sum. of Reversal Qty**	**% of Reversal Qty to mkt. Vol.**	**Sum of No. of Reversal Trades**	**No. of days of reversal Trades**
3,06,53,149	1,15,42,402	37.65%	849	180
NSE				
Market Volume	**Sum. of Reversal Qty**	**% of Reversal Qty to mkt. Vol.**	**Sum of No. of Reversal Trades**	**No. of days of reversal Trades**
5,89,63,322	2,02,62,274	34.36%	1080	180

10.1.11. Based on the above, it is observed that the group entities created artificial volume by synchronized trades (50.47% and 42.38% of market volume in BSE and NSE respectively) and reversal trades (37.65% and 34.36% of market volume in BSE and NSE respectively) without changing the beneficial ownership.

10.1.12. Further, the Noticees acting as a group, had engaged in the act of price manipulation as well wherein:

- During the IP, the difference in net LTP contributed by Noticee Nos. 1 to 25 as a buyers and sellers was Rs.47.35 in BSE. However, the net market LTP during the IP was Rs.-16.60. Thus, in a period of price fall, the entities had contributed to a net LTP of Rs.47.35

Noticee Nos. 1 to 25 as Buyers			
Net LTP contribution by trading with market	Positive LTP contribution by trading with market	Total Net Market LTP	Total Market Positive LTP
A	**B**	**C**	**D**
Rs.652.30	Rs.2246.20	Rs.-16.60	Rs.15671.05
Noticee Nos. 1 to 25 as Sellers			
Net LTP contribution by trading with market	Positive LTP contribution by trading with market	Total Net Market LTP	Total Market Positive LTP
E	**F**	**G**	**H**

Rs.604.95	Rs.1566.75	Rs.-16.60	Rs.15671.05
Difference in Net LTP of Noticee Nos. 1 to 25 as buyer and Sellers (A – E)		Rs.47.35/-	
Remarks		Contributed positively to Net LTP in a period of price fall.	

- During the IP, the difference in net LTP contributed by 25 group entities as a buyers and sellers was Rs.265.15 in NSE. However, the net market LTP during the IP was Rs.-19.80. Thus, in a period of price fall, the entities had contributed to a net LTP of Rs.265.15.

Group Entities as Buyers			
Net LTP contributed by Group Entities by trading with market	Positive LTP contributed by group entities by trading with market	Total Net Market LTP	Total Market Positive LTP
A	**B**	**C**	**D**
Rs.1711.65	Rs.4054.20	Rs.-19.80	Rs.48109.55
Group Entities as Sellers			
Net LTP contributed by Group Entities by trading with market	Positive LTP contributed by group entities by trading with market	Total Net Market LTP	Total Market Positive LTP
E	**F**	**G**	**H**
Rs.1446.50	Rs.2453.20	Rs.-19.80	Rs.48109.55
Difference in Net LTP of Group entities as buyer and Sellers (A – E)		Rs.265.15	
Remarks		Contributed positively to Net LTP in a period of price fall.	

10.1.13. Therefore, based on the above, it is established that the Noticee Nos. 1 to 25 had made LTP contribution in a fraudulent way while trading amongst themselves.

10.1.14. It is not a mere coincidence that Noticee could match its trade with the same set of counterparties with whom it had undertaken first leg of the trade. This is the outcome of meeting of minds elsewhere and it was a deliberate attempt to deal in such a fashion. Here I would like to rely on the judgment of Hon'ble Supreme Court in SEBI v Kishore R Ajmera (AIR 2016

SC 1079), wherein it was held that "in the absence of direct proof of meeting of minds elsewhere in synchronized transactions, the test should be one of preponderance of probabilities as far as adjudication of civil liability arising out of the violation of the Act or provision of the Regulations is concerned. The conclusion has to be gathered from various circumstances like that volume of the trade effected; the period of persistence in trading in the particular scrip; the particulars of the buy and sell orders, namely, the volume thereof; the proximity of time between the two and such other relevant factors. The illustrations are not exhaustive." It was further held that "*It is a fundamental principle of law that proof of an allegation levelled against a person may be in the form of direct substantive evidence or, as in many cases, such proof may have to be inferred by a logical process of reasoning from the totality of the attending facts and circumstances surrounding the allegations/charges made and levelled. While direct evidence is a more certain basis to come to a conclusion, yet, in the absence thereof the Courts cannot be helpless. It is the judicial duty to take note of the immediate and proximate facts and circumstances surrounding the events on which the charges/allegations are founded and to reach what would appear to the Court to be a reasonable conclusion therefrom. The test would always be that what inferential process that a reasonable/prudent man would adopt to arrive at a conclusion*."

10.1.15. The trading behavior as noted above make it clear that aforesaid non-genuine trades could not have been possible without meeting of minds at some level. In this regard, reliance is placed on judgment of Hon'ble Supreme Court in the matter of SEBI v Rakhi Trading Private Limited Civil Appeal Nos. 1969, 3174-3177 and 3180 of 2011 decided on February 8, 2018 on similar facts and situation, which interalia states that: "*Considering the reversal transactions, quantity, price and time and sale, parties being persistent in number of such trade transactions with huge price variations, it will be too naive 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…..*"

10.1.16. With regard to the price manipulation by way of LTP contribution as mentioned in para 10.1.12, it is important to refer to the observations made by the Hon'ble SAT in its order dated March 21, 2014 in Saumil Bhavnagari Vs. SEBI, which are as under: *"... but by purchasing shares at the higher price in LTP in most of the trades, the Noticee had given a wrong impression about the liquidity of the scrip in the market. It must not be forgotten that every trade establishes the price of the scrip and the Noticees trading at higher than LTP resulted in the price of the scrip going up and were done with a view to set the price at a desired level and thereby influencing the innocent/gullible investors. By purchasing at a higher price in most of his trades, the Noticee had given the wrong impression about the price of the scrip in the market. It is an accepted state of affairs that in cases of manipulation of the volume and / or price of a particular scrip, it is usually an arduous task to obtain direct evidence. However, the analysis of the trade and order logs as undertaken hereinabove, establishes the malafide intention of the appellant*."

10.1.17. In view of the above, I conclude that the reversal trades and synchronized trades executed by the Noticee were manipulative in nature and and thereby abused the stock market platform by creating false and misleading appearance of trading.

10.1.18. With respect to Noticee No. 25, I note that the SCN was delivered to the Noticee No. 25 but the Hearing Notice addressed to the Noticee was returned undelivered to SEBI with a remark "deceased". Subsequently, Hearing Notice dated August 20, 2023 was issued against the Noticee and was hand delivered to the Noticee's address where the Noticee's wife had provided the death certificate of the Noticee, wherein it was observed that the Noticee had passed away on 23 September 2022.

10.1.19. In this context, it is worth mentioning that in Girijanandini Vs Bijendra Narain (AIR 1967 SC 2110), the Hon'ble Supreme Court held that in case of personal actions, i.e., the actions where the relief sought is personal to the deceased, the right to sue will not survive to or against the representatives and in such cases the maxim *actio personalis moritur cum persona* (personal action dies with the death of the person) would apply. It is also relevant to refer to the decision of Hon'ble SAT in Chandravadan J. Dalal vs. SEBI (Appeal No. 35/2004 decided on June 15, 2005) wherein it was held that: "*The appeal abates since the appellant during the pendency of the appeal died on 29th November 2004. The appeal accordingly abates. The penalty imposed on the original appellant being personal in nature also abates*."

10.1.20. Therefore, placing the reliance on the above judgement, I am of the view that the instant adjudication proceedings against the Noticee No. 25 abates without going into the merits of the case *qua* him.

10.1.21. As noted earlier, the Noticee Nos. 1, 2, 3, 4, 5, 7, 8, 10, 11, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 have not responded to the SCN despite being given the sufficient opportunity. Considering the fact that the Noticees have neither filed any reply nor availed the opportunity of personal hearing despite service of notices upon them, I am of the view that the Noticees have nothing to submit and hence have admitted to the allegations levelled against them in the SCN.

10.1.22. In view of the above, the violations levelled against the Noticees, in the SCN, stand established. Therefore, it is established that the Noticee Nos. 1, 2, 3, 4, 5, 7, 8, 10, 11, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 24 have violated Regulations 3(a), (b), (c) and (d), 4(1), 4(2)(a), (b), (d),

(e) & (g) of PFUTP Regulations read with Section 12(a), (b), (c) of SEBI Act.

10.2. Noticee No. 6, 9, 12 and 14

10.2.1. I note that the Noticee Nos. 6, 12 and 14 have individually submitted that they have not done any manipulation in trading and has not executed synchronized trades, but from the discussion in Para 10.1, the Noticees are found to have indulged in manipulative trade practices along with the other group entities. Therefore, the Noticees' contentions are devoid of any merit.

10.2.2. Noticee Nos. 6, 12 and 14 have submitted that contact numbers mentioned to be associated with him as per the SCN do not belong to them. I would like to state that the contact numbers have been taken from the UCC details associated with demat accounts registered in the Noticees' name. Therefore, these contact numbers can be associated with the Noticee only and not someone else.

10.2.3. Noticee No. 9 has further submitted that the fund transfer from Vijay Pujara was not utilized for the purpose of trading. I note from the material available on record that during the IP, a total amount of Rs. 2,91,822 ws deposited into the account of Noticee No. 9, by Noticee No. 26. Also, the Noticee No. 26 had deposited money in the bank accounts of other Noticees as well, who had subsequently executed synchronized and reversal trades. Considering the fact that there is concurrence in the timing of deposits made by Noticee No. 26 in the bank account other Noticee and in the bank account of Noticee No. 9. Therefore, it is clear that the sum of Rs. 2,91,822/- deposited into the Noticee's account was used for the purpose of executing manipulative trades. Further, the Noticee has not submitted any documents/ proofs to substantiate his arguments. Therefore, I do not find any merit in the submissions of the Noticee.

10.2.4. Further, the Noticee Nos. 6, 9, 12 and 14 have individually submitted that they have no connection with any other Noticees or with the promoters of Capri Global Capital Ltd. I note from the material available on record that the Noticee had a common mobile number with the other Noticees as per UCC details, as brought out in Para 10.1.5. Also, the Noticee was connected to other entities through bank account transactions as brough out in para 10.1.6. Further, from the material available on record, I also note that the orders of multiple entities were placed from a single MAC address. The details of common MAC address is tabled below:

S. No.	MAC address	Name of the Entity
1	00:1C:C0:80:63:98	Jitendrabhai Mistri, Rahul Mehta, Durgeshkumar Kalidas Sathvara, Rekhaben Harishbhai Sakariya
2	0A:3D:02:87:FC:37	Dhaval Gadani, Keyur Vinodchandra Parmar
3	0C:5B:8F:27:9A:64	Ritu Rahul Mehta, Jitendrabhai Mistri, Rekhaben Harishbhai Sakariya, Vishal Khimjibhai
4	1A:D6:B9:03:C5:48	Jitendrabhai Mistri, Vipul Bharatbhai Pithadia
5	3A:A5:D8:08:90:64	Dhaval Gadani, Dinesh Avadheshsingh Thakur, Ritu Rahul Mehta
6	20:E8:17:06:14:9B	Jitendrabhai Mistri, Vipul Bharatbhai Pithadia
7	22:9B:AC:5C:65:E6	Jitendrabhai Mistri, Vipul Bharatbhai Pithadia, Kamleshkumar Parmar
8	1E:A4:5A:91:A5:C5	Dinesh Avadheshsingh Thakur, Ritu Rahul Mehta
9	42:2F:36:3A:B6:33	Dhaval Gadani, Ritu Rahul Mehta
10	5A:79:0A:7E:74:0D	Rahul Mehta, Ritu Rahul Mehta, Sharda Sharma, Rekhaben Harishbhai Sakariya, Salej Vijaybhai Makwana
11	72:C6:FD:45:76:8C	Dhaval Gadani, Sharda Sharma
12	82:B4:FF:7A:21:E4	Dhaval Gadani, Ritu Rahul Mehta
13	9A:F8:FE:FA:74:49	Sharda Sharma, Dinesh Avadheshsingh Thakur
14	AE:1E:B7:A3:9B:07	Ritu Rahul Mehta, Sharda Sharma, Kamleshkumar Parmar
15	CA:E3:07:81:05:BF	Keyur Vinodchandra Parmar, Dhaval Gadani, Ritu Rahul Mehta
16	D6:13:F1:CC:71:2E	Dinesh Avadheshsingh Thakur, Ritu Rahul Mehta, Salej Makwana, Sharda Sharma
17	DA:A8:FB:94:03:45	Dhaval Gadani, Ritu Rahul Mehta
18	E6:E2:4A:BE:0C:33	Rahul Mehta, Sharda Sharma, Durgeshkumar Kalidas Sathvara
19	F2:27:0F:BF:20:32	Rahul Mehta, Ritu Rahul Mehta, Keyur Vinodchandra Parmar
20	F4:B5:20:00:07:F6	Dinesh Avadheshsingh Thakur, Rahul Mehta, Amit Makwana, Jitendrabhai Mistri.
21	06:44:58:10:36:50 3A:A5:D8:08:90:64	Dhaval Jaysuklal Gadani, Dinesh Avadheshsingh Thakur
22	B8:86:87:24:36:71	Amit Vijaybhai Makwana, Durgeshkumar Kalidas Sathvara
23	DE:F0:AC:48:76:45	Jitendrabhai Madhavlal Mistri, Keyur Vinodchandra Parmar, Vipul Pithadia

24	EA:61:35:E9:F8:3D	Dhaval Jaysuklal Gadani, Vijay Ishvarbhai Chauhan

Therefore, the submission of the Noticees is without any merit.

10.2.5. Noticee No.6 has contended that the funds taken from Vijay Pujara by the Noticee were for the purpose of trading through banks itself on interest basis. I note from the material available on record that during the IP, a total amount of Rs. 5,29,586/- was deposited into the Noticee No. 6's bank account by Noticee No. 26. The Noticee has admitted to the fact that he has taken funds from Vijay Pujara for the purpose of trading only and considering the fact that the Noticee's above admission coincides with the fact that synchronized and reversal trades were executed from the Noticee's account, I am of the opinion that it can be logically inferred that the funds that Noticee No. 6 received from Noticee No. 26, were used for executing fraudulent trades.

10.2.6. Noticee Nos. 6, 9 and 14 have contended that their trading activity has only contributed a small percentage to the toal volume at NSE/ BSE. I note from the material available on record that Noticee No. 6 contributed 2.34% and 2.31% to buy and sell quantity at BSE and NSE repectively, during IP, Noticee No. 9 had contributed 1.39% and 1.06% to buy and sell quantity at BSE and NSE repectively, during IP, Noticee No. 14 had contributed 1.32% and 0.88% to buy and sell quantity at BSE and NSE repectively, during IP. Considering the fact that during IP, a total of 2,328 unique PANs were used to trade in the scip of CGCL, I am of the opinion that the scrip of CGCL was reasonably liquid and Noticees' volume contribution to the scrip can not termed as small if looked at from the perspective absolute quantity of shares traded by them. Further, I note from the material available on record that the Noticees' buy and sell volume is identical because it had executed reversal trads with the group entities without changing the beneficial ownership of the shares. Therefore, the Noticee's contention cannot be sustained.

10.2.7. Noticee No. 6 has submitted that SEBI has neither provided any connection with any of such entities of the group nor has provided any manipulative intent which has allegedly resulted in the trades being executed in a purported scheme to increase the volume in the scrip of Capri. I would like to note that the SCN has clearly stated the connection of the Noticee with other Noticees based on common mobile number as per UCC details, based on common MAC ID used for placing orders and on the basis of bank account transactions as well. Therefore, the Noticee's contention is devoid of any merit.

10.2.8. Noticee No. 14 has submitted that all the transactions from Noticee's trading account were done by Manoj Somani as it was handled completely by him. I am of the opinion that the Noticee cannot absolve his liability by alleging misuse of his demat account by stating that all his purchase and sale transactions in the scrip of CGCL during the IP were carried out by Manoj Somani. Here, I would like to refer to the order of the Hon'ble SAT, in Pragnesh Vishnubhai Patel v. SEBI(Appeal No. 268 of 2020 and Order dated September 15, 2020) wherein it was, inter alia, held as under:"*We also find that admittedly the appellant allowed another noticee Lalit Amritlal Shah to use his trading account and if his trading account was misused,* ***the appellant himself is to be blamed and for this blunder, the appellant cannot escape the liability for violating the SEBI laws****.*" (Emphasis supplied)

10.2.9. Further, Noticee No. 6 and 14 has themselves admitted that the deposits received by them from Noticee No. 26, were used for the purpose of trading only. If this is seen in the context of the Noticee's trading pattern, it is very clear that the funds were used for manipulative trades in the scrip of CGCL.

10.2.10. Therefore, based on the above discussion, the the violations levelled against the Noticees, in the SCN, stand established. Therefore, it is established that the Noticee Nos. 6, 9, 12 and 14 have violated

Regulations 3(a), (b), (c) and (d), 4(1), 4(2)(a), (b), (d), (e) & (g) of PFUTP Regulations read with Section 12(a), (b), (c) of SEBI Act.

Issue 2: Whether the Noticee No. 26 has violated Regulation 3(a), (b), (c), (d) and 4(1), 4(2) (a), (b), (d), (e) & (g) of PFUTP Regulations read with Section 12A(a), 12A(b), 12A(c) of SEBI Act and Section 11C (2) and (3) of SEBI Act?

10.3. Noticee No. 26

10.3.1. The SCN has alleged that the Noticee had deposited funds into the bank account of other Noticees in the form of online transfers and cash deposit and these funds were used by the Noticees to execute fraudulent trades in the scrip of CGCL. The details of fund transfers are tabled below:

S. No	Name of the Entity	Amount Deposited from April 01, 2019 to June 30, 2020 (in Rs.)
1	Anand H Soni	NIL
2	Ritu Rahul Mehta	NIL
3	Dhaval Vinodbhai Gadani	20,000
4	Sharda Sharma	10,500
5	Kamleshkumar Bipinchandra Parmar	3,23,250
6	Vipul Bharatbhai Pithadia	5,29,586
7	Dinesh Avadheshsingh Thakur	90,000
8	Jitendrabhai Madhavlal Mistri	2,07,849
9	Rahul Rameshbhai Mehta	2,91,822
10	Anurudhkumar Barelal Yadav	24,26,000
11	Durgeshkumar Kalidas Sathvara	1,09,650
12	Keyur V Parmar	NIL
13	Amit Vijaybhai Makwana	53,000
14	Parmar Akshay J	1,36,750
15	Nayanbhai Shivshankar Vyas	1,25,500
16	Hari Gopal Sharma	60,000

17	Sonu Argal	NIL
18	Vijay Ishvarbhai Chauhan	NIL
19	Salej Vijaybhai Makwana	2,06,800
20	Rekhaben Harishbhai Sakariya	1,01,000
21	Vishal Khimjibhai Begda	80,000
22	Ramesh Bhai Lala Bhai Solanki	NIL
23	Parmar Nareshbhai Pappubhai	NIL
24	Rajesh Siyaram Kushavaha	NIL
25	Sanjaybhai Pappubhai Parmar	NIL
Total Amount Transferred		**37,00,522**

10.3.2. I note that the Noticee has not disputed the fact that he had deposited funds into the bank accounts of other Noticees. Therefore, this is an admitted fact. However, the Noticee has contended that he had transferred funds on the request of Manoj Somani and the other Noticees were the clients of Manoj Somani, who is an Investment Advisor. I note from the material available on record that the Noticee had nowhere made any reference to Manoj Somani before the investigating authority at the time of submitting his response to the various summons issued by SEBI. Hence, I find the submission of the Noticees as an afterthought and do not find any merit in this submission of the Noticee.

10.3.3. The Noticee has not disputed the fact that the funds / loans provide by the Noticee to other Noticees were used for the purpose of trading, as alleged in the SCN. However, the Noticee has submitted that he had given the loans to the other Noticees because of the reference of Manoj Somani and good relation with him. I note that the Noticee has not submitted any evidence / loan agreement or other documents to substantiate the claim that he had given loans on the reference of Manoj Somani. Therefore, I conclude that the Noticee no. 26 had given funds to other Noticees for the purpose of trading and subsequently, the funds were used to execute synchronized and reversal trades in the scrip of CGCL.

10.3.4. Further, the Noticee has submitted that he is not connected to any other Noticees. I note from the material available on record that the Noticee in his response dated 21 November, 2022 to the summons, had admitted that he had known the entities, Keyur V Parmar and Vipul B Pithadia. He had transferred funds to both of them on the request of his brother, Mr. Ajay Pujara.

10.3.5. Further, the connection log of Noticee No. 26 across all the scrips during the IP was analysed to see if they have any commonalities with the group entities. It was found that five of the MAC addresses used by Noticee No. 26 appears in the list of MAC addresses used by the group entities. The details are tabled below:

S. No.	MAC ID	Name of the Entity
1	20:E8:17:06:14:9B	Vijay Pujara, Jitendrabhai Mistri, Vipul Bharatbhai Pithadia,
2	DE:F0:AC:48:76:45	Vijay Pujara, Jitendrabhai Madhavlal Mistri, Keyur Vinodchandra Parmar, Vipul Pithadia
3	0C:5B:8F:27:9A;64	Vijay Pujara, Ritu Rahul Mehta, Jitendrabhai Mistri, Rekhaben Harishbhai Sakariya, Vishal Khimjibhai
4	02:1E:A6:9B:47:95,	Vijay Pujara and Vishal Khimjibhai
5	0C:5B:8F:27:9A;64	Vijay Pujara, Vishal Khimjibhai and Jitendrabhai Madhavlal Mistri

10.3.6. Based on the information in above paragraph, it was observed that six of the Group entities are having the MAC addresses of that of Noticee No. 26 for the trades executed during the IP. Considering the fact that the MAC addresses are device specific and unique in nature, it was alleged that the trading accounts of the group entities, were operated by Noticee No. 26 for trading in the scrip of CGCL during the IP. The Noticee in this context, has submitted that he did not operate the accounts of other Noticees, instead the accounts of all the Noticees including him, were operated by Manoj Somani. I note from the material available on record that the Noticee had deposited the money into the account of other Noticees for manipulating the scrip of CGCL and further, the demat account of the Noticee was accessed from the same MAC ID as that of Noticee No. 2, 6, 8, 12, 15 and 22. And as discussed earlier, the Noticee did not make mention of any entity named “Manoj Somani” before the investigating authority at the time of his response to the summons from SEBI. Considering the fact that demat accounts of multiple noticees were operated from a single MAC ID and that there were multiple devices used to execute these fraudulent trades, it can be inferred that the demat accounts were operated by a mastermind. Based on the facts and circumstances of the case, I am of the view that Noticee No. 26 had at first transferred money into the account of other Noticees and then alongside the group entities themselves, the Noticee No. 26 also placed orders from their trading accounts using these funds. Based on the preponderance of probability, this is the logical conclusion one can draw based on the facts and circumstances of the case.

10.3.7. I note from the reply of the Noticee that the Noticee is seeking cross examination of “Deepak” since he made the statement that he was working for the Noticee. I note from the material available on record that there is no Noticee with this name in the instant matter and no statement of the person named “Deepak” has been relied upon in this case.

10.3.8. The Noticee has further submitted that the investigation could not find the details of entities beyond Vijay Pujara who are involved in the manipulation scheme and he is wrongly dragged in this case. I note that as discussed above, the Noticee’s demat account has been used from the same MAC ID as that of other Noticees in this case and also the Noticee has transfered money into the bank accounts of other Noticees without any proper justification of such fund transfers. Subsequently, these funds were used for fraudulent trades in the scrip of CGCL. Therefore, the allegations in the SCN alleging the wrongdoings on part of the Notcee appears to be borne out of the facts of the case. The contention of the Noticee that investigation could not find the details of entities beyond Vijay Pujara who are involved in the manipulation scheme, is irrelevant considering the activities of the Noticee. Hence, the liability for the wrongdoings on part of the Noticee can not be ignored.

10.3.9. Therefore, based on the discussion above, I note that the Noticee while operating the demat accounts of other entities had indulged in volume and price manipulation in the scrip of CGCL by placing synchronized trades and reversal trades. Therefore, I find that the Noticee has violated regulation 3 (a), (b), (c), (d), 4(1), 4 (2)(a), (b), (d), (e) & (g) of PFUTP Regulations read with Section 12 A (a), (b), (c) of SEBI Act and hence the Noticee's contention that he has not violated the above provisions, does not sustain in the context of facts and circumstances of the case.

10.3.10. I note that the Noticee has submitted that allegations of fraud cannot be based on surmises and conjectures and in support of the same, the Noticee has quoted the judgements viz. the Hon'ble Supreme Court in Union of India v. Chaturbhai M. Patel & Co., the Hon'ble SAT in Parsoli Corporation v. SEBI, in Sterlite Industries v. SEBI, in Paresh Parekh v. SEBI and in Ess Ess Intermediaries v. SEBI to support his arugment. In this regard, I find that the standard of proof required in respect of violation of the SEBI Act or the provisions of the Regulations framed thereunder, is the test of preponderance of probability, as has been clearly laid down in the following recent judgments of the Hon'ble Supreme Court, wherein, it was held that:

SEBI Vs. Kishore R. Ajmera (2016) 6 SCC 368

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

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

10.3.11. With respect to violation of Section 11 C (2) and (3) of SEBI Act, the Noticee has submitted that he had responded to the SEBI's summons dated February 21, 2023. In this regard, I note from the material available on record that the Noticee had in fact responded to the summons and considering the same, the violation of Section 11 C (2) and (3) of SEBI Act cannot be established.

Issue 3: Do the violations, if any, attract penalty under Sections 15HA and 15A(a) of SEBI Act?

11. This is case where the Noticee Nos. 1 to 25, acting as group entities caused price and volume manipulation in the scrip of CGCL by executing fraudulent trades and Noticee No. 26 transferred funds into their accounts and subsequently placed tardes from their trading accounts to cause manipulation in the scrip of CGCL. The violations were established as per discussion in the above section and accordingly, the Noticee Nos. 1 to 26 are liable for imposition of penalty in terms of Section 15HA of SEBI Act.

Section 15HA of the SEBI Act is reproduced as under:

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 [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.

Issue 5: If answer to question in issue 3 is yes, then what should be the quantum of penalty?

In this regard, while determining the quantum of penalty, it is important to consider the factors stipulated in Section 15J of the SEBI Act which is reproduced as under:

SEBI Act

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."

12. Stressing upon the factors mentioned in Section 15J of the SEBI Act, it has been submitted by the Noticee that he has not made any disproportionate gain and no investor complaint has been filed against the Noticee and Noticee's act are not repetitive in nature under section 15J of SEBI Act. Based on this, the Noticee has requested to not levy any penalty on him and to support the same, the Noticee has relied on the judgments viz., the Hon'ble Supreme Court in Hindustan Steel v. State of Orissa, in Ex-Naik Sardar Singh v. Union of India, in Ranjit Thakur vs. Union of India and in Adjudicating Officer SEBI v. Bhavesh Pabari.

13. In this regard, I note that although it is not possible to quantify the amount of unfair advantage to the Noticee or loss caused to the invesotrs, from the material available on record but I am of the opinion that the generation of artificial volume in the shares of CGCL created a false and misleading impression about the trading in the scrip of CGCL to the investors at large in the market. Further, with

LTP contribution, the Noticees have manipulated the price of the scip. Therefore, consideration of facts and circumstances of the case do not dilute the seriousness of the violations committed by the Noticee.

ORDER

14. Having considered all the facts and circumstances of the case, the material available on record, the submissions made by the Noticee and also the factors mentioned in Section 15J of the SEBI Act and in exercise of the powers conferred upon me under Section 15HA of the SEBI Act, I hereby impose following monetary penalties on the Noticees:

Noticee No.	Noticee Name	Penalty
1	Anand H Soni	Rs. 5,00,000 (Rs. five lakhs only)
2	Ritu Rahul Mehta	Rs. 5,00,000 (Rs. five lakhs only)
3	Dhaval Vinodbhai Gadani	Rs. 5,00,000 (Rs. five lakhs only)
4	Sharda Sharma	Rs. 5,00,000 (Rs. five lakhs only)
5	Kamleshkumar Bipinchandra Parmar	Rs. 5,00,000 (Rs. five lakhs only)
6	Vipul Bharatbhai Pithadia	Rs. 5,00,000 (Rs. five lakhs only)
7	Dinesh Avadheshsingh Thakur	Rs. 5,00,000 (Rs. five lakhs only)
8	Jitendrabhai Madhavlal Mistri	Rs. 5,00,000 (Rs. five lakhs only)
9	Rahul Rameshbhai Mehta	Rs. 5,00,000 (Rs. five lakhs only)
10	Anurudhkumar Barelal Yadav	Rs. 5,00,000 (Rs. five lakhs only)
11	Durgeshkumar Kalidas Sathvara	Rs. 5,00,000 (Rs. five lakhs only)
12	Keyur V Parmar	Rs. 5,00,000 (Rs. five lakhs only)
13	Amit Vijaybhai Makwana	Rs. 5,00,000 (Rs. five lakhs only)
14	Parmar Akshay J	Rs. 5,00,000 (Rs. five lakhs only)
15	Rekhaben Harishbhai Sakariya	Rs. 5,00,000 (Rs. five lakhs only)
16	Hari Gopal Sharma	Rs. 5,00,000 (Rs. five lakhs only)
17	Parmar Nareshbhai Pappubhai	Rs. 5,00,000 (Rs. five lakhs only)
18	Vijay Ishvarbhai Chauhan	Rs. 5,00,000 (Rs. five lakhs only)
19	Ramesh BhaiLala Bhai Solanki	Rs. 5,00,000 (Rs. five lakhs only)
20	Salej Vijaybhai Makwana	Rs. 5,00,000 (Rs. five lakhs only)
21	Nayanbhai Shivshankar Vyas	Rs. 5,00,000 (Rs. five lakhs only)

22	Vishal Khimjibhai Begda	Rs. 5,00,000 (Rs. five lakhs only)
23	Sonu Argal	Rs. 5,00,000 (Rs. five lakhs only)
24	Rajesh Siyaram Kushavaha	Rs. 5,00,000 (Rs. five lakhs only)
26	Vijay Ghyanshambhai Pujara	Rs. 10,00,000 (Rs. ten lakhs only)

Considering the facts and circumstances of the case, I am of the view that the said penalty is commensurate with the lapse/omission on the part of the Noticees.

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

ENFORCEMENT → ORDERS → ORDERS OF AO → PAY NOW

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

17. In terms of the provisions of Rule 6 of the SEBI Adjudication Rules, a copy of this order is being sent to Noticee Nos. 1 to 26, and also to SEBI.

Date: September 18, 2023
Place: Mumbai

BIJU S
ADJUDICATING OFFICER