BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. EAD-9/ AO/SM/52 - 86 /2019-20]

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

In respect of:

Sl. No.	Entity Name	PAN
1	Girraj Kishore Agarwal	AABPA4928N
2	Tanu Girraj Kishore Agarwal	AADPA7003J
3	Fulchand Raka	AABPR8367G
4	Radha Govind Lashkari (HUF)	AADHR4707E
5	Manju Mutha	AAEPM5217D
6	Radha Lashkari	AAHPL2851M
7	Sanjay Jain	AARPJ1511G
8	Dinesh Ghevariya	ABCPG0638B
9	Rajendra Aggrawal	ABKPA0759R
10	Ramesh Kumar Jain	ABKPR0083M
11	S Raja	ABTPR5484R
12	Sunita Garg	ADFPG5482Q
13	Jigneshkumar Kapadia	ADMPK6294P
14	Dhiren Kapadia	AEUPK1721L
15	Suresh Chandra Kapadia	AEUPK1722K
16	Raman Goyal	AFMPG7504C
17	Rampal Kalya	AHUPK2621G
18	Govindbhai Patel	AKUPP8308C
19	S Ramesh	AUVPS3519F
20	Keystone Stock Finance Ltd.	AAACK3241J
21	Manish Rathi	ANCPR8422N
22	Indra Pratap Gajraj Singh	APEPS7258B
23	Jitendra Chandrabhan SIngh	BRBPS1206H

24	**Alliance Intermediaries and Network Pvt. Ltd.**	**AACCA9750E**
25	**VRP Financial Services Pvt. Ltd.**	**AAACV7147C**
26	**Shiv Kumar Kaushik**	**AAGPK7011H**
27	**Rajesh Tukaram Dambre**	**AHAPD8240L**
28	**Praveen Vasisth**	**ADDPV7664F**
29	**Roshan Jha**	**AIUPJ4066D**
30	**Shanti Pinto**	**AMGPP0156N**
31	**Kaushik Shah**	**AXAPS7940N**
32	**Divya Sushil Kumar Shah**	**BHZPS3728L**
33	**Aparna Commodities Pvt. Ltd.**	**AAFCA2440N**
34	**Uniflex Carrying Co.**	**AAACU2984J**
35	**Clocksign Trading Pvt. Ltd.**	**AACCC4640H**

In the matter of Octant Interactive Technologies Limited (Now Known as Swarnajyothi Agrotech & Power Limited) Case -1

FACTS OF THE CASE IN BRIEF

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI'), conducted an investigation in the scrip of Octant Interactive Technologies Limited (hereinafter referred to as "OITL/ company") and observed that the promoter entities along with connected entities have allegedly indulged in circular trading and reversal of trades and also aided in price manipulation. There had been alleged violations of regulations 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a), 4(2)(b), 4(2)(e) and 4(2)(g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as **"PFUTP Regulations"**) by Giriraj Kishore Agarwal (hereinafter referred to as **"Noticee 1/ Giriraj"**), Tanu Giriraj Kishore Agarwal (hereinafter referred to as **" Noticee 2/ Tanu"**), Fulchand Raka (hereinafter referred to as **" Noticee 3/ Fulchand"**), Radha G Lashkari (HUF) (hereinafter referred to as **" Noticee 4/ Radha HUF"**), Manju Mutha (hereinafter referred to as **" Noticee 5/ Manju"**), Radha Lashkari (hereinafter referred to as **" Noticee 6/ Radha"**), Sanjay Jain (hereinafter referred to as **" Noticee 7/ Sanjay"**), Dinesh Ghevariya (hereinafter referred to as **" Noticee 8/ Dinesh"**), Rajendra Aggrawal (hereinafter referred to as **" Noticee 9/**

Rajendra"), Ramesh Kumar Jain (hereinafter referred to as **" Noticee 10/ Ramesh"**), S Raja (hereinafter referred to as **" Noticee 11/ Raja"**), Sunita Garg (hereinafter referred to as **" Noticee 12/ Sunita"**), Jignesh Kumar Kapadia (hereinafter referred to as **" Noticee 13/ Jignesh"**), Dhiren Kapadia (hereinafter referred to as **" Noticee 14/ Dhiren"**), Suresh Chandra Kapadia (hereinafter referred to as **" Noticee 15/ Suresh"**), Raman Goyal (hereinafter referred to as **" Noticee 16/ Raman"**), Rampal Kalya (hereinafter referred to as **" Noticee 17/ Rampal"**), Govindbhai Patel (hereinafter referred to as **" Noticee 18/ Govind"**) & S Ramesh (hereinafter referred to as **" Noticee 19/ Ramesh"**) AND alleged violations of regulations 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a), 4(2)(b), 4(2)(d), 4(2)(e) and 4(2)(g) of PFUTP Regulations by Keystone Stock Finance Limited (hereinafter referred to as **" Noticee 20/ Keystone"**), Manish Rathi, Proprietor-Altra Clean Operations (hereinafter referred to as **" Noticee 21/ Manish"**), Indra Pratap Gajraj Singh, Proprietor – Amizara Securities and Finance (hereinafter referred to as **" Noticee 22/ Indra Pratap"**), Jitendra Chandrabhan Singh, Proprietor-Altra Clean Operations (hereinafter referred to as **" Noticee 23/ Jitendra"**), Alliance Intermediateries and Network Private Limited (hereinafter referred to as **" Noticee 24/ Alliance"**), VRP Financial Services Private Limited (hereinafter referred to as **" Noticee 25/ VRP"**), Shiv Kumar Kaushik, Proprietor – Deepti Sales Corporation (hereinafter referred to as **" Noticee 26/ Shiv Kumar"**), Rajesh Tukaram Dambre Proprietor – Anmol Finance Company (hereinafter referred to as **" Noticee 27/ Rajesh"**), Praveen Vasisth, Proprietor - Ganesh Trading Company (hereinafter referred to as **" Noticee 28/ Praveen"**), Roshan Jha (hereinafter referred to as **" Noticee 29/ Roshan"**), Shanti Pinto (hereinafter referred to as **" Noticee 30/ Shanti"**), Kaushik Shah (hereinafter referred to as **" Noticee 31/ Kaushik"**) & Divya Sushil Kumar Shah (hereinafter referred to as **" Noticee 32/ Divya"**) AND alleged violations of regulations 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a), and 4(2)(d) of PFUTP Regulations by Aparna Commodities Private Limited (hereinafter referred to as **" Noticee 33/ Aparna"**), Uniflex carrying Co. (hereinafter referred to as **" Noticee 34/ Uniflex"**) and Clocksign Trading Private Limited (hereinafter referred to as **" Noticee 35/ Clocksign"**) as observed during the investigation conducted by SEBI into the trading in the scrip of OITL for the period from January 02, 2009 to September 09, 2009 (hereinafter referred as **"Investigation Period"**).

APPOINTMENT OF ADJUDICATING OFFICER

2. Vide an order of the Competent Authority, SEBI, dated April 4, 2013, Mr. Piyoosh Gupta had been appointed as the Adjudicating Officer under section 19 of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "SEBI Act") read with section 15 I of SEBI Act and rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as 'Rules') to inquire into and adjudge the alleged violations of provisions of PFUTP Regulations. Pursuant to the transfer of the case to different Adjudicating Officers, the undersigned has been appointed as the Adjudicating Officer in the matter vide order dated June 27, 2017.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. Based on the findings by SEBI, Show Cause Notice dated August 23, 2013 (hereinafter referred to as 'SCN') was issued to the Noticees under Rule 4(1) of AO Rules to show cause as to why an inquiry should not be held and penalty should not be imposed on it under Section 15HA of SEBI Act for the alleged violations. Vide the SCN it was alleged that circular/ reversal trades were executed between promoter group entities and Manish Rathi group entities on exchange and off-market with the intention not to transfer the beneficial ownership of OITL shares, but with an intention to operate only as a device to create false, misleading appearance of trading and fluctuation in the price of scrip of OITL for wrongful gains. It was further alleged that Kolkata group had aided and abetted promoter group and Manish Rathi group in creating artificial volumes and price manipulation in the scrip of OITL by transferring 97,500 shares of OITL to Alliance and who in turn had transferred the shares in off-market to Manish Rathi group which had undertaken in circular/ reversal trades.

4. Supplementary SCN dated October 29, 2014 was issued to the Noticees alleging that promoter group entities colluded with Manish Rathi group entities, Kolkata group entities and Alliance to manipulate the price of OITL shares and create artificial volumes so that the two promoter group entities, viz., Noticee 1 and 2 could offload OITL.

5. It may be noted that SCN was issued to Nathmal Ramesh Kumar. However, vide letter dated March 20, 2015 he informed the then AO that his correct name is Ramesh Kumar Jain. Hence proceedings are continued in the name of Ramesh Kumar Jain.

6. The status of delivery of the SCNs is as follows:

Sl. No.	Entity Name	Status of Delivery of SCN dated August 23, 2013	Status of Delivery of SCN dated October 29, 2014
1	Girraj Kishore Agarwal	Delivered	Delivered
2	Tanu Girraj Kishore Agarwal	Delivered	Delivered
3	Fulchand Raka	Returned Undelivered	Both SCN affixed at the last known address
4	Radha Govind Lashkari (HUF)	Delivered	Delivered
5	Manju Mutha	Returned Undelivered	Delivered
6	Radha Lashkari	Delivered	Delivered
7	Sanjay Jain	Delivered	Delivered
8	Dinesh Ghevariya	Delivered	Delivered
9	Rajendra Aggrawal	Delivered	Delivered
10	Ramesh Kumar Jain	Returned Undelivered	Delivered both SCN
11	S Raja	Delivered	Delivered
12	Sunita Garg	Delivered	Delivered
13	Jigneshkumar Kapadia	Delivered	Delivered
14	Dhiren Kapadia	Delivered	Delivered
15	Suresh Chandra Kapadia	Delivered	Delivered
16	Raman Goyal	Delivered	Delivered
17	Rampal Kalya	Delivered	Delivered
18	Govindbhai Patel	Returned Undelivered	Both SCN affixed at the last known address
19	S Ramesh	Delivered	Delivered
20	Keystone Stock Finance Ltd.	Returned Undelivered	Both SCN affixed at the last known address
21	Manish Rathi	Returned Undelivered	Both SCN affixed at the last known address
22	Indra Pratap Gajraj Singh	Delivered	Affixed

23	Jitendra Chandrabhan SIngh	Returned Undelivered	Both SCN affixed at the last known address
24	Alliance Intermediaries and Network Pvt. Ltd.	Delivered	Delivered
25	VRP Financial Services Pvt. Ltd.	Returned Undelivered	Both SCN affixed at the last known address
26	Shiv Kumar Kaushik	Delivered	Delivered
27	Rajesh Tukaram Dambre	Returned Undelivered	Both SCN affixed at the last known address
28	Praveen Vasisth	Returned Undelivered	Both SCN affixed at the last known address
29	Roshan Jha	Returned Undelivered	Both SCN affixed at the last known address
30	Shanti Pinto	Delivered	Delivered
31	Kaushik Shah	Returned Undelivered	Delivered
32	Divya Sushil Kumar Shah	Delivered	Affixed
33	Aparna Commodities Pvt. Ltd.	Returned Undelivered	Both SCN affixed at the last known address
34	Uniflex Carrying Co.	Returned Undelivered	Both SCN affixed at the last known address
35	Clocksign Trading Pvt. Ltd.	Returned Undelivered	Both SCN affixed at the last known address

7. The Noticees replied to the SCNs stating, inter alia, the following:

a) Noticee 1

Reply dated July 7, 2014

i. *The entities who have traded in the scrip are divided into various groups viz. Promoter group, Manish Rathi group and Kolkata group and I have been alleged to be included in the group called by the name of 'Promoter group'.*

ii. *Girraj Kishore Agrawal and his wife Tanu Girraj Kishore Agrawal were appointed as directors of Keystone w.e.f 30.8.2008 and resigned on 22.9.2010.*

iii. *Tanu Agrawal sold 95,400 shares in four tranches and received payout of Rs 2.27 cr. and Girraj Kishore Agrawal sold a total of 1,51,186 shares and received payout of Rs 3.24 cr..*

iv. *I submit that your honor has issued a common SCN to 36 entities and further submit that my role has not been defined separately by your honor. I submit that the only role attributed to me has been that I am a director of few companies who are part of promoter group of OITL and have only sold shares during the period of investigation.*

v. *This is a fact that I was a director in Keystone Stock Finance Ltd. (Keystone), which is a promoter of OITL; however, I am not connected to any so called group by the name of Manish Rathi group or Kolkata group.*

vi. *One of the promoter of OITL, Sh Pradeep Dhanuka, is also a director in VRP Financial Services Ltd. (hereinafter referred to as "VRP" which has in turn transferred OITL shares in off market to lndra Pratap Singh, Govind Laskhari and Hem Jain who are alleged to be part of Manish Rathi group. Further, it is alleged that Manish Rathi group has further carried out trading in the market. As per the said SCN, I along with VRP have been included in the group called 'Promoter and Promoter related group' which includes two promoters and four other entities who are alleged to be connected to the promoters.*

vii. *The above appears to be only basis of connection between the so called "Promoter and Promoter related group" and "Manish Rathi group". In this regard I submit that just because one of the entities, wherein promoter is Shri Pradeep Dhanuka, who is also the part of promoter group of OITL, has allegedly transferred shares in off market to the alleged Manish Rathi group, I cannot be connected to the Manish Rathi group and alleged to be violating PFUTP Regulations.*

viii. *With reference to observations contained in para 15, I have been shown one of the top selling clients on gross sales basis and net sales basis and I have sold 1,51,186 shares. In this regard, I submit as under:-*

ix. *My trading as compared to total percentage of the market volume is only 1.07% of the gross sales and 1.19% of net sales of the total market volume. I submit that the negligible percentage being traded by me establishes that my trading is of fraudulent and with this only the charge fails.*

x. *I have only sold during the period of investigation and has not purchased the shares of OITL either prior to this sale or after this sale. I have got no other dealing during the period of investigation. The above establishes that a false and baseless allegation has been leveled against me without any basis.*

xi. *I submit that I have sold 1,51,186 shares of OITL for a total consideration of Rs 3.40 Crore. I submit and reiterate that there is no bar on the promoters to sell the shares and I am entitled to sell my shares at the prevailing market rate after giving appropriate disclosures and following due process of law. I further submit and reiterate that I sold the shares since* *there was urgent requirement of funds in the family and due to family compulsion I had to sell off the shares.*

xii. *Just on the basis of my selling of shares, it has been alleged that some Manish Rathi group has allegedly aided and abetted us in creating artificial market volume and off loading the shares in the market which is not supported by any evidence neither circumstantial nor direct. I deny that I have ever heard of any group called "Manish Rathi group" in the capital market and it appears that same is figment of imagination of SEBI. The fact is that I have only sold the shares of OITL during the period of investigation that too on the stock exchange only and no other transaction has been carried out by me.*

Reply dated December 18, 2014

i. *One of the promoter of OITL, Sh Pradeep Dhanuka, is also a director in VRP Financial Services Ltd. (hereinafter referred to as "VRP"), which has in turn transferred OITL shares in off market to lndra Pratap Singh, Govind Laskhari and Hem Jain who are alleged to be part of Manish Rathi group. It has also been alleged that two other promoters viz. Deepti Sales Corporation and Anmol Finance Company has also transferred shares in off market to the entities allegedly part of Manish Rathi group. Further, it is alleged that Manish Rathi group has further carried out trading in the market. As per the said SCN, I along with VRP and other entities have been included in the group called 'Promoter and Promoter related group' which includes two promoters and four other entities who are alleged to be connected to the promoters.*

ii. *I submit that I have gathered details from Sh Pradeep Dhanuka and it has come to my notice that these shares have been sold in off market and necessary consideration has been received from the buyers. I submit that this transaction is completely legal transaction as per the provisions of the securities market.*

iii. *I submit that the decision to sell the shares by Keystone might have been taken by other directors of the company and I was not aware of the same. I submit that though I was a director at Keystone, I was not in charge of day to day affairs at Keystone and Ms Sheetal kadam, Director, was looking after day to day affairs. Further at VRP, I was neither a director not a shareholder hence cannot be aware as to what transaction are being carried out by them. In view of the same, I submit that I cannot be held responsible for whatever transactions have been carried out by VRP and Keystone.*

Reply dated February 21, 2015

i. *I have not traded at all in the scrip of OITL during the Investigation period, save and except sale of 1,51,186 shares on 5 different dates between July 30, 2009 to August 14, 2009. All the said sales were delivery based. There is no allegation that the sales were in the nature of synchronized / reversal sales etc. Further, there is no allegation that the said sales have resulted in creation of artificial volumes or resulted in increasing the price of the scrip.*

ii. *The allegation of price manipulation as alleged in the SCN/SSCN , has been vicariously attributed to me and my wife , based on the trading done by others in the market (which SEBI believes to be fraudulent and manipulative), completely ignoring and overlooking that there is absolutely no connection between me / my wife with the persons / entities who have traded in the market during the Investigation Period .*

iii. *It may also be noted that there is no such presumption in law that one promoter will be liable for the acts of other promoters , especially when the actions of other promoters are alleged to be in the nature of fraud or manipulation and in which the first promoter has no role to play.*

iv. *It may be appreciated that if the whole theory that the entire price manipulation was orchestrated so that I and my wife could offload the shares at manipulated price, then there was nothing which prevented me and my wife to off load total shareholding held by us in our names and through our companies. Admittedly, I and my wife have in the ordinary course sold only 246,586 shares. A total of 18,16,064 shares were still held by me and my wife and our related entities post the Investigation period. If idea was to offload at manipulated price as alleged, the entire holding would have been liquidated. But nothing of the sort has happened. Said fact also reinforces and fortifies my bonafides and the fact that I had nothing to do with the alleged price manipulation carried out by others, in which I had no role to play whatsoever.*

Reply dated July 29, 2019

As compared to total percentage of the market volume, our clients net sale trading is only 1.19% (of Mr. Girraj Agrawal) and 0.67% (of Ms. Tanu Agrawal) which is a negligible percentage of market trade and therefore their trade did not had any effect on market.
Further, considering the total Promoter and Promoter Group's shareholding of OITL which was 32.95% as on June 2009 our client Ms. Tanu Agrawal's sale of 95,400 share amounted to only 0.37% which is very minimal as compared to total of 32.95%, which can be seen from the shareholding pattern available on BSE's website.
It is pertinent to note that, our clients did not sell entire quantity of their holdings. Rather, our clients sold only 2,46,586 shares i.e. 1,51,186 shares by Mr. Girraj Agrawal and 95,500 shares by Ms. Tanu Agrawal which is hardly 11.95% of entire holding including of their related entities, which can be seen from table at Para 7 of our clients reply dated February 21, 2015. Our clients and its related entities after the said sale continued to hold 18,16,064 shares which is 88.05% of the total holding. If our client's intention was to make an illegal/ wrongful gain, our clients had no reason to hold on to the remaining 88.05% shares at the end of investigating period and further.
At the relevant point of time trading in the account of Keystone was done by its Authorised Director Mr. Sheetal Kashiram Kadam and even decision with respect to Off-market trading was taken by her and our clients had no role to play, which can be proved from the KYC documents available with Anand Rathi Securities Pvt. Ltd. which can be called by SEBI to enquire the same.

b) Noticee 2

Reply dated July 7, 2014, December 18, 2014, February 21, 2015 and July 29, 2019

Noticee 2 gave similar reply as that of Noticee 1. Her trading as compared to total percentage of the market volume is only 0.67% of net sales of the total market volume. She had sold 95,400 shares of OITL and earned a total profit of around Rs 1.61 crores and denied that same is a manipulated profit. The sales have taken place in the price range of Rs 194/- to Rs 240/- on 9 different days .There is a spread of around Rs 50/ -.

c) Noticee 3

No reply received from him.

d) Noticee 4 and 6

Reply dated January 1, 2015

i. *It is submitted that I do not have any connection or relation with the alleged Manish Rathi group. The observations in para 4 of the Notice are baseless and there are no evidence to show that I belong to the alleged Manish Rathi group. I state that apart from two persons/ entities, Radha Govind Lashkari (HUF) and Sunita Garg, in the alleged group of Manish Rathi, I do not have any connection with any other member of the alleged group. I am the "Karta" of Radha Govind Lashkari (HUF) and Sunita Garg is my wife. There are no other connections with other members of the alleged Manish Rathi Group and even SEBI has not provided any ground on the basis of which I have been alleged to have been connected with the alleged Manish Rathi group besides the alleged off mark et transactions. In view of the above submissions, it is my humble request that my case shall be viewed independently and objectively.*

ii. *It is pertinent to note that we have been dealing in the share of OITL since 2008 when the name of the company was "Kushal Software Limited" when we have purchased shares of Kushal Software on the floor of the National Stock Exchange of India Ltd. through our brokers. Details of the purchases made by me and Radha Govind Lashkari (HUF) in the scrip of Kushal Software Limited are as under:*

iii. *Purchases made by Radha Govind Lashkari*

Date of Transactions	No. of shares bought	Amount (Rs.)
April10, 2008	62000	2,46,718.32
April 14, 2008	86000	3,45,527.29
April16, 2008	75000	3,03,006.37
April17, 2008	70000	2,83,845.63
April18, 2008	68000	2,69,802.86
May 02, 2008	50000	2,02,500.00
May 07,2008	60000	2,43,704 .00
May 08, 2008	50000	2,02,500.00
May 09, 2008	68500	2,78,230.00
May 12, 2008	50000	2,03,087.00
May 13,2008	40000	1,71,282.00
TOTAL	6,79,500	27,50,203.47

iv. *Purchases made by Radha Govind Lashkari (HUF)*

Date of Transactions	No. of shares bought	Amount (Rs.)
April15, 2008	27000	1,05,300
April 17, 2008	23000	93,150
April 21, 2008	25400	1,02,870
April 22, 2008	40000	162,000
April 28, 2008	35000	1,41,750
April 29, 2008	18000	72,900
TOTAL	1,68,400	

v. *These purchases were made by me at the available market price at an average of Rs. 4/- (approx.) per share on the floor of the exchange through a screen based mechanism and the trades were executed by me in my trading account with Alliance Intermediaries & Network Pvt. Ltd.*

vi. *It is pertinent to note that the broker was holding these shares on my behalf in its pool account. The same can be confirmed by the letter of the broker dated March 31, 2009 addressed to me. In the said letter, I was also informed by the broker that these shares will be transferred to my account as per my instruction.*

vii. *Thereafter gradually the price of the scrip increased and over a period of one year, the price of the scrip crossed Rs. 100 and thus, I decided to sell the shares. In view of the increase in the price of the scrip, I instructed my broker i.e. Alliance Intermediaries & Network Pvt. Ltd. to transfer the shares in my depository in tranches so that I can arrange to sell them in the market in order to earn profits. On receipt of the shares in my demat account, I gave sell instructions to my broker i.e. Hem Securities Ltd.*

viii. *It is only in the hindsight through SEBI, I got to know that the share transfers in my demat account are alleged to be off-market and is alleged to be a part of some alleged manipulative scheme.*

ix. *It is to be noted that at the time of transfer of the shares in these demat account I wasn't aware as to from whose demat account the shares are being transferred to me. Also, it is to be noted that I have no connection/relation with any of the parties who are alleged to have transferred shares to me through off market.*

x. *With regard to the observations made in para 8 of the Notice, it is submitted that the same does not pertain to me and therefore I do not have any comments to offer on the same. Further in this regard it is to be noted that it is amply clear from the bank account of Altra Clean Operations (proprietor Manish Rathi and Jitendra C. Singh) that no payment has been received / made by me to Altra Clean Operations/Mr. Manish Rathi and/ or Jitendra C. Singh in relation to the alleged off market transfer of shares from Manish Rathi.*

xi. *With regard to the observations made in para 10 of the Notice, it is humbly submitted that the conclusions drawn by your goodself in the para under reference are completely vague in nature. I have no connection with the alleged Kolkatta group. My connection with the Alliance Intermediates & Networks Pvt. Ltd. is limited to the broker client relationship.*

xii. *It is humbly submitted that no negative inference can be drawn against me on the sole basis that I was among the top 10 clients on the basis of gross sales and net sales. It to be noted that the total traded quantity in the market during the investigation period was 1,41,35,072 shares out of which I have sold 6,90,050 shares which contributed to only 4.88% of the total market volume. Similarly in the case of Radha Govind Lashkari (HUF), the sell trades have amounted to only 1.19% of the total market volume. The table illustrated in para 15 is in relation to the top 10 clients on the basis of net sales shows wrong percentage of mine and Radha Govind Lashkari (HUF) i.e. 5.41% instead of 4.88 % and 1.32% instead of 1.19%.*

xiii. *The shares sold by me were never bought by me and my HUF in the off-market as alleged in the Notice . In fact, as stated earlier these shares were transferred by Alliance Intermediaries & Networks Pvt. Ltd. as the same was holding these shares in its pool account on behalf of me and my HUF.*

It is submitted that the very premise on which it has been alleged that I entered into the alleged off market transactions and thereafter sold these shares in the market thereby resulting into the alleged reversal trades, is wrong and baseless. It is reiterated that the shares which are alleged to have received by me in my account and my HUF's account from the alleged Category -I persons, were transferred to me by my broker i.e. Alliance Intermediaries & Networks Pvt. Ltd. as the same were held by it on my and my HUF behalf in its pool account.

Trade Analysis of Radha Govind Lashkari

xiv. *With regard to the sell transactions on the floor of the exchange, it is humbly submitted that the same will be clear from analyzing the order log and trade log that there was no understanding between me and the matching of trades between the said entities was a mere coincidence.*

xv. *With regard to the orders placed by me on July 24, 2009, it is submitted that there were 9 sell orders placed by me during the day. Details of the sell orders placed by me are as under:*

Order No.	Order Time	Ord er Rate	Ordered quantity
24807400020440363	13:11:58	89.9	10000
24807400020440364	13:12:07	89.9	10000
24807400020440366	13:15:09	89.9	5000
2480740002044043 7	15:19:40	89.9	10000
24807400020440438	15:19:48	89.9	10000
24807400020440439	15:19:55	89.9	5000
24807400020440494	15:41:19	89.9	10000
24807400020440495	15:41:30	89.9	10000
24807400020440496	15:42:01	89.9	6400

xvi. *These 9 sell orders were amongst the 57 buy/sell orders placed by various entities/ individuals on July 24, 2009 which ranged between Rs. 85.3 to 94. From the sell orders placed by me it clearly appears that I intended to sell the shares of OITL at Rs. 89.9/- which was prevalent at that point of time. The first order i.e. 24807400020440363 was placed by me at 13:11:58 p.m. at Rs. 89.9 which got split into 4 trades and matched with client code A100, A052 and MB1001 on the basis of screen based mechanism. Before matching of trades, in between there were 5 buy orders placed and there were chances that my sell order would have matched with them. It is to be noted that the same matched within the time range of 14: 58:18 p.m. to 15:04:38 p.m., which clearly shows that there was no matching of minds between the buyer and the seller and it was mere coincidence that the same matched. Also, there was difference in quantity of the orders and therefore the same got split into 4 trades with different individual, substantiating my submissions that the order matching was a mere coincidence and the same had nothing to do with the alleged manipulative scheme as illustrated in the Notice.*

xvii. *The second order i.e. 24807400020440364 was placed by me at Rs. 89.9 for 10000 shares at 13:12:07 p.m. which again got split into 4 trades placed vide 4 different orders. The details of the matching of trades are illustrated in the table below:*

Date	Tract ed Qua nhty	Trade time	Buy Order Time	Buy Ord er No.	Buy Ord er Clie nt	Bu y Order qu antity	Bu y Order Price	Sell Order Time	Sell Ord er No.	Sell Ord er Cl ient	Sell Order Price	5E 0 ql
24/ 07		15:04:		9-12007000					2-1807-10002			

 / 2009	100	 38	15:04:38	2 01-17822	MB1001	3000	89.9	13:12:07	 0-140364	11R536	89.9	
24/ 07 / 2009	3000	15:06: 05	15:06:05	12520100 02 4598400	253662	3000	89.9	13:12:07	24807400 02 0-140364	11R536	89.9	
24/ 07 / 2009	3000	15:16: 09	15:16:09	94200700 02 0147825	MB1001	3000	89.9	13:12:07	24807400 02 0-140364	l 1R536	89.9	
24/ 07 / 2009	3900	15:2'1: 50	15:23:49	125201()0 02 4598500	253662	5000	89.9	13:12:07	24807,10 002 	11R536	89.9	

Trade Analysis of Radha Govind Lashkari HUF

xviii. *The shares were sold from the account of Radha Govind Lashkari (HUF) on April 27, 2009, April 28, 2009, July 01, 2009, July 03, 2009, July 07, 2009, July 08, 2009 and July 09, 2009. It is humbly submitted that these sell trades were done in the normal course of my trading and had nothing to do with the alleged understanding with any of the alleged Category-1 persons/ entities.*

xix. *On April 27, 2009, there were 6 sell orders placed by me in my HUF account. These 6 sell orders resulted into 95 sell trades bought by 13 different buyers prevalent at that time in the market.*

xx. *The Notice fails to show that my trading pattern was synchronized in nature and has alleged me for circular/reversal trading without providing a proof which indicates that I have nexus/ prior meeting of mind with the other alleged entities. However, SEBI ignoring the aforesaid fact drew an adverse conclusion in this scrip stating that I was involved in active connivance with other entities to create volumes and generate interest and manipulate the scrip just for the reason that my shares were bought by VRP Financials, Shiv Kumar Kaushik, Manish Rathi, Rajesh Tukaram Dambre, Jitendra Chandrabhan Singh and Indra Pratap Singh on exchange.*

xxi. *Moreover, it is important to note that in screen based order matching system, it is very difficult to identify the counterparty buyer or seller of shares. The trade is done based on the top 5 buy & sell quantity & price shown on the screen. In this scenario, it is impossible to execute trades with a prior understanding, but is merely based on the demand and supply mechanism.*

xxii. *Further, in order to completely clarify the facts, it is important to note that in case of the trades executed in my account, on these 48 trading days, total 5862 trades were executed in the script of OITL of which only 171 trades were mine i.e only 2.9% of the total trades executed during Patch II. In the account of Radha Govind Lashkari (HUF), only 59 trades were executed in the account which constitutes only 1*

xxiii. *It is reiterated that the said shares were received in my demat account and in the account of Radha Govind Lashkari (HUF) from Alliance Intermediaries & Network Pvt. Ltd. and the same has been detailed out in para 8 hereinabove. Thus, the observation that"....the entity placing the sell order on exchange had previously purchased/ received the 0ITL shares in the off market from either the Promoter Group and/or the Man ish Rathi group and later placed the sell order at a price higher than previous trade rate", is completely baseless and doesn't pertain to me. Further with regard to the allegation that the sell orders were allegedly placed by me at a price higher than the previous trade rate, it is to be noted that out of 12593 trades executed during the investigation period only 94 trades were executed by me and amongst them only 56 trades were executed at the price higher than the previous trade rate i.e. only 0.07% of the total trades executed during the investigation period in the scrip of OITL in the market.*

Reply dated February 12, 2018

i. *With regard to change from one broker to another broker, it is submitted that I had three accounts that of myself, my HUF and my wife's with Alliance Intermediaries and Network Private Limited. Since I was a regular trader, I was in look out for a broker who could offer me the best brokerage, liquidity and margin plans for my accounts. The brokerage, liquidity and the margin plan that was offered to me by Hem Securities Limited was the best at that point of time hence I opened all the three accounts with them. In this regard, it is submitted that I didn't close our accounts with Alliance upon the opening of the account with Hem. It was only in the end of 2009 when I became comfortable with the trading facilities provided by Hem that I closed our accounts with Alliance. It is submitted that by that time we had already sold all the shares of OITL.*

ii. *With regards to the transfer of shares upon the switching of the broker, it is submitted that though we had switched our operation from one broker to another, I had not closed my account with Alliance and hence did not transfer my shares. I had instructed my broker at Alliance to transfer the shares upon my instructions.*

e) Noticee 5

Manju had sought inspection of documents. Accordingly, the relevant portion of the investigation report and the annexures were forwarded to him vide email dated March 27, 2018. Yet no reply was received pursuant to that.

f) Noticee 7

Reply dated December 31, 2014

i. *It is pertinent to note that I have been dealing in the share of OITL since April 2008 when the name of the company was "Kushal Software Limited" when I have purchased shares of Kushal Software Limited on April 02, 2008 and April 07, 2008 on the floor of the Bombay Stock Exchange Ltd. Details of the purchases made by me are as under:*

Date of Transactions	No. of shares bought	Amount (Rs.)
April 02, 2008	50000	2,030661/-
April 07, 2008	60500	263883.191/-
TOTAL	110500	46t1949.19 I/- -

ii. *These purchases were made by me at the available market price at an average of Rs. 4.23/- per share on the floor of the exchange through a screen based mechanism and the trades were executed by me in my trading account with Vijay Bhagwandas & Co.*

iii. *It is pertinent to note that the broker was holding these shares on my behalf in its pool account. The same can be confirmed by the letter of the broker dated March 31, 2009 addressed to me. In the said letter, I was also informed by the broker that these shares will be transferred to my account as per my instruction.*

iv. *Thereafter gradually the price of the scrip increased and I decided to sell the shares. The shares purchased by me were sold gradually during June-August 2009. In view of the* *increase in the price of the scrip, I instructed my broker i.e. Vijay Bhagwanda & Co. to transfer the shares in my depository in tranches so that I can arrange to sell them in the market in order to earn profits. On receipt of the shares in my demat account, I gave sell instructions to my broker i.e. Hem Securities Ltd.*

v. *It is pertinent to note that I was regularly receiving shares from Vijay Bhagwandas & Co. and in light of its confirmation letter there was no reason for me to inquire as to whether the shares were being transferred from the broker's pool account or from any other depository account.*

vi. *The shares were sold by me during the period of June - August 2009 and the same were duly received by me via transfer of shares from the Vijay Bhagwandas & Co. (my broker) to my demat account (Hem Securities).*

vii. *With regard to the observations in para 16 of the Notice, in relation to Annexure III-A it is to be noted that my name appears in table at S. No. 14 stating that I have contributed to merely 0.78% of the net sales of OITL in the market during the period of 9 months of investigation period. In this regard it is submitted that the sale of 1,10,500 shares of OITL by me on the exchange is a matter of record .*

viii. *It is submitted that the very premise on which it has been alleged that I entered into the alleged off market transactions and thereafter sold these shares in the market thereby resulting into the alleged reversal trades, is wrong and baseless. It is reiterated that the shares which are alleged to have received by me from the alleged Category-I persons, were transferred to me by my broker i.e. Vijay Bhagwandas & Co. as the same were held by it on my behalf in his pool account. It never came to my knowledge that these shares were transferred to my account by demat accounts of some unknown entities/ individuals i.e Manish Devendra Rathi and Indrapratap Singh. It is only through SEBI, I came to know that these shares instead of coming from the pool account of Vijay Bhagwandas & Co., came from the above mentioned entities accounts. It is my humble submission to consider the fact that these shares were purchased by me on the floor of the exchange way back in 2008 and since then they were held by my broker Vijay Bhagwandas & Co. in its pool account.*

ix. *With regard to the transfer of 1,10,500 shares to my demat account, it is submitted that as per my knowledge said shares were held by my broker in his pool account on my behalf and the same were transferred to my demat account as per my instructions. However, it is only in the hind sight on receipt of the Notice, it appeared that the said shares were not transferred to my account from the pool account of my broker i.e. Vijay Bhagwandas & Co.*

x. *With regard to the orders placed by me on June 18, 2009, it is submitted that there were 4 sell orders placed by me during the day. Details of the sell orders placed by me are as under:*

Order No	Order Time	Rate	Quantity
11000007010237	10:31:35 which was later modified at 14:58:57	108 was later modified to Rs. 104.95	5000
20000004010679	10:31:41 which was later modified at 13:01:37	108.5 Modified Price 105	5000
11000007010269	10:31:45	109	5000
20000004016328 o	11:04:04 which was later modified at 12:32:47 and then again at 14:58:53	108.85 Modified price 107.5 and then again at Rs. 104.95	5000

xi. *These 4 sell orders were amongst the 61 buy/ sell orders placed by various entities/individuals on June 18, 2009 which ranged between Rs. 98.5 to 109. From the sell orders placed by me it clearly appears that I intended to sell the shares of OTIL at a price around Rs. 108/- which was prevalent at that point of time. The first three sell orders were placed by me around 10:31 a.m. in the range of Rs. 108- 109 looking at the order book position prevalent at that point of time. It is pertinent to note that it is not the case that I have been the first one too punch sell order and is said to have established a benchmark for the sell orders being placed in the scrip. It is only looking at the order book position I had placed these sell orders.*

xii. *With regard to the allegation of price manipulation in Patch II i.e June 24, 2009 to August 28, 2009, it is to be noted that I have traded only for 9 days during the alleged period of patch II. Out of the 48 trading days, the very fact that since I have traded only for 9 days shows that I was never part of the alleged manipulation. Further, it is to be noted that all the trades executed by me during these 9 days were in between the price levels prevalent at that point of time. It is pertinent to note that the highest price at which the shares were sold by me was at rs. 210.38/- i.e. on August 06, 2009 which was quite earlier from August 28, 2009 the day on which the price of the scrip rose to the level of Rs. 243.50/-.*

xiii. *It is pertinent to note that on analyzing the complete order log and trade log, it itself becomes clear that the matching of the buy orders and the sell orders was purely coincidental and were devoid of any manipulative evidence. The assumptions drawn in the para under reference are without any evidence and are merely based on the surmises and conjectures*

Reply dated January 14, 2015

i. *With regard to production of the documentary evidence in relation to the proof of payment made to the broker on purchase of shares, it is submitted that the copy of the ledger account statement has already been annexed to my reply dated December 31, 2014 as Annexure D, which clearly shows that the payment towards the purchase of the shares was adjusted towards the debit in my account.*

ii. *With regard to clarification as to "when the Noticees realized that the shares were transferred to them, not from the Broker's account, but from the demat account of Manish Rathi, Inderpratap Singh and other Noticees as per SCN", it is submitted that as stated in my reply [Para no. 10(vi) on page no. 5 and Para no. 33(a) on page 14], it is reiterated that it is only through SEBI on the issuance of show cause notice, I came to know that these shares instead of coming from the pool* *account of Vijay Bhagwandas & Co., came from the above mentioned individual's account. It is reiterated that I have no connection/ relation with any of the alleged entities/ individuals who allegedly transferred shares inmy demat account.*

iii. *With regard to clarification as to "what action they took against their Broker, if any, on such realization along with documentary evidence". It is submitted that it is only on receipt of the show cause notice, it was brought to my notice by SEBI that there were alleged off market transfers in my demat account. It is pertinent to note that something wrong was done by my broker.*

g) Noticee 8

Reply dated November 24, 2014

i. *I am a small dealer of diamonds and keep investing surplus money in shares, securities. When I find some scrip worth investing, I buy and subsequently sell after sometime resulting in gain or loss.*

ii. *Even the same way I bought equity shares of Kushal Software (Octant Interactive Technologies Ltd.) through Alliance Intermediaries & Network Pvt. Ltd. and subsequently on finding some gains sold the same.*

iii. *The transactions were through recognized stock exchange. I am a bonafide investor.*

Reply dated February 24, 2015

i. *During 2007 and around I had a trading account with Alliance Intermediaries & Networks Pvt. Ltd.*

ii. *On April 18, 2007, I had purchased 120000/- shares of OITL*

iii. *In and around December 2008 the price of the shares had risen to about Rs.70 and I sold 15000 shares at about this rate.*

iv. *Post this date I sold the balance shares as under:*

T Date	***Sett No.***	***Sett Dt.***	***Qty***	***Rate***	***Amount***
Jan 06, 09	*0809190*	*Jan 09, 09*	*14000*	*69.15*	*963135.18*
Jan 09, 09	*0809192*	*Jan 13, 09*	*22000*	*65.60*	*1435753.81*
Jan 13, 09	*0809194*	*Jan 15, 09*	*15000*	*64.03*	*955573.91*
Jan 23, 09	*0809202*	*Jan 28, 09*	*27000*	*72.10*	*1936710.95*
Jan 27, 09	*0809203*	*Jan 29, 09*	*17000*	*68.23*	*1153902.79*
Feb 02, 09	*0809208*	*Feb 05, 09*	*10000*	*80.00*	*795961.49*

v. *All the shares were delivered to my broker Edelweiss Securities Ltd. and the same were used for settlement of trades on the Exchange.*

vi. *I was no way aware of the counter parties to the trades and I have understood from the show cause notice that the counter parties to the trades were Manish Devendra Rathi, Kaushik Sharadchandra Shah, lndrapratap Gajraj Singh and Kamal Kishor Rathi.*

vii. *As highlighted earlier I had purchased the shares of OITL long back through my broker Alliance Intermediaries & Networks Pvt. Ltd.*

viii. *I was constantly following up with the Broker for the shares as the price of the shares had increased substantially. After repeated follow-ups the broker agreed to deliver the shares in parts and I decided to sell them as and when received.*

ix. *It may be noted that I have only traded on 6 of the 166 trading sessions during the period under investigation. All the trades are executed during the beginning of the investigation period when there was hardly any price movement in the security.*

x. *I have sold 105000 shares against the total purchase and sale quantity of more than 2.82 crore shares.*

xi. *Further I have already explained that the off market credits to my account were on account of purchase of shares, which was carried out long back and I never knew the persons who transferred the shares to my account and was under an impression that my broker had transferred these shares to my account as he informed me that he is transferring the shares to my account. I once again reiterate that the shares are not purchased by me in off market transactions from Manish Rathi or lndra Pratap Singh as alleged.*

xii. *Since I have only sold the shares that I had purchased long back. Since I have executed only sale transactions, which cannot cause increase in price of security. Since all my trades are executed in the initial part of the period of investigation where there was no price fluctuation. Since only 1trade of sale of 10000 shares is executed during Patch 1and no trades are executed during Patch II.*

Reply dated February 16, 2018

i. *I request reference to the personal hearing held at your good office on February 14, 2018 at 3:00 pm. During the hearing my Authorised Representative (AR) was questioned about the fact that the contract note for purchase was dated April 18, 2007, then why were the shares delivered to me in the period December 2013 to February 2013.*

ii. *My AR reiterated the submission that I was constantly after the broker for delivery of shares, but the same was only delivered between December 2013 to February 2013. Upon your question as to what was the evidence that the contract note was of the correct date that my explanation of follow up was not an afterthought, my AR submitted you a copy of the ITR and Computation for Assessment Year 2009-10 wherein it was reflected that the computation of the return filed on November 11, 2009 that the purchase date was recorded as April18, 2007. This was way before issuance of SCN by SEBI.*

iii. *Further it may kindly be appreciated that I have sold all my 120000 shares in the range of Rs.64.03 to Rs. 80 of which only 10000 shares have been sold during the period covered under investigation. Rest of the shares were sold before the commencement of investigation period at the lowest end of price band for the period under investigation. The price of the security later went up to Rs. 250 and the promoters are alleged to have reaped huge benefits by selling the shares at average price of Rs. 225.35 and Rs. 239. Had I been a party to the alleged conspiracy of price manipulation, I would have preferred to sell the shares at a higher price and reaped more benefits from my transactions.*

Noticee 9

Reply dated February 25, 2015

i. *That with the proposed merger with Axon Infotech Limited, as per pubIic domain information, shares price of Octant (Kushal Software) was expected to increase and thereby give better returns. Based on these possibilities and advice, my client bought 55,000 shares of OITL (the then Kushal*

Software Ltd ; presently known as 'Swarnajyothi Agrotech & Power Ltd') from Alliance Intermediaries & Network Pvt. Ltd. in following three tranches :

a. *20,000 shares on April 16th 2007 at a price of Rs.2.40/share (including brokerage charges) amounting to a total sum of Rs. 48182.75;*
b. *20,000 shares on April 18th 2007 at a price of Rs 2.23/share (including brokerage charges) amounting to a total sum of Rs. 44778.40;*
c. *Purchase of 15,000 shares on April 20th 2007 at a price of Rs. 2.37/share (including brokerage charges) amounting to a total sum of Rs. 35686.50.*

ii. *That shares were brought through Alliance Intermediaries & Network Pvt. Ltd. (for short "Alliance") - a broker of Interconnected stock exchange (on which the shares of Kushal Software were listed) and sub-broker of National Stock Exchange. My client made a payment of Rs. 1,28,647.25 to the broker.*

iii. *That subsequent to the purchase transaction, my client was informed by the broker that the shares were in physical and the owner of the shares would get the shares dematerialized and then would transfer the same in my client's de-mat account. That in good faith and to be relieved from the hassles of dematerialization process, my client agreed to the assurances, which confirm my client was not capital market savvy .*

iv. *However Alliance did not transfer the shares to my client's account and my client rigorously followed with Alliance for the shares and was again and again assured of crediting the shares by Alliance in this regard.*

v. *That after a lapse of about 15 months from date of said purchase , my client came to know that the shares of Kushal were listed on BSE since August 2008 which offered glimmer of hope of investment giving better returns. On becoming aware of the same, my Client contacted the broker for fulfilling the contract of sale. Noting the reluctance my client sent a legal notice dated December 251h 2008 demanding delivery of share certificate/dematerialized shares of M/s. Kushal Software Limited.*

vi. *That after rigorous follow-ups and my Client's advocate threatening legal action, finally on 04.02.2009 , the broker arranged to get 55,000 shares transferred in my client account. That my client has been unaware as to from whose account the said shares have been transferred to his account. Herein it is categorically submitted, that my client does not know any Mr. Indra Pratap Gajraj Singh and has no connection with the said person as alleged in the SCN.*

vii. *My Client had purchased said shares in April 2007 and the beneficial interest in the said shares always remained with my client from date of purchase of shares. On 04.02.2009 the shares were merely registered in demat form in my client 's account. Jt is a settled principle of law that the beneficial interest resides in transferee on the date of sale of shares*

viii. *Para 13 & 14 talks about trading volume of several brokers. It is also important to note that my client's broker i.e. Senator is not mentioned in the said list. Also the said broker is not alleged in the SCN of any fraud and manipulative trading. This is to further note, that all my client trades have been executed by broker. My client had given instruction to the broker to sell the shares which the broker sold. That as per the system of the stock exchange, the orders were executed by my client's broker.*

ix. *It is herein submitted that my client sold the shares through the market intermediary - BSE broker i .e. Senator Securities Pvt. Ltd. and since the trades were placed on an anonymous order driven system, where the identity of the counter-party is not known all the orders being entered into the system are open for being bidded for by any member, (i.e. they are open for the world), my client* *was unaware about the identity of the buyer and his intentions and he has not made any representation to any person inducing them to act therein. Hence, owing to no representation by the Noticee and for no knowledge of the intent and act of the other person , he cannot be , in any manner, be alleged of any act done in a fraudulent manner .*

Reply dated March 14, 2018

i. *In this regard, It is submitted that as the matter pertains to the year 2007 (i.e. 11years old) and my client who is a layman and not a regular investor in securities market did not preserve the original contract notes. However, my client only could find photocopies of such contract notes and to substantiate his submissions photocopies of such contract notes on affidavit had been provided to your Hon'ble office enclosed as Annexure- B of the Written Submissions dated 25.03.2015.*

ii. *Proof of payment to broker: My client bought shares of Octant during 2007, on 16th April 2007, 18th April 2007 and 20th April 2007. The shares were bought through Alliance Intermediaries and Network Limited who was a broker of Interconnected Stock Exchange. That during the period of said purchase, there were not so stringent policies in Regional Stock exchanges with respect to the payment and delivery mechanism in physical form. Therefore, the payment of Rs. 1,28,647.25 made to broker was made through cash. The investment in such shares can be corroborated by the ledger accounts for the FY 2008-09, a copy which had already been provided as Annexure-G-1 along with the calculation of capital gain which was carried to the Balance Sheet provided as Annexure G-2 in written Submissions. In the said accounts and calculations, it has been clearly mentioned the dates on which my client has invested in the shares of Octant. Further, ITR for the period 2009 has also been provided to your Hon'ble office enclosed as Annexure- H with the written submissions wherein sale of shares have been recorded with profit on sale calculated as long term and cost of acquisition taken as that during 2007.*

h) Noticee 10

No reply received.

i) Noticee 11

Reply dated September 10, 2013

I had purchased shares of Kushal Software Limited from Vijay Bhagwandas & Co., 112/A, Stock Exchange Towers, Dalal Street, Mumbai 400023 and then sold the scrip through M/s Religare Securities Ltd. The above transaction was genuine and I do not know more than this. I have duly paid income tax for the gains I derived.

Reply dated January 5, 2015

i. *I am staying in Coimbatore for the last 35 years with my family. I am not a capital market savvy person and not aware of nuance of market functioning and demat operations .*

ii. *I am wrongly bunched, lumped, clubbed, included and tied to the Manish Rathi group as my only sales of 1,14,800 OITL shares on 12 days spread during 2 months of May and June, 2009 were independent, separate, distinct and stand alone as per my funds requirement. I sold these shares through Religare Securities Ltd. on BSE, received contract notes, delivered shares through my demat account with Religare Securities Ltd. DP and received sales proceeds thereof .*

iii. *Except some stray off-market transfer, no other material is shown to connect me with (alleged) members of Manish Rathi group. Nothing is shown to relate me with trading of members of the* *alleged group. I was not concerned in their trading in OITL shares and no role, involvement and participation of mine is shown, leave alone established, in their trading and vice versa.*

SOME OF THE IMPORTANT FEATURES OF TRADING OF THE NOTICEE ARE AS UNDER:

	Feature of Trading	Noticee
1	Number of Days	12
2	Volume of Trading on market	+ 0 - 1,14,800 (0.81% of market)
3	Nature of Trading	Delivery based sales only.
4	No. of Brokers through traded.	One
5	Alleged SYNCHRONIZED TRADES	NIL
	SELF TRADES	NIL
	Reverse Trades	NIL
6	Sum of LTP difference	0
7	Special Point Example of price manipulation involved. Para 21 table.	NIL
	[+ means bought, - means sold]	

iv. *I submit that 1,14,800 shares of OITL were received in my demat account in the months of May, and June, 2009.*

v. *With regard to my purchases of 1,14,800 shares of OITL, I submit that Vijay Bhagwandas & Co., BSE broker issued two contract notes as under for my purchases :*

Date	No. of shares bought	Amount (Rs.)
07.04.2008	+ 23,800	1,10,957.25
14.08.2008	+ 91,000	15,99,658.83
	1,14,800	

vi. *I made payments to Vijay Bhagwandas & Co. against the aforesaid purchases as under on receipt of shares in my demat account with Religare- DP*

Date	Amount(Rs.)	Mode
19.06.2009	15,99,658.83	RTGS
24.06.2009	1,10,957.25	Cheque

vii. *It seems that other parties of different groups have traded on days in months on which the Noticee did not do any trading - the Noticee's only sales of shares was on 12 days spread over two months and out of 9 months of investigation period.*

viii. *Hence, the analysis of pattern of my volume is sketchy, strange, incomplete and inferences drawn therefrom are weird, incohesive and absurd. The very basis is faulty and flawed - the said basis is not only devoid of logic but defies logic. SEBI cannot thrust volume of others and charges of others on me.*

ix. *When it is shown now by SESI that purchases of shares were received through off-market transfers, I clarify that I was not aware of exact mechanism of transfers - I paid purchase consideration and received bought shares in demat account.*

x. *Not a single self trade I circular I reversal trade is attributed to me.No synchronized trade is attributed to me.*

Reply dated January 24, 2015

i. *I paid purchase consideration for 1,14,800 equity shares of M/s. Octant Interactive Technologies Ltd. (in short OITL) by RTGS in cheque to Vijay Bhagwandas & Co., SSE broker in June, 2009.*

ii. *I have not received any money from Mansih D. Rathi, lndrapratap Singh or from anyone (except from my broker Religare which were sale proceeds of shares sold and delivered, credited in my bank account.)*

iii. *Trading volume of mine, Manish Rathi and lndrapratap Singh as furnished in SCN is as under:*

Name		On market		Off-market	
		+	-	+	-
(i)	Noticee	-	114800	114800	-
(ii)	Manish Rathi	5,151,176	149,790	559,458	5,099,666
(iii)	Indrapratap Singh	2,355,135	314,040	438,855	2,608,262

iv. *I submit that orders for selling in the said scrip originated from me and the same were punched by dealers of my broker Religare Securities Ltd., in BOLT system in the normal and usual course of on-line trading in the name I code of mine. As you are aware, BSE's BOLT trading platform is an on- line, real time computerized, time and price priority matching trading system for orders keyed-in in different scrips through a large number of terminals spread throughout the country. The trading module is therefore anonymous and its algorithm not known to anyone. Further once an order gets executed and results into trade, it gets locked for settlement obligations in terms of shares and money. (After orders get executed, BSE does not provide details of trades with the names of counter brokers to the brokers and in tum brokers do not provide names of counter brokers (or their end clients) to their clients. I therefore did not know the name(s) of counter brokers and their ultimate clients. Further had I been 'connected' in any manner compared to their volume, my volume was minuscule, on a few days only and delivery based.*

Reply dated February 6, 2018.

v. *I submit and clarify that though the contract notes were dated 07 .04.2008 and 14.08.2008, I did not receive the delivery of the shares of Octant Interactive Technologies Ltd and hence, the payment was not made to Mls. Vijay Bhagwandas & Co., Broker at the relevant time. Subsequently, the shares were credited and delivered to my DEMAT account maintained with Religare Securities Limited during May & June, 2009 and accordingly, I had effected the payment* *to Mls. Vijay Bhagwandas& Co., Broker on 19.06.2009 and 24.06.2009 respectively through normal banking channels.*

j) Noticee 12

Reply dated January 1, 2015

i. *It is submitted that I do not have any connection or relation with the alleged Manish Rathi group. The observations in para 4 of the Notice are baseless and there are no evidence to show that I belong to the alleged Manish Rathi group. I state that apart from Mr. Radha Govind Lashkari and Radha Govind Lashkari (HUF) in the alleged group of Manish Rathi, I do not have any connection with any other member of the alleged group and even SEBI has not provided any ground on the basis of which I have been alleged to have been connected with the alleged Manish Rathi group besides the alleged off market transactions. In view of the above submissions, it is my humble request that my case be viewed independently and objectively.*

ii. *It is pertinent to note that I have been dealing in the share of OITL since 2008 when the name of the company was "Kushal Software Limited" when I have purchased shares of Kushal Software Limited on April 10, 2008 and on April 16, 2008 on the floor of the National Stock Exchange of India Ltd. Details of the purchases made by me are as under:*

Date of Transactions	No. of shares bought	Amount (Rs.)
April 10, 2008	20,000	79,353.60
April 16, 2008	30,000	1,20,532.60
TOTAL	50,000	1,99,886 (approx.)

iii. *It is pertinent to note that the broker was holding these shares on my behalf in its pool account. The same can be confirmed by the letter of the broker dated March 31, 2009 addressed to me. In the said letter, I was also informed by the broker that these shares will be transferred to my account as per my instruction.*

iv. *Thereafter gradually the price of the scrip increased and over a period of one year, the price of the scrip crossed Rs. 100 and thus, I decided to sell these shares. In view of the increase in the price of the scrip, I instructed my broker i.e. Alliance Intermediaries & Network Pvt. Ltd. to transfer the shares in my depository in tranches so that I can arrange to sell them in the market in order to earn profits. On receipt of the shares in my demat account which was with Hem Securities Ltd., I gave sell instructions to my broker i.e. Hem Securities Ltd.*

v. *The shares were sold by me during the period of May - August 2009 and the same were duly received by me via transfer of shares from the broker Alliance Intermediaries & Network Pvt. Ltd. to my demat account with Hem Securities Ltd.*

vi. *It is to be noted that my name appears in table at S. No. 21 stating that I have contributed to .35% of the net sales of OITL in the market. In this regard it is submitted that the sale of 50,000 shares of OITL by me on the exchange is a matter of record. However, it is to be noted that the same has no connection or relation with the alleged Manish Rathi group. The shares sold by me were independent transactions and the same had nothing to do in relation to the trades executed by the alleged Manish Rathi group. Thus, it is my humble request that the same be viewed independently and objectively without any link up with any of the alleged group entities/individuals.*

vii. *it can be clearly seen that out of the 27,500 shares sold by me only 8000 shares were sold which clearly shows that there was no prior understanding between the buyer and the seller to match the trades between them and the matching of trades was mere coincidence.*

viii. *The Notice fails to show that my trading pattern was synchronized in nature and has alleged me for circular/reversal trading without providing a proof which indicates that I have nexus/ prior meeting of mind with the other alleged entities. However, SEBI ignoring the aforesaid fact drew an adverse conclusion in this scrip stating that I was involved in active connivance with other entities to create volumes and generate interest and manipulate the scrip just for the reason that my shares were bought by lndra Pratap Gajraj Singh and Manish D. Rathi on exchange.*

Reply dated February 12, 2018

With regard to change from one broker to another broker, it is submitted that I had three accounts that of myself, my HUF and my wife's with Alliance Intermediaries and Network Private Limited. Since I was a regular trader, I was in look out for a broker who could offer me the best brokerage, liquidity and margin plans for my accounts. The brokerage, liquidity and the margin plan that was offered to me by Hem Securities Limited was the best at that point of time hence I opened all the three accounts with them. In this regard, it is submitted that I didn't close our accounts with Alliance upon the opening of the account with Hem. It was only in the end of 2009 when I became comfortable with the trading facilities provided by Hem that I closed our accounts with Alliance. It is submitted that by that time we had already sold all the shares of OITL.

k) Noticee 13, 14 and 15

Reply dated February 12, 2015

i. *At outset we wish to explain that Mr. Vipul Shah our (Specify relation) or (give name of any finance broker of your city who is now no more) was looking after our family financial transactions. He had approached us to invest on short term basis against securities of shares for period as low as 4-5 yrs. At his request we had provided him funds from our various accounts and he had provided us shares of Octant Technology as securities. These shares were subsequently at his instructions were sold in the market. Here we desire to clarify that we were not aware as to shares are coming from which account and who is buyer of the same. We were simply interested in our income.*

ii. *Lastly we wish to inform that we do not know any body in the list of names provided to us except Mr. Vipul Shah who are my relatives. We are in no way involved in any kind of price manipulations, circular transaction or in creation of artificial volume.*

l) Noticee 16

In your letter you have provided the same annexure showing names of some entities/ individuals with whom I have no link or have done any trade. Whereas we have purchased shares through registered broker i.e. Vijay Bhagwandas & Company and his name is nowhere reflected in the SCN dated 23.08.2013. We again reiterate that we are not part of any group as has been alleged in the SCN. Any sales made were in the open market through a member broker in open market and not to any individual or group.

m) Noticee 17

Reply dated February 23, 2018

We used to provide finance to various people through Mr. Nirmal Jain keeping shares of listed companies as securities. And in event the parties failed to keep their commitments we, at the instruction of Mr. Nirmal jain would sell the shares in open market .At the time of sale of these shares held as securities we were not aware as to who is purchasing these shares.
In the instant case also we had provided finance through Mr. Nirmal Jain and 10000 shares of Octant Technologies were kept as security with us. The funding was for the short term. When the money as not refunded on due date at the instruction of Mr. Nirmal jain the shares of Octant Technologies were sold in the open market and Adjusted The Amount. Our involvement in the trading of Octant Technologies is limited to this extent only.

n) Noticee 18

No reply received

o) Noticee 19

Reply dated January 1, 2015

i. *It is submitted that I have no connection/ relation with Altra Clean Operations and Indrapratap Singh and any of the person connected with them. I do not know any of these entities and persons and it is only with the issuance of the Notice, I got aware of the alleged share transfers in my demat account with Hem Securities Ltd. Were not from the pool account of Vijay Bhagwandas & Co. but from the demat account of one Altra Clean Operations and Indrapratap Singh from the Notice itself . It may be pointed out that I had purchased the shares of OITL from my broker Vijay Bhagwandas & Co. and as per my knowledge the shares of OITL should have been transferred from its pool account to my demat account maintained with Hem Securities Limited.*
ii. *It is humbly submitted that I was having my trading account and demat account with Vijay Bhagwandas & Co. As far as I remember we had bought these shares on the floor of the exchange. Since I am at complete loss of papers and details pertaining to I am not able to provide you details in support of the same. It is pertinent to note that I have opened my account with Hem Securities Ltd. in the year 2009. Since then I have been operating in the account with Hem Securities Ltd. and therefore it appeared proper for me to shift the shares of OITL which Vijay Bhagwandas & Co. was holding in its pool account on behalf of me. Accordingly, I instructed Vijay Bhagwandas & Co. to transfer the shares to my demat account with Hem Securities Ltd. in order to capitalize profits from the investment in shares of OITL.*
iii. *The shares were sold by me during the month of June, 2009 and the same were duly received by me via transfer of shares from the broker Vijay Bhagwandas & Co. to my demat account with Hem Securities Ltd.*
iv. *It is important to note here that, except the alleged off-market transactions with the entities mentioned in the para under reference, SEBI has not provided a single document, information or ground to connect me with those entities.*
v. *It is humbly submitted that merely because the shares were transferred by my broker Vijay Bhagwandas & Co. from the account of Altra Clean Operations and Indrapratap Singh (about which I was totally unaware) and that too the shares which were duly purchased by me cannot be the sole basis on the basis of which I am alleged to be connected with any of the alleged groups. The Notice fails to show any evidence/ circumstances to show that there was any kind of prior understanding of mine in relation to the alleged manipulation.*
vi. *it is to be noted that my name appears in table at S. No. 30 stating that I have contributed to .35% of the net sales of OITL in the market. In this regard it is submitted that the sale of 50,000 shares*

of OITL by me on the exchange is a matter of record. However, it is to be noted that the same has no connection or relation with the alleged Manish Rathi group. The shares sold by me were independent transactions and the same had nothing to do in relation to the trades executed by the alleged Manish Rathi group. Thus, it is my humble request that the same be viewed independently and objectively without any link up with any of the alleged group entities/individuals.

vii. *With regard to inclusion of me in Category II as per my trading, it is submitted that shares which were sold by me in the market only on three days i.e. June 15- 17, 2009, were never purchased by me in the off market. As stated earlier, these shares were purchased by me through Vijay Bhagwandas & Co. and the same were transferred to my demat account. It is reiterated that due to fire at my office somewhere in the month of April 2011, all the documents pertaining to matter were destroyed and as on date I am not in a position to provide any documents in support of the same thereof.*

viii. *With regard to the sell transactions executed by me in my account, it is submitted that the same were done in the normal course of my trading and had nothing to do with the alleged understanding with any of the alleged Category-I persons/ entities. I had purchased 50,000 shares from the market somewhere in the year 2008 looking at the future prospects of this scrip and it is only after holding these shares for more than a year, in order to earn profits due to the increased prices, I decided to sell the shares in the market. Since during those days I was actively trading with Hem Securities Ltd. I decided to transfer these shares from the pool account of Vijay Bhagwandas & Co. to my demat account with Hem Securities Ltd. It is only on the basis of this I instructed my broker Vijay Bhagwandas & Co. to transfer these shares from its pool account to my demat account.*

ix. *It can be clearly. seen that the sale of 24,009 shares sold by me was not a premeditated scheme but was done as per the movement of the scrip in the market at that point of time.*

x. *It is submitted that the allegation of reversal and circular trades does not arise against me as the shares sold by me were the shares which were purchased by me in 2008 through my own source of funds and which were held by Vijay Bhagwandas & Co., so the shares sold by me were nowhere part of the alleged circularIreversal trades as alleged in the para under reference. Further, it is pertinent to note that on analyzing the complete order log and trade log, it itself becomes clear that the matching of the buy orders and the sell orders was purely coincidental and were devoid of any manipulative evidence. The assumptions drawn in the para under reference are without any evidence and are merely based on the surmises and conjectures.*

Reply dated January 14, 2015

i. *With regard to production of documentary evidence in relation to the proof of payment made to the broker on purchase of shares, it is submitted that due to fire in office, documents related to the accounts were completely destroyed in the month of April 2011. As on date I do not have any document in support of the payment done by me to my broker Vijay Bhagwandas & Co. and after 5 years of time period, it is difficult for me to gather the data from the banks and the brokers.*

ii. *It is important to note that the very fact that the shares were transferred to my demat account by my broker shows that the payment was already made by me. No one will transfer shares in my demat account for free.*

Reply dated February 12, 2018

i. *With regard to the change from one broker to another broker, i.e. form Vijay Bhagwandas & Co. to Hem Securities Limited (hereinafter referred to as "Hem"), it is submitted that by the end of 2008 I was starting to get reports about the irregularities in the dealing of Vijay Bhagwandas & Co. which lead to me being skeptical with continuing with my account with them. Accordingly I opened an account with Hem. Upon the opening of the account* *with Hem, I requested to transfer the shares of OTIL from their pool account to my demat with Hem Securities.*

ii. *It is submitted that even after repeated requests the shares were not transferred to my demat account. It is only upon the sale of the shares of OTIL that they finally transferred to shares to my account. This delay in transferring the shares even upon repeated requests further strengthened my resolve to not to continue my dealings with Vijay Bhagwandas & Co.*

iii. *In this regards, it was submitted that I further did not insist the transfer of shares as I was assured by that the shares are safe in the pool account of the broker and would be transferred to my demat upon my instructions of the same.*

p) Noticee 20, 21, 22 and 23

No reply received

q) Noticee 24

Reply dated March 6, 2018

i. *The funds which were deposited were arranged by Shri Kamal Rathi Thereafter Kolkata group transferred 97500 shares to us which are as follow:*

ii. *On 12/01/2009 36000 shares, on 13/01/2009 16000 shares, on 27/02/2009, 30000 shares and on 4/3/2009 15500 shares. These shares are transfered off market.*

iii. *The above shares were also withdrawn from us off market by Shri Kamal Rathi. The above transactions are done by Shri Kamal Rathi without informing the facts to us.*

iv. *He has also used the names of his employees namely Shri Manish Rathi & Shri lndra Pratap and Gajraj Singh. The funds as well as shares were arranged by Shri Kamal Rathi.*

v. *The cheques and agreement allowing broker to transfer shares via power of attorney were obtained by him by misrepresenting the facts to us.*

vi. *We were promised 0.15% commission of the banking transaction done. Under the circumstance we request you not to link payment of Rs. 25 lakh towards purchase of shares. The rounded up funds cannot be linked for the purchase of shares because the amount of purchase of shares can never be rounded off amount. The funds were provided by Shri Kamal Rathi and we have not contributed anything. Secondly the transactions of transfer of shares are also done without intimating to us. It can also be termed as a loan against shares because the rate and the number of the shares do not tally. In our case funds were belonging to Shri Kamal Rathi. Shares of OITL were also belonging to him. Our name is used for the transactions that only to transfer shares to the entities of Shri Kamal Rathi.*

Reply dated April 20, 2018

i. *We have not issued any bills and contract notes to clients since 2006. The persons who produced contract notes or bills have themselves prepared the same or acquired from the market without our knowledge. The bills are available in the market and can be obtained/ printed without our knowledge.*

ii. *We have stopped the business since 2006, so there are no clients and therefore no KYC are with us of any clients.*

r) Noticee 25, 26, 27, 28 and 29

No reply received

s) Noticee 30

Reply dated November 6, 2013

i. *At the outset, it is submitted that I am not connected to any of the groups as you mentioned "Promoter and Promoter Related Group", "Manish Rathi Group" or "Kolkata Group" and was not aware of existence of any such group or any of the activities of the said alleged groups.*
ii. *While on transacting on this shares, I don't have any fraudulent intentions to do any malpractices or as far as I know it was not in connection with any manipulative or deceptive way of dealing in the said securities or it was not under or in connection with any of the persons or group of person's instructions or connivance.*
iii. *I had purchased the said shares in open market and taken delivery of the said shares and fully paid and settled my account with my broker. Being an individual trader in securities and not having any connections with any of the said 35 other persons against whom the enquiry proceedings had initiated or any of the "said groups" as mentioned above, selling of the said shares through off market cannot be hold as manipulative, fraudulent or unfair trade practice.*
iv. *I was not paid or offered to pay any money or money's worth by any person for dealing in any of the securities or for the purpose of inflating, depressing or causing fluctuation in the price of any securities or not offer any money or money's worth to do the same.*

Reply dated January 19, 2015

i. *I submit that I bought the shares from the open market at various rates through my broker viz. Nirmal Bang Securities Pvt. Ltd.*
ii. *I submit that I told my broker and other acquaintances regarding my intention to sell the shares of OITL on an urgent basis. I came to know through my other sub broker Mr Sandeep Saboo that a couple of persons are interested in buying the shares of OITL.*
iii. *In view of the same as soon as the deal materialized, I submit that since I came to know that investment in shares of OITL is not a very sound investment, I sold all the shares without any second thought*
iv. *I submit and reiterate that I have sold the shares in the market and received the consideration through normal banking channels and submit that such type of transaction is completely within four corners of law and SEBI has never banned or stopped such transactions.*
v. *With reference to observations contained in paragraph 6 of supplementary SCN, I submit, reiterate and deny that I was part of any group called 'Manish Rathi group' or any other group and further deny that I have manipulated the price of the shares of OlTL shares and created artificial volume to enable the two promoter group*

entities to offload the shares at such manipulated price. I once again submit and reiterate that I have dealt in the scrip.

t) Noticee 31

Reply dated January 27, 2015

i. *I am a registered client of M/s India Advantage Limited trading in my own account as an investor/ trader.*
ii. *I am a normal trader/ investor in stock market since 1990. I have various friends from whom I share my information and get information related to market.*
iii. *One of my friends has inform me buy tip in this script's I have my little knowledge in market I say as per my knowledge I don't like investment in this company. One day he told me can I buy some stock from his other clients who don't have account with any other broker and account opening is not possible due to lack of some documents. He transfer fund my account by cheque and I purchase shares in my account and transfer to him.*

u) Noticee 32

Reply dated February 12, 2015

i. *I exactly don't remember the scenario of 2009, but Mr. Bharat Rughani made a condition on me that in order to continue the job, I have to sign necessary documents related to account opening. When I asked them the reason for account opening, they didn't tell me. I had no option left with me, so I signed the bank account opening form. My account was opened in Rupee Co-operative bank, Pali Market, Bandra (west).*
ii. *It's Passbook, Cheque books & all other related documents pertaining to Rupee bank were in his custody. He himself was operating Rupee bank account. I even don't know the said account was operated in single name or joint name, I don't have any records of that bank account & so unable to produce the same.*
iii. *I received first show cause notice on 31.08.2013. I was unable to understand what this matter is about. I called Bharat Rughani and forwarded the hard copy of show cause notice. He had promised me that he will look in to the matter & sort out this matter. I was under that impression that he will do the necessary submission.*
iv. *Then again, second time I received the show cause notice on 05.11.2014.I called Bharat Rughani and forwarded hard copies.*
v. *When I received final reminder from your side on 24.01.2015, then I actually realized that he didn't replied to you both the times because his name is not mentioned anywhere in the notice.*

Reply dated February 25, 2015

i. *Further to inform, on verifying the bank statement, I came to know that most of the times he brought the funds from his personal account & his family members saving accounts (namely Mrs. Neeta Bharat Rughani, & Mr. Akash Bharat Rughani) & made the payment to broker RR Equity brokers Pvt. Ltd.*
ii. *I have not made a single transaction from my regular banks in to Rupee bank, you can very well verify the same.*

iii. *In my previous correspondence reply, I had mentioned that he may be involved in many other frauds of department of sales tax & income tax. In the enclosed bank statement you can see that he brought the funds from his self operated companie s namely Asit traders,Abhiruchi, Subhra enterprise, Pratik trading Co,Ta ldhvaj etc in Rupee bank account, later on all the companies were declared as Hawala companies by department of sales tax, Maharashtra. A copy of Hawala dealers list is enclosed herewith for your reference in which all the above names have been highlighted.*

Reply dated March 11, 2018

i. *I went to Rupee bank at Bandra for getting information for closing of my accounts as you had told me in hearing on dt.06.03.2018, but bank has shifted to Vile Parle, I went there and ask for records, they told its must be with our head office or they are not sure whether they have kept old records with them because its matter of 2009- 10 they have not given me proper answer, they need time to provide the details*

ii. *As mentioned during personal hearing, I have agreed I have opened account with Rupee bank by keeping trust on Mr. Bharat J Rughani as I was working with them. He has intensely misused me, & done some off market transactions.*

iii. *Mrs. Neeta Bharat Rughani Prop. Of M/s. Sai Securities was having sub broking franchisee of RR Equity Broker Pvt. Ltd, where I have opened my demat & trading account. I have never signed off market transaction slips to any entity for this kind of transactions.*

v) Noticee 33, 34, 35

No reply received

8. In order to comply with the principles of natural justice an opportunity of personal hearing was given to the Noticees on various dates by the erstwhile AO and by the undersigned.
9. The status of delivery of hearing notice/s are as under:

Entity	**Hearing Notice dated January 23, 2018**	**Hearing Notice dated February 16, 2018**	**Additional Hearing, if any**
Girraj Kishore Agarwal	Delivered	Delivered	Hearing Notice dated July 19, 2019 - Delivered
Tanu Girraj Kishore Agarwal	Delivered	Delivered	Hearing Notice dated July 19, 2019 - Delivered
Fulchand Raka	Returned undelivered	Published in Times of India, Mumbai and Loksatta on April 13, 2018	
Radha Govind Lashkari (HUF)	Delivered		

Manju Mutha	Delivered	Returned Undelivered. Published in Time of India, Bengaluru and Vijayvani on April 13, 2018	
Radha Lashkari	Delivered		
Sanjay Jain	Delivered		
Dinesh Ghevariya	Delivered		
Rajendra Aggrawal	Delivered	Delivered	
Ramesh Kumar Jain	Delivered	Delivered	
S Raja	Delivered		
Sunita Garg	Delivered		
Jigneshkumar Kapadia	Returned undelivered	Delivered	Hearing Notice dated March 7, 2018 - affixed
Dhiren Kapadia	Delivered	Delivered	
Suresh Chandra Kapadia	Returned undelivered	Returned undelivered	Hearing Notice dated March 7, 2018 - affixed
Raman Goyal	Delivered	Delivered	
Rampal Kalya	Delivered	Delivered	Hearing Notice dated March 7, 2018 - delivered
Govindbhai Patel	Delivered	Delivered	
S Ramesh	Delivered		
Keystone Stock Finance Ltd.	Returned undelivered	Delivered	Hearing Notice dated March 7, 2018 - delivered through email and affixture
Manish Rathi	Returned undelivered	Returned undelivered	Hearing Notice dated March 7, 2018 - affixed
Indra Pratap Gajraj Singh	Returned undelivered	Returned undelivered	Hearing Notice dated March 7, 2018 - delivered through email and affixture
Jitendra Chandrabhan SIngh	Returned undelivered	Returned undelivered	Hearing Notice dated March 7, 2018 - affixed

Alliance Intermediaries and Network Pvt. Ltd.	Delivered	Delivered	
VRP Financial Services Pvt. Ltd.	Returned undelivered	Returned undelivered	Hearing Notice dated March 7, 2018 - affixed
Shiv Kumar Kaushik	Returned undelivered	Returned undelivered	Hearing Notice dated March 7, 2018 - affixed
Rajesh Tukaram Dambre	Returned undelivered	Returned undelivered	Hearing Notice dated March 7, 2018 - affixed
Praveen Vasisth	Returned undelivered	Returned undelivered	Hearing Notice dated March 7, 2018 - affixed
Roshan Jha	Delivered	Delivered	
Shanti Pinto	Delivered	Delivered	Hearing Notice dated March 9, 2018 - delivered
Kaushik Shah	Delivered		
Divya Sushil Kumar Shah	Delivered	Delivered	
Aparna Commodities Pvt. Ltd.	Returned undelivered	Returned undelivered	Published in Times of India, Kolkata and Anandabazar Patrika on April 13, 2018
Uniflex Carrying Co.	Returned undelivered	Returned undelivered	Published in Times of India, Kolkata and Anandabazar Patrika on April 13, 2018
Clocksign Trading Pvt. Ltd.	Returned undelivered	Delivered	

10. The details of their appearance is as under:

Entity	**Appeared before erstwhile AO**	**Appeared before current AO**
Giriraj Kishore Agarwal	✓	✓
Tanu Giriraj Kishore Agarwal	✓	✓
Fulchand Raka	x	x

Radha Govind Lashkari (HUF)	✓	✓
Manju Mutha	x	x
Radha Lashkari	✓	✓
Sanjay Jain	✓	✓
Dinesh Ghevariya	✓	✓
Rajendra Aggrawal	✓	✓
Ramesh Kumar Jain	x	x
S Raja	✓	✓
Sunita Garg	✓	✓
Jigneshkumar Kapadia	x	x
Dhiren Kapadia	x	x
Suresh Chandra Kapadia	x	x
Raman Goyal	x	x
Rampal Kalya	x	✓
Govindbhai Patel	x	x
S Ramesh	✓	✓
Keystone Stock Finance Ltd.	x	x
Manish Rathi	x	x
Indra Pratap Gajraj Singh	x	x
Jitendra Chandrabhan SIngh	x	x
Alliance Intermediaries and Network Pvt. Ltd.	x	✓
VRP Financial Services Pvt. Ltd.	x	x
Shiv Kumar Kaushik	x	x
Rajesh Tukaram Dambre	x	x
Praveen Vasisth	x	x
Roshan Jha	x	x
Shanti Pinto	✓	x
Kaushik Shah	x	✓

Divya Sushil Kumar Shah	✓	✓
Aparna Commodities Pvt. Ltd.	x	x
Uniflex Carrying Co.	x	x
Clocksign Trading Pvt. Ltd.	x	x

11. The first opportunity of personal hearing was given to the Noticees 1 and 2 on January 5, 2015 vide notice dated December 5, 2014 by the erstwhile AO. Noticees 1 and 2, vide letter dated December 31, 2014 sought an extension for the same. Another opportunity of personal hearing was given to the Noticees 1 and 2 on February 5, 2015. The Authorised Representative appeared on the scheduled date and submitted further reply dated February 21, 2015. After the case was transferred to the undersigned, an opportunity of hearing on February 14, 2018 to Noticees 1 and 2 was given. Even after giving the confirmation for attending the personal hearing Noticees 1 and 2 failed to appear on the scheduled date. Another opportunity of personal hearing was given to Noticees 1 and 2 on March 5, 2018. The Noticees 1 and 2, vide letter dated February 27, 2018 informed the undersigned that they intend to file a settlement application and hence did not appear on the scheduled date of personal hearing.

12. The undersigned was informed by the settlement division of SEBI that their settlement application was rejected. Pursuant to the communication, final opportunity of personal hearing was given to Noticees 1 and 2 on July 23, 2019. Noticees 1 and 2 requested for copies of their replies that were submitted to the AO. Scanned copies of their replies dated July 7, 2014, December 18, 2014 and February 21, 2015 was sent to the Noticees 1 and 2 vide email on July 19, 2019. Vide email dated July 22, 2019, Noticees 1 and 2 requested for extension of personal hearing. Acceding to their request, final opportunity of personal hearing was given to Noticees 1 and 2 on July 26, 2019. The Authorised Representative (AR) appeared on the scheduled date and sought for another opportunity of personal hearing. The AR was advised to make oral submission if any, However AR insisted on another opportunity of hearing, on which undersigned had informed that already enough opportunities have been given and their replies are already on record, therefore no further opportunity of personal hearing shall be given to them. Acceding to their request I had provided them time till July 29, 2019 to submit

further written additional submission, if any. The Noticees 1 and 2 had made further submissions vide letter dated July 29, 2019.

13. Noticees 1 and 2 have been given enough opportunities of personal hearing, both by the erstwhile AO and the undersigned. They have submitted 4 replies which has been considered. On their request copies of their old replies were sent to them via email. They had been informed that last opportunity of personal hearing was being given to them and time was given to submit written statement, if needed. I do not find any reason to give them another opportunity of personal hearing. This appears to be an attempt to prolong the proceedings which they have been doing by avoiding personal hearings , filing settlement application and asking copy of their own reply submitted to SEBI.

CONSIDERATION OF ISSUES AND EVIDENCE

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

    (a) Whether the Noticees 1 to 33 had violated the provisions of regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), (b), (e) and (g) of PFUTP Regulation?
    (b) Further whether Noticees 21 to 33 had violated regulation 4(2)(d) of PFUTP Regulations?
    (c) Whether Noticees 34 to 36 had violated regulations 3(a), (b), (c), (d), 4(1), 4(2)(a) and (d) of PFUTP Regulation?
    (d) Do the violations, if any, on the part of the Noticee attract monetary penalty under section 15HA of SEBI Act for the alleged violation?; and,
    (e) If so, what would be the quantum of monetary penalty that can be imposed on the Noticee after taking into consideration the factors mentioned in section 15J of the SEBI Act?

15. Before proceeding further, I would like to refer to the relevant provisions of the PFUTP regulations:

    <u>Relevant provisions of PFUTP Regulations:</u>

Prohibition of certain dealings in securities

3. *No person shall directly or indirectly—*

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

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

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

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

4. Prohibition of manipulative, fraudulent and unfair trade practices

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

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

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

(b) dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;

(c) ……….

(d) paying, offering or agreeing to pay or offer, directly or indirectly, to any person any money or money's worth for inducing such person for dealing in any security with the object of inflating, depressing, maintaining or causing fluctuation in the price of such security;

(e) any act or omission amounting to manipulation of the price of a security;

(f)……………

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

16. I note from the documents on record that the abovementioned Noticees have been divided into three groups:

    i) Giriraj, Tanu, Keystone, VRP, Deepti Sales Corporation (proprietor – Shiv Kumar) and Anmol Finance Company (proprietor- Rajesh) are collectively referred to as **Promoter Group.**

    ii) Manish (Altra Clean Operations), Jitendra (Altra Clean Operations), Indra Pratap (Amizara Securities & Finance), Fulchand, Radha HUF, Manju, Radha, Sanjay, Hem, Dinesh, Rajendra, Ramesh, Raja, Praveen (Ganesh Trading Comapny), Sunita, Jignesh, Dhiren, Suresh, Raman, Rampal, Roshan, Govind, Shanti, Ramesh, Kaushik, Divya are collectively referred to as **Manish Rathi Group.**

iii) Aparna, Uniflex, Clocksign are collectively referred to as **Kolkata Group.**

17. The connections between various group entities is as under:

Basis of Connections between various entities		
Sr. No.	**Client Name**	**Basis of Connection**
Promoter and Promoter-related Group		
1.	VRP Financial Services Ltd.	Pradeep Dhanuka is the promoter of the company. Transferred OITL shares in the off market to Indrapratap Singh, Radha Govind Laskhari, and Hem Jain.
2.	Deepti Sales Corporation (Proprietor : Shiv Kumar Kaushik)	Both the entities have common telephone no. i.e. 9324591724 with that of VRP Financial Services Ltd. (Pradeep Dhanuka). Transferred OITL shares in the off market to Radha Govind Laskhari, Hem Jain and Radha Govind Laskhari HUF.
3.	Anmol Finance Company (Proprietor : Rajesh Tukaram Dambre)	
4.	Keystone Stock Finance Ltd.	Promoter of OITL. Transferred shares to Indra Pratap Gajraj Singh in the off market towards the start of investigation period.
5.	Giriraj Kishore Agrawal	Director of Keystone Stock Finance Ltd., Kushagra Software, Tanu Healthcare Ltd. which are promoter entities of OITL. Also husband of Tanu Agrawal, one of the individual promoters of OITL. Sold shares of OITL close to the peak of the scrip price during investigation period.
6.	Tanu Giriraj Agrawal	Director of Keystone Stock Finance Ltd., and one of the promoters of OITL who sold shares close to the peak of scrip price during investigation period. Wife of Giriraj Kishore Agrawal.
Manish Rathi Group		
7.	Amizara Securities & Finance (Proprietor : Indra Pratap Singh)	Received shares in the offmarket from OITL Promoter viz; Keystone Stock Finance Ltd and also from VRP Financial Services Ltd. (Pradeep Dhanuka). Transferred shares in the offmarket to several Manish Rathi Group entities.
8.	Altra Clean Operations (Manish Rathi)	The entity has common telephone i.e. 28781495 which is registered in the name of Amizara Securities & Finance. Also telephone no. i.e. 28765291 is registered in the name

9.	Altra Clean Operations (Jitendra Chandrabhan Singh)	of Altra Clean Operation (Manish Rathi). Transferred OITL shares in the offmarket to Indra Pratap Singh and several group entities.
10.	Roshan Jha	Transferred shares in the offmarket to Altra Clean Operation.
11.	Divya Sushil Kumar Shah	Transferred shares in the offmarket to Amizara Securities & Finance (Indrapratap Singh), Altra Clean Operation and Raman Goyal
12.	Manju Mutha	Received shares in the offmarket from Altra Clean Operation and Indrapratap Singh
13.	Radha Lashkari	Received shares in the offmarket from VRP Financial Services Ltd. / Deepti Sales Corporation / Anmol Finance/ Altra Clean Operation and Indrapratap Singh
14.	Radha Govind Lashkari HUF	Received shares in the offmarket from Deepti Sales Corporation / Anmol Finance/ Altra Clean Operation and Indrapratap Singh
15.	Hem Jain	Received shares in the offmarket from VRP Financial Services Ltd. and Deepti Sales Corporation.
16.	Dhiren Kapadia	Entities no.16- 26 received shares in the offmarket from Altra Clean Operations and Indra Pratap Singh
17.	Jigneshkumar Kapadia	
18.	S Raja	
19.	Sanjay Jain	
20.	Dinesh Ghevariya	
21.	Fulchand Raka	
22.	Rampal Kalya	
23.	Sureshchandra Kapadia	
24.	Raman Goyal	
25.	Govindbhai Patel	
26.	Rameshkumar jain	
27.	Rajendra Agarwal	Received shares in the offmarket from Indra Pratap Singh
28.	S Ramesh	Received shares in the offmarket from Altra Clean Operation and Indrapratap Singh
29.	Sunita Garg	Received shares in the offmarket from Indrapratap Singh

30.	Kaushik Shah	Transferred shares in the offmarket to Rampal Kalya, Dhiren Kapadia and S. Ramesh
31.	Ganesh Trading Company (Proprietor - Praveen Vasisth)	Transferred shares in the offmarket to Manju Mutha and Radha Govind Lashkari HUF. Proprietor - Praveen Vasisth is also promoter entities of Trask Infrastructure Ltd. (one of the promoter of OITL)
32.	Shanti Pinto	Transferred shares in the offmarket to Hem Jain and Radha Govind Lashkari HUF
	Kolkata Group	
33.	Clock sign Trading Pvt. Ltd.	Common Address i.e. 1, R.N. Mukherjee Road, Mezanine Floor, Room No.12, Kolkata, West Bengal-700001. Clock sign transferred OITL shares in the offmarket to Uniflex Carrying Co and received shares from Aparna, Samriddhi and also Uniflex. Samriddhi has transferred shares to Clock sign and Chak De. Chak De received shares from Samriddhi.
34.	Samriddhi Commotrade Pvt. Ltd.	
35.	Chak De Trading Pvt. Ltd.	
36.	Aparna Commodities Pvt. Ltd.	Common Address i.e. 6, Brabourne Road, Gr. Floor, Room no.G-9, Kolkata , West Bengal - 700001. Transferred OITL shares in the offmarket to Alliance Intermediateries & Network Ltd. Uniflex has received OITL shares in the offmarket from Clocksign and Aparna
37.	Uniflex Carrying Co. Ltd.	
	Common Entity	
38.	Alliance Intermediateries & Network Ltd.	Made payment of ₹ 25 lakh to Manish Rathi prior to start of investigation period. Also transferred 10,000 OITL shares to Manish Rathi & received 97,500 OITL shares in the offmarket from Kolkata group entities (viz; Aparna and Uniflex).

18. It is noted that at the start of the investigation period Girraj, promoter group entity held 1,53,700 shares of the company. Of these, he sold 1,51,186 shares of the company , i.e. more than 98% of his holding on just 5 days during the investigation period, viz. July 30, 2009, August 3, 2009, August 13, 2009 and August 14, 2009 at an average sell rate of approx. ₹ 225.35. Likewise, at the start of the investigation period Tanu, another promoter group entity held 95, 400 shares of the company. During the investigation period Tanu offloaded her entire holding of 95,400 shares in just 4 days during the investigation period from August 24, 2009 to August 27, 2009 at price ranging from ₹ 236 to ₹ 241.50 (average sell rate ₹ 239).

19. It is observed from the trading pattern of the Noticees that there are broadly 2 types of persons:
    a) Persons who had predominantly sold shares in the off-market and purchased OITL shares on the exchange (hereinafter categorized to as “Category 1 persons)

b) Persons who had predominantly purchased OITL shares in the off-market and sold on the exchange (hereinafter categorized as Category II persons)

20. Trading details of **Category I** persons in OITL scrip in off-market and on exchange during investigation period is as under:

Details of trades by Category I persons											
Sr. No .	**Particulars**	**Off-market Trades**					**Exchange Trades**				
		Buy	**% of Cate-gory Total**	**Sell**	**% of Cate-gory Total**	**Net (Buy-Sell)**	**Buy**	**% of Cate-gory Total**	**Sell**	**% of Category Total**	**Net (Buy-Sell)**
Promoter Group and Promoter related Group											
1	VRP Financial Services P.Ltd	7000	0.30	450476	4.14	-443476	497731	4.80	2118	0.35	495613
2	Shiv K.Kaushik (Deepti Sales)	0	0.00	249409	2.29	-249409	251203	2.42	896	0.15	250307
3	Rajesh T. Dambre (Anmol Fin)	0	0.00	133100	1.22	-133100	243441	2.35	8060	1.32	235381
4	Keystone Stock Finance Ltd.	0	0.00	71806	0.66	-71806	0	0.00	0	0.00	0
Manish Rathi Group											
4	Indra Pratap Singh	438855	18.60	2608262	23.98	-2169407	2355135	22.72	314040	51.28	2041095
5	Manish Rathi	559458	23.72	5099666	46.89	-4540208	5151176	49.70	149790	24.46	5001386
6	Jitendra C. Singh	48240	2.04	106494	0.98	-58254	223409	2.16	52813	8.62	170596
7	Praveen Vasishth (Ganesh Tr.C)	0	0.00	131600	1.21	-131600	132691	1.28	0	0.00	132691
8	Roshan Jha	0	0.00	194350	1.79	-194350	181000	1.75	9650	1.58	171350
9	Shanti Pinto	0	0.00	91400	0.84	-91400	91500	0.88	100	0.02	91400
10	Kaushik Shah	169203	7.17	77300	0.71	91903	219954	2.12	52944	8.65	167010
11	Divya Sushil Kumar Shah	84906	3.60	101406	0.93	-16500	105056	1.01	1000	0.16	104056
Kolkata Group											
12	Clocksign Trading Pvt Ltd.	305696	12.96	520902	4.79	-215206	257600	2.49	20000	3.27	237600
13	Samriddhi Comm. Pvt.Ltd.	9788	0.41	84500	0.78	-74712	108599	1.05	1000	0.16	107599

14	Aparna Commodities Pvt.Ltd.	247751	10.50	263751	2.42	-16000	208750	2.01	0	0.00	208750
15	Uniflex Carrying Co.	40950	1.74	188660	1.73	-147710	127500	1.23	0	0.00	127500
Common Entity											
16	Alliance Intermediateries	447150	18.96	503300	4.63	-56150	209550	2.02	0	0.00	209550
	Total of Category I persons	**2358997**	**100.00**	**10876382**	**100.00**	**-8517385**	**10364295**	**100.00**	**612411**	**100.00**	**9751884**

21. Trading details of **Category II** persons in OITL scrip in off-market and on exchange during investigation period is as under:

Details of trades by Category II persons											
Sr.	**Particulars**	**Off-market Trades**					**Exchange Trades**				
No.	**Name of client**	**Buy**	**% of Category Total**	**Sell**	**% of Category Total**	**Net**	**Buy**	**% of Category Total**	**Sell**	**% of Category Total**	**Net**
Promoter and Promoter-related group											
1	Giriraj Kishore Agarwal*	0	0	0	0	0	0	0	151186	5.64	-151186
2	Tanu Giriraj Kishore Agarwal*	0	0	0	0	0	0	0	95400	3.56	-95400
Manish Rathi group entities											
3	Fulchand Raka	94000	3.96	0	0	94000	0	0	94000	3.50	-94000
4	Radha Govind Lashkari (HUF)	168400	7.10	0	0	168400	0	0	168400	6.28	-168400
5	Manju Mutha	88922	3.75	12250	32.89	76672	11935	45.06	116175	4.33	-104240
6	Radha Lashkari	679500	28.63	0	0	679500	0	0	690050	25.72	-690050

7	Sanjay Jain	110500	4.66	0	0	110500	0	0	110500	4.12	-110500
8	Hem Jain	138000	5.81	0	0	138000	0	0	138000	5.14	-138000
9	Dinesh Ghevariya	105000	4.42	0	0	105000	0	0	105000	3.91	-105000
10	Rajendra Aggrawal	55000	2.32	0	0	55000	0	0	55000	2.05	-55000
11	Ramesh Kumar Jain	51897	2.19	0	0	51897	0	0	61000	2.27	-61000
12	S Raja	114800	4.84	0	0	114800	0	0	114800	4.28	-114800
13	Sunita Garg	50000	2.11	0	0	50000	0	0	50000	1.86	-50000
14	Jigneshkumar Kapadia	135000	5.69	0	0	135000	0	0	135000	5.03	-135000
15	Dhiren Kapadia	135000	5.69	0	0	135000	0	0	135000	5.03	-135000
16	Suresh Chandra Kapadia	130000	5.48	0	0	130000	0	0	108000	4.03	-108000
17	Raman Goyal	70000	2.95	0	0	70000	0	0	70000	2.61	-70000
18	Rampal Kalya	86000	3.62	0	0	86000	0	0	91000	3.39	-91000
19	Govindbhai Patel	64900	2.73	0	0	64900	0	0	64900	2.42	-64900

20	S Ramesh	50000	2.11	0	0	50000	0	0	50000	1.86	-50000
Kolkata Group											
21	Chak De Trading Pvt. Ltd.	46280	1.95	25000	67.11	21280	14550	54.94	79000	2.95	-64450
	Total of Category II persons	**2373199**	**100.00**	**37250**	**100.00**	**2335949**	**26485**	**100.00**	**2682411**	**100.00**	**-2655926**
Note : * Promoter entities who sold shares close to peak price during investigation period.											

22. None of the persons mentioned in Category I could give an explanation for the off-market transfer of shares by them. Shanti insisted that the shares were sold in the market through her broker Nirmal Bang.

23. A perusal of the trading activities of the aforesaid entities indicates circular / reversal pattern, wherein shares of OITL were initially purchased in off-market by Category II entities from Category I entities and later reversed on the exchange through sell trades by Category II entities to category – I entities. An illustration of this circular trading pattern between Category I and Category II entities is demonstrated by the trades between Manish, Indra and Fulchand is as under:

Details of Circular Trading Pattern of trades by Fulchand Raka (PAN No.: AABPR8367G)							
Exchange Sell Trades of Fulchand Raka				**Offmarket Buy (Cr)Trades of Fulchand Raka (BO ID: IN302236 11598940)**			
Trade Date	**Client Code**	**Name of Counter-party (Buyer)**	**Quantity**	**Execution Date**	**Source BO ID (Seller)**	**Source First Holder Name (Seller)**	**Quantity**
5/11/2009	KAB353	Praveen Vasishth	2000	5/8/2009	1205280000001140	Indra Pratap Singh	10,000
	253662	Manish Rathi	5500				
	A1133	Manish Rathi	500				

	MB1001	Manish Rathi	2000				
		Sub-total (A)	**10000**			**Sub-total (A)**	**10,000**
28-05-2009	253662	Manish Rathi	9500	27-05-2009	IN30198310511795	Manish Rathi	10,000
	A1133	Manish Rathi	500				
		Sub-total (B)	**10000**			**Sub-total (B)**	**10,000**
6/2/2009	253662	Manish Rathi	6000	6/1/2009	IN30198310511795	Manish Rathi	10,000
	403000275	Manish Rathi	3000				
	A1133	Manish Rathi	1000				
		Sub-total (C)	**10000**			**Sub-total (C)**	**10,000**
18-06-2009	253662	Manish Rathi	1000	16-06-2009	IN30198310511795	Manish Rathi	10,000
	A1133	Manish Rathi	500				
	MB1001	Manish Rathi	4000				
	A100	Indra Pratap Singh	4500				
		Sub-total (D)	**10000**			**Sub-total (D)**	**10,000**
24-06-2009	A052	Indra Pratap Singh	5000	23-06-2009	IN30198310511795	Manish Rathi	10,000
	A200	Jitendra C. Singh	5000				
		Sub-total (E)	**10000**			**Sub-total (E)**	**10,000**
7/1/2009	KAB107	Pradeep N. Dhanuka	9999	30-06-2009	1203030000046550	Manish Rathi	10,000
	A1133	Manish Rathi	1				
		Sub-total (F)	**10000**			**Sub-total (F)**	**10,000**
7/8/2009	KAB352	Shiv Kumar Kaushik	9400	7/7/2009	IN30198310511795	Manish Rathi	10,000
	253662	Manish Rathi	600				
		Sub-total (G)	**10000**			**Sub-total (G)**	**10,000**
14-07-2009	253662	Manish Rathi	10000	13-07-2009	IN30198310511795	Manish Rathi	14,000

	A1133	Manish Rathi	1810				
	MB1001	Manish Rathi	2190				
		Sub-total (H)	**14000**			**Sub-total (H)**	**14,000**
21-07-2009	JV	JV	142	17-07-2009	IN30198310511795	Manish Rathi	10,000
	253662	Manish Rathi	3858				
	MB1001	Manish Rathi	3000				
	A200	Jitendra C. Singh	3000				
		Sub-total (I)	**10000**			**Sub-total (I)**	**10,000**
Grand Total of all Exchange Trades			**94000**	**Grand Total of all Offmarket Trades**			**94,000**

24. A similar circular pattern were also observed on perusal of trading activities of Category II entities viz, Radha HUF, Manju, Radha, Sanjay, Hem, Dinesh, Rajendra, Ramesh, Raja, Sunita, Jignesh, Dhiren, Suresh, Raman, Rampal, Govind and Ramesh. It was noted that almost all Category II entities received shares of OITL in off-market from either Manish or Indra Pratap and a few other Category I entities *viz:* Jitendra, VRP and Kaushik.

25. A perusal of the trade and order log along with the circular/reversal trading pattern indicates that the entity placing the sell order on exchange had previously purchased/ received the OITL shares in the offmarket from either the Promoter Group and/or the Manish Rathi Group and later placed the sell order at a price higher than previous trade rate. The buying entity has placed the buy order later at a rate equal to or higher than the sell order rate thereby having a positive impact on the price. It was further noted that some of these trades were first trades for the day. A few examples are as under:

Examples of Price Manipulation due to circular trading pattern between connected entities

Date	Trade(T) / Order(O)	Trade Id	Buy Member Code	Buy client code	Buy Order No	Buy Order Rate (₹)	Buy Order Time	Buy Order Qty	Sell Member Code	Sell Client Code	Sell Order No.	Sell Order Rate (₹)	Sell Order Time	Sell Order Qty	Traded Price	Trade Time	Traded Qty	LTP impact (₹)	LTP impact %
Dhiren Kapadia (Client code: 76172) bought 1,35,000 OITL shares in the offmkt. from Manish Rathi (Client code:A1133), Indra P. Singh & Kaushik Shah from 19/1/2009 to 28/1/2009																			
21-01-2009	PT	56	921	4921	92120300020764243	0	15:29:56	600	194	DJ046	19420200000119501	65.8	15:16:01	1000	**65.8**	15:29:57	600	0	0
22-01-2009	SO	-	-	-	-	-	-	-	121	76172	12125100000001069	**69**	10:24:23	10000	-	-	-	-	-
	BO	-	911	A1133	91120300000044953	**69**	10:36:17	750	-	-	-	-	-	-	-	-	-	-	-
	T	1	911	A1133	91120300000044953	**69**	10:36:17	750	121	76172	12125100000001069	**69**	10:24:23	10000	**69**	10:36:17	750	***3.2***	***4.63***
Suresh Kapadia (Client code: 76173) bought 1,30,000 OITL shares in the offmkt. from Manish Rathi (Client code:A1133) & Indra P. Singh from 28/1/2009 to 2/4/2009																			
10-02-2009	PT	1	3015	Q254	301520600000513600	81	10:28:45	20	3020	JJ14	302020700020304727	81	10:19:23	100	**81**	10:28:45	20	-3.9	-4.81
	SO	-	-	-	-	-	-	-	121	76173	12125100000001819	**83.4**	10:59:27	5000	-	-	-	-	-
	BO	-	911	A1133	91120400000235015	**83.4**	10:59:34	1500	-	-	-	-	-	-	-	-	-	-	-
	T	2	911	A1133	91120400000235015	**83.4**	10:59:34	1500	121	76173	12125100000001819	**83.4**	10:59:27	5000	**83.4**	10:59:34	1500	***2.4***	***2.87***
Nathmal Ramesh Kumar (Client code: RA3571) bought 51,897 OITL shares in the offmkt. from Indra P Singh (Client code:A100) and Manish Rathi from 7/1/2009 to 14/3/2009 (Refer to Note 4)																			
20-02-2009	PT	34	3036	9024	303620200000272878	102.4	12:30:14	2000	3004	KI357	300472800000044581	102.4	12:29:43	1000	**102.4**	12:30:14	1000	0	0
24-02-2009	SO	-	-	-	-	-	-	-	3004	RA3571	300472800000044632	**103.5**	11:25:24	5000	-	-	-	-	-
	BO	-	922	A100	92202100000004632	**103.5**	11:27:09	2000	-	-	-	-	-	-	-	-	-	-	-
	T	1	922	A100	92202100000004632	**103.5**	11:27:09	2000	3004	RA3571	300472800000044632	**103.5**	11:25:24	5000	**103.5**	11:27:09	2000	***1.1***	***1.06***
Govindbhai Patel (Client code: YG045) bought 64,900 OITL shares in the offmkt. from Manish Rathi (Client code: 403000275) from 27/1/2009 to 3/3/2009																			
02-03-2009	PT	26	3036	9024	303620200000276202	101.5	12:58:32	2000	194	ZSGN2	19400900020150877	101.5	12:50:07	6000	101.5	12.58.32	1000	0	0
	PT	42	911	A1133	91120400000241035	101.5	13:49:42	500	194	ZSGN3	19400900020150881	101.5	13:03:06	6000	**101.5**	13.49.42	100	0	0
	SO	-	-	-	-	-	-	-	194	YG045	19400400020213829	**102.9**	13:09:39	4500	-	-	-	-	-
	BO	-	313	403000275	31301300020201226	**102.9**	13:58:18	2500	-	-	-	-	-	-	-	-	-	-	-
	T	43	313	403000275	31301300020201226	**102.9**	13:58:18	2500	194	YG045	19400400020213829	**102.9**	13:09:39	4500	**102.9**	13.58.18	2500	***1.4***	***1.36***
Radha G. Lashkari (Client code: 11R536) bought 6,79,500 OITL shares in the offmkt. from Indra P. Singh (Client code:A100), Promoter entities, Manish Rathi, from 24/4/2009 to 15/7/2009																			
20-05-2009	PT	18	921	4934	92120100020973271	101	15:29:46	5000	909	12468	90900400020124338	101	15:21:51	5000	**101**	15.29.46	5000	-6.5	-6.43
	SO	-	-	-	-	-	-	-	248	11R536	24807400020444252	**102.75**	15:40:14	5000	-	-	-	-	-
	BO	-	922	A100	92202100000000027	**102.8**	15:51:02	2500	-	-	-	-	-	-	-	-	-	-	-
	T	19	922	A100	92202100000000027	**102.8**	15:51:02	2500	248	11R536	24807400020444252	**102.75**	15:40:14	5000	**102.75**	15.51.02	2500	***1.75***	***1.7***
Sanjay Jain (Client code: 11S207) bought 1,10,500 OITL shares in the offmkt. from Manish Rathi (Client code:253662), Indra P Singh from 17/06/2009 to 7/8/2009. (Refer to Note 5)																			
17-06-2009	PT	94	910	FF2005	17000005032051	103.7	15:27:59	300	921	4921	22000006038835	103.65	15:29:14	500	103.65	15.29.14	500	-0.35	-0.33
18-06-2009	PT	1	911	A1133	20000004030793	103	13:17:26	100	368	4533	20000004030365	103	13:14:24	5000	103	13.17.27	100	-0.65	-0.63
	PT	21	125	253662	20000004040529	105	14:22:40	5000	797	KEAJ	19000004024247	103	13:31:41	1000	**103**	14.22.40	1000	0	0
	SO	-	-	-	-	-	-	-	248	11S207	20000004010679	**108.5**	10:31:41	5000	-	-	-	-	-
	SO(M)	-	-	-	-	-	-	-	248	11S207	20000004010679	**105**	13:01:37	5000	-	-	-	-	-
	BO	-	125	253662	20000004040529	**105**	14:22:40	5000	-	-	-	-	-	-	-	-	-	-	-
	T	22	125	253662	20000004040529	**105**	14:22:40	5000	248	11S207	20000004010679	**108.5**	10:31:41	5000	**105**	14.22.40	1155	***2***	***1.9***

Note:

1 Abbreviations : PT = Previous Trade, BO= Buy Order, SO= Sell Order, SO(M)= Modified sell order, T= Trade

2 Details of Offmarket trades have been enclosed in Annexure V-A to V-Q

3 Examples with two dates are those indicating first trades being executed at higher traded price.

4 Feb 21 = Sat, Feb 22 = Sun, Feb 23 = BSE Holiday (Mahashivratri)

5 Although Sanjay Jain's sell order of 5000 OITL shares @ ₹108.5 was placed at 10:31:41, the first trade for the day was executed at 13:14:24 and the previous day's last trade was executed at ₹103.65. Sanjay Jain's sell order of 5000 shares was then modified at 13:01:37 to ₹105 & partially matched to extent of 1155 shares at 14:22:40.

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26. The price rise in the scrip of OITL at BSE was observed mainly in two patches during the investigation period. Details are as follows:

- **Price rise Patch I: (Period: January 29, 2009 to February 18, 2009)**
  - During Patch I period, price of the scrip rose from ₹68 on January 29, 2009 to ₹108.90 on February 18, 2009 in 15 trading days. It was observed that the price of the scrip of OITL touched new high levels on 27 occasions during Patch I with buy trades from Manish Rathi (15 times) and Indra Pratap Singh (6 times) accounting for a majority of the same while remaining 6 instances were scattered.
  - A perusal of the first trades during Patch I indicated that in case of 13 out of 15 first trades, there was positive price variation when compared to the previous trading day's closing price of which Manish Rathi accounted for 9 first trades and Indra Pratap Singh accounted for 1 first trade. Further, the 15 first trades resulted in a price rise of ₹31.70 in the scrip of which Manish Rathi (₹21.35) and Indra Pratap Singh (₹3.65) together accounted for a price rise of ₹25.00.

- **Price rise Patch II: (Period: June 24, 2009 to August 28, 2009)**
  - During Patch II period, price of the scrip rose from ₹109.55 on June 24, 2009 to a high of ₹243.50 on August 28, 2009 to close at ₹239.55 on the same day in 48 trading days. The price of the scrip touched new high levels on 112 occasions during Patch II. Trades by the Manish Rathi Group accounted for 41 high levels of which trades by Manish Rathi himself accounted for 34 new price levels during the patch.
  - Of the 48 first trades during Patch II, 26 first trades had a positive price variation while 20 first trades had a negative price variation when compared to the previous trading day's closing price. The remaining 2 first trades had no price variation impact over the previous day's closing price. Of the aforesaid 26 first trades having positive price variation, the 3 groups together accounted for 10 first trades wherein 5 first trades where attributed to Manish Rathi, while the Promoter group and the Kolkata group accounted for 2 each and Kaushik Shah of the Manish Rathi group accounted for 1 trade. The 48 first trades had a total impact of ₹35.70 on the price of the scrip.

Last Trade Price (LTP) Analysis

27. LTP Analysis for the investigation period was carried out. The LTP variation during the investigation period was between the range of –10.27 % to 11.43%. Details of Group wise trades and their net impact on the scrip price is as under:

LTP Analysis of Trades during Whole Investigation Period

Sr. No.	Name of Buy client	(-) LTP Diff			LTP Diff = NIL			(+)LTP Diff > 0			TOTAL			LTP variation		% LTP variation	
		No. of Trades	Total Qty	Net Impact of trades on price (₹)	No. of Trades	Total Qty	Net Impact of trades on price (₹)	No. of Trades	Total Qty	Net Impact of trades on price (₹)	No. of Trades	Total Qty	Net Impact of trades on price (₹)	Min (₹)	Max (₹)	Min %	Max %
Promoter and Promoter-related Group																	
1	VRP Financial Services P.Ltd	31	33663	-12.75	239	371663	0	64	92405	63.25	334	497731	50.5	-1.25	7.05	-1.23%	7.44%
2	Shiv K. Kaushik (Deepti Sales Corp)	6	1510	-3.65	137	216073	0	20	33620	14.45	163	251203	10.8	-2.05	7	-1.58%	4.51%
3	Rajesh Dambre (Anmol Finance Co.)	18	7009	-12.3	234	211752	0	20	24680	40.1	272	243441	27.8	-5	6.75	-5.05%	6.26%
4	Keystone Stock Finance Ltd.*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Giriraj Kishore Agarwal*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Tanu Giriraj Agrawal*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total of Promoter Group (A)	**55**	**42182**	**-28.7**	**610**	**799488**	**0**	**104**	**150705**	**117.8**	**769**	**992375**	**89.1**				
Manish Rathi Group																	
7	Indra Pratap Singh (Amizara Sec & Fin.)	86	162080	-66.85	1611	2005968	0	127	187087	197.9	1824	2355135	131.05	-6	9.3	-6.66%	8.18%
8	Manish Rathi (Altra Clean Ops)	417	438186	-481.95	3114	3778658	0	748	934282	952.75	4279	5151126	470.8	-10.4	18.3	-9.94%	11.43%
9	Jitendra C. Singh (Altra Clean Ops)	19	38814	-27.85	113	136522	0	38	48073	65	170	223409	37.15	-8.5	15	-3.61%	2.46%
10	Fulchand Raka*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Radha Govind Lashkari (HUF)*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Manju Mutha	4	3120	-1.95	11	5360	0	7	3455	5.45	22	11935	3.5	-1	2.1	-0.80%	1.12%
13	Radha Lashkari*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Sanjay Jain*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Hem Jain*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Dinesh Ghevariya*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Rajendra Aggrawal*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Nathamal Ramesh Kumar*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	S Raja*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Praveen Vasisth (Ganesh Trad. Co.)	6	12000	-3.7	56	108681	0	6	12010	9.3	68	132691	5.6	-1.75	4.9	-1.22%	4.45%
21	Sunita Garg*	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
22	Jigneshkumar Kapadia*	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
23	Dhiren Kapadia*	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
24	Suresh Chandra Kapadia*	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
25	Raman Goyal*	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
26	Rampal Kalya*	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
27	Roshan Jha	24	71300	-20.4	40	72489	0	12	37211	21.1	76	181000	0.7	-2	4.95	-0.91%	2.09%
28	Govindbhai Patel*	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
29	Shanti Pinto	0	0	0	61	85400	0	4	6100	9.95	65	91500	9.95	0	6	0%	6.25%
30	S Ramesh	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-
31	Kaushik Shah	11	13930	-12.25	130	173698	0	16	32326	48.35	157	219954	36.1	-5.5	18.85	-5.78%	10.53%
32	Divya Sushil Kumar Shah	5	18050	-6.1	48	69096	0	11	17910	14.15	64	105056	8.05	-4.75	9.5	-4.52%	8.55%
	Total of Manish Rathi Group (B)	**572**	**757480**	**-621.05**	**5184**	**6435872**	**0**	**969**	**1278454**	**1323.95**	**6725**	**8471806**	**702.9**				
Kolkata Group																	
33	Clocksign Trading Pvt Ltd.	13	73600	-13	29	113351	0	13	70649	18.8	55	257600	5.8	-2.1	8.15	-1.91%	7.91%
34	Samriddhi Commotrade Pvt.Ltd.	5	32500	-12.75	21	67099	0	3	9000	2.65	29	108599	-10.1	-8.85	1.8	-8.67%	0.96%
35	Chak De Trading Pvt.Ltd.	1	50	-4.2	6	14500	0	-	0	-	7	14550	-4.2	-4.2	0	-5.25%	0%
36	Aparna Commodities Pvt.Ltd.	19	37250	-74	111	166496	0	4	5004	4.5	134	208750	-69.5	-8.5	3.75	-8.76%	3.57%
37	Uniflex Carrying Co.	5	15000	-6.75	40	107500	0	1	5000	3.1	46	127500	-3.65	-4.4	3.1	-5.22%	3.26%
	Total of Kolkatta Group (C)	**43**	**158400**	**-110.7**	**207**	**468946**	**0**	**21**	**89653**	**29.05**	**271**	**716999**	**-81.65**				
Common Entity																	
38	Alliance Inter. & Network Pvt. Ltd.	12	20850	-18.1	132	164453	0	14	24247	29.6	158	209550	11.5	-4.5	6.65	-4.56%	8.18%
	Total of Common entities (D)	**12**	**20850**	**-18.1**	**132**	**164453**	**0**	**14**	**24247**	**29.6**	**158**	**209550**	**11.5**				
	GRAND TOTAL (A+B+C+D)	**682**	**978912**	**-778.55**	**6133**	**7868759**	**0**	**1108**	**1543059**	**1500.4**	**7923**	**10390730**	**721.85**	**-10.4**	**18.85**	**-9.94%**	**11.43%**

Note: * = Sellers on the Exchange

28. During the investigation period, the three groups along with Alliance Intermediaries together placed 7,923 trades (62.92 % of gross) which had a net positive impact[1] of ₹721.85 on the scrip price during the period. LTP variation of all groups was in the range of -9.94% to 11.43%. The top contributors to the increase in scrip price were Manish Rathi (4279 trades with a net positive impact of ₹470.8), Indra Pratap Singh (1824 trades with a net positive impact of ₹131.05), VRP Financial Services P.Ltd (334 trades with a net positive impact of ₹50.5), Jitendra C. Singh (170 trades with a net positive impact of ₹37.15) and Kaushik Shah (157 trades with a net positive impact of ₹36.10).

Patch-I LTP Analysis

29. During 15 trading days of Patch-I period, LTP variation of all trades was in the range of -10.14% to 9.21%. Of the 865 trades executed during Patch I, the three groups together contributed ₹85.45 to the rise in scrip price through 722 trades during the patch. LTP variation of all groups during Patch I was in the same range.

30. It was observed that the largest net positive impact on the scrip price was ₹40.05 by Manish Rathi who placed 420 buy trades followed by Indra Pratap Singh who placed 255 trades which contributed ₹37.6 to the rise in scrip price.

Patch-II LTP Analysis

31. During 48 trading days of Patch-II period, LTP variation was in the range of -9.11% to 11.43%. Of the 5,826 trades executed during Patch II, the three groups together contributed ₹798.25 to the rise in scrip price through 3,790 trades during the patch.

32. It was observed that 1,256 buy trades executed by Manish Rathi had maximum net positive impact of ₹309.35 on the scrip price. 421 buy trades by the 3 promoter group entities contributed ₹51.55 to the rise in the scrip price with trades by VRP Financial Services P. Ltd. having the second largest net impact of ₹35.45.

<u>Self-Trades</u>

33. From the trade and order log, it was observed that during the investigation period, two individuals *viz;* Manish Rathi and Indra Pratap Singh had placed self-trades to the tune of

[1] Net price impact means the sum of all LTP difference for all trades of said entities.

2,84,100 shares and 1,02,251 shares respectively. The impact of these self-trades on the scrip price is summarized as under:

Name of Entity	No. of Self Trades	Total Qty of Shares	LTP Impact<0 (no.s)	LTP Impact=0 (no.s)	LTP Impact>0 (no.s)	Net Impact of all Self Trades (₹)
Manish Rathi	66	2,84,100	5	34	27	15
Indra Pratap Singh	64	1,02,251	4	57	3	15.05
Total	**130**	**3,86,351**	**9**	**91**	**30**	**30.05**

34. A perusal of these self-trades indicates that Manish's 66 self-trades were placed through 3 different brokers where counterparty brokers were different. All 64 self-trades by Indra were placed through one broker *viz;* SIC Stocks & Services Pvt. Ltd.

Synchronized Trades

35. During the investigation period, it was observed that there were 420 synchronized trades aggregating to 5,97,097 shares. Of these 420 trades, Manish Rathi group entities were involved in 7 trades aggregating to 30,129 shares and promoter group entity i.e. VRP was involved in one such trade aggregating to 300 shares.

36. Of the 5 members of the Kolkata group, 2 Noticees viz., Aparnaa and Uniflex had sold 97,500 shares in the off-market to Alliance. The Kolkata group members also transferred shares amongst themselves during the investigation period.

37. From the bank statements of Altra Clean Operations (Proprietor: Manish Rathi and Jitendra C Singh), it was observed that a payment of ₹25 lakh on December 23, 2008 i.e. prior to the investigation period was received from Alliance. Further, Alliance had also transferred/sold 10,000 OITL shares to Manish Rathi in the off-market on January 27, 2009. Alliance did not give any explanation for the said transfer of shares and money apart from the fact it was done by one Mr. Kamal Rathi. However, no evidence was submitted in support of the same.

38. From the CDSL demat account statement of Indra Pratap, (a/c no.: 1205280000001142) it is noted that 71,806 OITL shares were credited to his Beneficiary Owner (BO) account on January 6, 2009 in the off-market and counterparty BO for the said transaction was Keystone, a promoter entity of OITL. Further, on the same day, Indra Pratap received another 28,194 shares from VRP (another promoter entity of OITL), whereby the total quantity of OITL shares in his demat account amounted to 1,00,000 as on January 06, 2009.

39. Through the off-market transfers, it can be deduced that Kolkata group is connected with Alliance, who is connected with Manish Rathi group. Manish Rathi group is linked to promoter group entities.

40. The analysis of the replies of the persons in Category II brought out that Noticees 4, 6, 7, 8, 9, 11, 12, 13, 14, 15, and 19 had bought the shares though their respective brokers and allowed the brokers to keep the shares in their pool account. As and when they required the shares to be sold they asked the brokers to transfer the same to them. It is strange that all the Noticees followed the same modus operandi. Noticee 9 had sent a legal notice to his broker, Alliance to transfer the said shares. Apart from him, no other Noticee was concerned about the shares lying in the brokers' pool account. They also expressed their ignorance about the fact that the shares were transferred to them off-market. The contention of the entities in Category II cannot be considered. The entities in Category II had purchased the shares off-market from entities in Category I and later reversed on the exchange through sell trades by Category II entities to category I entities. A circular pattern were also observed on perusal of trading activities of Category II entities viz, Radha HUF, Manju, Radha, Sanjay, Hem, Dinesh, Rajendra, Ramesh, Raja, Sunita, Jignesh, Dhiren, Suresh, Raman, Rampal, Govind and Ramesh.

Modus operandi

41. It was observed that Altra Clean Operations (prop Manish and Jitendra) had received a payment pf Rs. 25 lakh on December 23, 2008 just prior to the investigation period from Alliance who also transferred 10,000 OITL shares to Manish in the off-market on January 27, 2009.
42. Promoter group entities and Alliance transferred shares to Manish Rathi group in the off-market. The Noticees indulged in circular/ reversal trades in connivance with each other and

created artificial volumes and impacted the price of the scrip which distorted the market equilibrium of the shares and hence fraudulent.

43. Girraj and Tanu had submitted that they were not the decision takers of Keystone and the decision with respect to off-market trading was taken by one Sheetal Kashiram Kadam (one of the director of Keystone) . However, on perusal of the shareholding of Keystone (as submitted by Girraj and Tanu vide their reply dated February 21, 2015) it is observed:

	Name	**No. of shares held**	**Percentage**
1	Girraj Kishor Agrawal	251000	25.88
2	Insutech India Limited	225000	23.20
3	Girraj Kishor Agrawal HUF	198500	20.46
4	Tanu Girraj Kishore Agrawal	90000	9.28
5	Kushal Software Limited	79000	8.14
6	Kushagra Software Limited	76500	7.89
7	Tanu Healthcare Limited	50000	5.15
	TOTAL	**970000**	**100**

44. Girraj, Tanu and their related entities were holding 76.8% of the total shareholding of Keystone. With such a huge shareholding and being director of Keystone, Girraj and Tanu cannot feign ignorance about the trades of Keystone and wash off their responsibilities in regard to the same. It is observed that 2 promoters of OITL i.e., Keystone and VRP have together transferred 1,00,000 OITL shares to Indra in the off-market who along with Manish , Jitendra and group entities initiated the circular trading pattern by transferring shares further in off-market and on market. SO in effect, Girraj and Tanu (primary shareholders of Keystone) were responsible to start the chain so that their shares could be offloaded at higher price. . I note that OITL was also one of the promoter of Keystone and the details of shareholding of these promoters post investigation period completely reject their claim that they continued to hold the shares of OITL for longer . The shareholding pattern mentioned in the order depict that all the promoters and their associates had exited the company within a short span of time. Hence I am not inclined to accept the argument of the Noticee 1 & 2.

45. Change in shareholding post investigation is as under:

Changes in shareholding of Promoter Group											
		Souru: BSE w/s									
		Sep-09		Dec-09		Mar-10		Jun-10		Sep-10	
Sl.No.	Name of the Shareholder	No.of Shares	% to total	No. of Shares	% to total	No. of Shares	% to total	No. of Shares	% to total	No. of Shares	% to total
1	Keystone Stockfin Pvt	13.000	0.0S	13.000	0.05						
2	Keystone Stockfin	3.09.500	1.20	3.09.SOO	1.20						
3	Kushagra Software	1.32.850	0.52	1.32.8SO	0.52						
4	LV Ramnarayan	15.00.000	5.84	15.00.000	5.84	15.00.000	5.84	9.08.845	3.54	5,00,000	1.95
5	Pradeep Dhanuka	3.41.900	1.33	3.41.900	1.33	3.41.900	1.33				
6	Prahlad Rai lnani	4,S9,300	1.79	4,59,300	1.79	4,59,300	1.79	4,59,300	1.79	4,59,300	1.79
7	Rajkishor Agarwal	1.41.600	0.55	1.41.600	0.55						
8	Santa lnani	64.900	0.25	64.900	*0.25*	64.900	*0.25*	64.900	*0.25*	64.900	0.25
9	Tanu G Agarwal	500	0.00	500	0.00						
10	Tanu G Agarwal	35.500	0.14	35.500	0.14	36.000	0.14	36.000	0.14	36.000	0.14
11	Tanu Healthcare Ltd	11.20.000	4.36	11.20.000	4.36						
12	Tanu Healthcare Ltd	60.600	*0.24*	60.600	0.24						
13	Romy Rea lty Pvt Ltd	3.84.400	1.50	3.84.400	1.50	3.84.400	1.50	3.84.400	1.50	3.84.400	1.5
14	Trask Infrastructure	3.81.800	1.49	3.81.800	1.49	3.81.800	1.49	3.81.800	1.49	3.81.800	1.49
15	Vidhata Securities	16.300	0.06	16.300	0.06	4.85.520	1.89				
16	Vidhata Securities	4.69.220	1.83	4.69.220	1.83						
17	Dil1p V S	9.00.000	3.50	9.00.000	3.50	9.00.000	3.50	4.00.000	1.56	4.00.000	1.56
18	Sooraj C K	10.30.000	4.01	10.30.000	4.01	10.30.000	4.01	10.30.000	4.01	10.30.00	4.01
19	RajeevVs	10.10.000	3.93	10.10.000	3.93	10.10.000	3.93	10.10.000	3.93	10.10.00	3.93
20	Manmohan Sahu							5.00.000	1.9S	5.00.000	1.95
A	Total of Promoter holdings	83,71,370	32.58	83,71,370	32.58	65,93,820	25.66	51,75,245	20.14	47,66,400	18.55

46. As can be seen from the above shareholding that promoters and their associates had started exiting the company and finally all of them exited completely.

47. It is noted that Tanu sold 95,400 OITL shares in four tranches, details of which are as below:

Date of sale	No. of shares	Rate per share (₹)	Director/Promoter	Total Sale Proceeds (₹)
24/08/2009	10,050	238	PAC	23,91,900
25/08/2009	10,000	239	PAC	23,90,000
26/08/2009	47,727	240	PAC	1,14,54,480
27/08/2009	27,623	237.67	PAC	65,65,158
Total	**95,400**	**Avg. sell rate ₹239**		**2,28,01,538**
Source: Filings of Mrs Tanu Agrawal made available by OITL				

48. From trade and order log, it is noted that Girraj has sold 1,51,186 OITL shares details of which are as below:

Trade Date	No. of shares	Avg. Rate per share (₹)	Total Sale Proceeds (₹)
30-07-2009	8,000	194.8	15,58,400
03-08-2009	9,385	205	19,23,925
12-08-2009	13,000	220	28,60,000
13-08-2009	10,000	224.5	22,45,000
14-08-2009	1,10,801	229.98	2,54,82,014
Total	**1,51,186**	**Avg. sell rate ₹225.35**	**3,40,69,339**

49. It is noted that the price of the OITL scrip reached an all-time high of ₹243.50 during the investigation period on August 28, 2009.

50. The estimated manipulated profit earned by Girraj and Tanu is as follows:

Name	Quantity of shares sold during investigation period	Average Close Price (Dec 1, 2008 – Jan 1, 2009) before beginning of investigation	Average Sell Price (₹)	Estimated Manipulated Profit (₹)

		period (₹) approx		
Girraj	1,51,186	70	225.35	2,34,86,745
Tanu	95,400	70	239	1,61,22,600

<u>Radha Govind Lashkari, Radha Govind Lashkari (HUF) and Sunita Garg</u>

51. These three claimed to have purchased shares of OITL through Alliance on NSE. It may be noted that OITL was never listed on NSE, therefore not possible to be purchased on NSE. Hence it is established that contract notes issued by Alliance for these trades were fake as these transactions were never carried out on NSE. In fact the shares transferred into the account of these three were from Manish Rathi group who were mastermind behind this entire scheme. These three had not produced any payment details for the purchase of these shares. In fact the letter issued by Alliance that shares of these three were lying with it was also incorrect and presented as an afterthought as Alliance was never holding any shares in its pool account of OITL.

52. These Noticees had argued that their trades on the exchange were normal trades and were not of circular nature. I note that though few sale orders of these three had also matched with outside entities, however majority of the quantity was matched with the connected parties only. Therefore I am not inclined to accept their contention.

53. I note that out of 94 trades executed by these three, 56 trades were placed at higher price than LTP (approx. 60% of total trades executed) which clearly demonstrate the intention of the parties to manipulate the price of the stock by placing away from the LTP.

<u>Sanjay Jain /S Ramesh</u>.

54. They also had put up the similar story as that of Radha Govind Lashkari .

<u>Rajendra Agarwal</u>

55. Noticee had accepted that he had transferred payment for the shares purchased from Alliance through cash and submitted that during relevant time there was no stringent policies in Regional Stock Exchange with respect to payment and delivery. Here I note that first of all, there was no trading on Inter-Connected stock Exchange during 2007-2009, hence claim of Noticee that shares were purchased on the stock exchange platform is incorrect, and secondly SEBI had always mandated that payment in securities market should be only through banking channels barring few exceptions. Hence I am not inclined to accept any submission of the Noticee.

Jignesh/Dhiren/ Suresh

56. These three had accepted that there was one Vipul Shah who had invited them to invest in the shares of OITL and based on his advice these people had dealt in the shares of OITL.

Rampal Kalya

57. He had submitted that he was into financing business and used to keep shares as collateral. Based on one Nirmal Jain's instructions he had kept shares of OITL as collateral and based on his instructions he had sold the securities. I note that Noticee had not produced any document to support his claim as mentioned above and hence I am not inclined to accept the contentions.

Penalty

58. While considering the penalty amount, I have considered the quantum of shares dealt by the Noticees in off market transfers, contribution to Circular/reversal trades on Stock Exchange, contribution to LTP, Self-trades, Synchronized trades, profit made and above all role played in the entire scheme of arrangement to manipulate the price and misuse the stock Exchange mechanism to benefit themselves or to benefit promoters of the company

	Name of the Noticee	Quantum of Shares dealt in Off Market	Shares dealt in Circular/Reversal trades with other noticees/ or promoter of OITL / Relatives of Noticees	Shares traded on Stock Exchange	LTP Contribution (in rupees)	Self Trades

1.	**Giriraj Kishore Agarwal**	0	0	151186	0	0
2.	**Tanu Giriraj Kishore Agarwal**	0	-	95400	-	-
3.	**Fulchand Raka**	94000	92000 (98% of shares received in off market)	94000		
4.	**Radha Govind Lashkari (HUF)**	168400	168400(100%)	168400		
5.	**Manju Mutha**	101172	55454 (62%)	128110	3.95	
6.	**Radha Lashkari**	679500	625591 (92%)	690050		
7.	**Sanjay Jain**	110500	110320 (100%)	110500		
8.	**Dinesh Ghevariya**	105000	105000 (100%)	105000		
9.	**Rajendra Aggrawal**	55000	45650 (83%)	55000		
10.	**Nathamal Ramesh Kumar**	51897	61000 (118)	61000		
11.	**S Raja**	114800	114800 (100%)	114800		
12.	**Sunita Garg**	50000	50000 (100%)	50000		
13.	**Jigneshkumar Kapadia**	135000	135000 (100%)	135000		
14.	**Dhiren Kapadia**	135000	135000 (100%)	135000		
15.	**Suresh Chandra Kapadia**	130000	107820 (83%)	108000		

16.	**Raman Goyal**	70000	70000 (100%)	70000		
17.	**Rampal Kalya**	86000	903000 (105%)	91000		
18.	**Govindbhai Patel**	64900	59900 (92%)	64900		
19.	**S Ramesh**	50000	50000 (100%)	50000		
20.	**Keystone Stock Finance Ltd.**	71806		0		
21.	**Manish Rathi**	5659124		5300966	349.4	66
22.	**Indra Pratap Gajraj Singh**	3047117		2669175	39.25	64
23.	**Jitendra Chandrabhan SIngh**	154734		276222	16.5	
24.	**Alliance Intermediaries and Network Pvt. Ltd.**	950450			5.85	
25.	**VRP Financial Services Pvt. Ltd.**	457476		499849	35.45	
26.	**Shiv Kumar Kaushik**	249409		252099	11.5	
27.	**Rajesh Tukaram Dambre**	133100		251501	4.6	
28.	**Praveen Vasisth**	131600		132691	1.8	

29.	**Roshan Jha**	194350		190650	0.7	
30.	**Shanti Pinto**	91400		91600		
31.	**Kaushik Shah**	246503		272898	30.4	
32.	**Divya Sushil Kumar Shah**	186312		106056		
33.	**Aparna Commodities Pvt. Ltd.**	511502		208750		
34.	**Uniflex Carrying Co.**	229610		127500	-0.7	
35.	**Clocksign Trading Pvt. Ltd.**	826598		277600	8.65	

59. I note that in the supplementary SCN, the following profit was allegedly made by Giriraj and Tanu:

Name	**Quantity of shares sold during investigation period**	**Average Close Price (Dec 1, 2008 – Jan 1, 2009) before beginning of investigation period (₹) approx**	**Average Sell Price (₹)**	**Estimated Manipulated Profit (₹)**
Girraj	1,51,186	70	225.35	2,34,86,745
Tanu	95,400	70	239	1,61,22,600

60. I conclude that had the scheme which was deployed by the Noticees to manipulate the price, the price of share of OITL would not have reached upto the level at which the shares were sold by Girraj and Tanu. I also note that in the subsequent investigation carried out by SEBI

for the subsequent period ,it was noted that price of OITL had faced continuous fall and all the promoters namely Girraj , Tanu, Pradeep Dhanuka and other corporate entities of these individuals had sold their shares in a span of one year and completely exited the company . Therefore I am of the opinion that profit made by Girraj and Tanu was completely owing to the manipulative activities undertaken by the Noticees, hence penalty is levied accordingly.

61. It was alleged that Noticees have been divided into 3 groups based on their connections viz. (i) Promoter and Promoter-related Group; (ii) Manish Rathi Group; and (iii) Kolkata Group. One entity M/s. Alliance Intermediates & Network Ltd has been considered as the 'Common Entity' since a payment of ₹ 25 lacs on December 23, 2008 i.e. prior to the investigation period, was made by Alliance to a Manish Rathi Group entity. Further, Alliance had also transferred/sold 10,000 OITL shares to Manish Rathi in the off-market and two entities of Kolkata group had sold/transferred 97,500 OITL shares in the off-market to Alliance on four days.

62. It was alleged that some shares were first transferred by promoter group entities to Manish Rathi Group entities. Promoter Group/ Manish Rathi Group entities, then carried on circular/ reversal trading pattern through off-market/ on-market transactions, whereby some entities predominantly sold OTIL shares in the off-market and purchased OITL shares on the exchange (referred above as 'Category-I Persons') and some entities predominantly purchased OITL shares in the off-market and sold on the exchange (referred above as 'Category-II Persons'). Along with the circular/reversal trading pattern, it is held that the entities placing the sell order on exchange had previously purchased/ received the OITL shares in the off-market from either the Promoter Group and/or the Manish Rathi Group, and later placed the sell order at a price higher than previous trade rate, and, the buying entity had placed the buy order later at a rate equal to or higher than the sell order rate, thereby having a positive impact on the price. It was also noted that some of these trades were first trades for the day. Further, artificial volumes were also observed to have been created by Manish Rathi Group entities through synchronized trades and self-trades. It is held that Aparna, Uniflex and Clocksign(Kolkata Group entities) too had aided and abetted Promoter Group and Manish Rathi Group entities in creating artificial volumes and price manipulation in the scrip of OITL by transferring 97,500 shares of OITL to Alliance and, who in turn, had transferred some shares in off-market to Manish Rathi group, which had undertaken circular/reversal trades. Investigation further observed that two promoter group entities viz. Shri Giriraj Kishore

Agarwal and Ms. Tanu Giriraj Agarwal had sold substantial number of shares on market transactions when the price of the scrip was at its peak.

63. The modus operandi in the case that emerges from the above was that promoter group entities colluded with Manish Rathi group entities, Kolkata group entities and Alliance to manipulate the price of the OITL shares and create artificial volumes so that the two promoter group entities viz. Girraj and Tanu could offload OITL shares at such manipulated price. The estimated manipulated profit earned by Giriraj and Tanu, the two promoter group entities who offloaded almost their entire holding in the scrip, is approx. ₹ 2.34 crore and ₹ 1.61 crore respectively.

64. During the course of the Adjudication proceedings, several of Category-II persons belonging to Manish Rathi Group have submitted that they had not purchased the shares off market in 2009 as alleged, but, rather they had made these purchases on market in the year 2007 through various brokers, including M/s. Alliance Intermediaries & Network Pvt. Ltd. (Alliance) and M/s. Vijay Bhagwandas & Co. On examination of the submissions made by these persons, it was observed that the scrip was listed on the BSE only on August 14, 2008. Prior to that, the scrip appears to have been listed on the Inter Connected Stock Exchange (ISE), but, during the period that the Noticees claimed that they had purchased the shares on market, there was no trading on ISE as ISE's trading platform had been inactive since September 2003.

65. In order to further ascertain the veracity of the claims being made by the entities, wherein some entities even provided copies of the contract notes of transactions done on BSE, e-mail was sent to BSE in respect of one of such Manish Rathi Group entity viz. Shri S. Raja (PAN No. ABTPR5484R), who had provided a copy of the contact notes dated April 07, 2008 and August 14, 2008 issued by the then BSE broker Vijay Bhagwandas & Co Ltd. on his behalf. In this regard, BSE vide email dated January 22, 2015 has clarified that as per records maintained by the Exchange, the date of listing of the scrip OTIL (Now known as M/s. Swarnajyothi Agrotech & Power Limited.) is August 14, 2008, hence, no trades have been executed in the captioned scrip on the Exchange platform for trade date April 07, 2008. BSE has further confirmed that on examining trades on the basis of Trade Id, Order No., Member Code in the captioned scrip for trade date August 14, 2008, no trades had been executed by the trading member, M/s. Vijay Bhagwandas & Co. (now having trade name as Vishal Vijay

Shah) in the aforesaid scrip for the said trade date. Hence, it can be concluded that the copy of contract notes submitted by the entity Shri S Raja are not genuine.

66. The AR of another Manish Rathi Group entity viz. Shri Sanjay Jain also stated during the hearing that the shares were not bought off-market during June-August, 2009 as has been alleged in the SCN, but, the shares were purchased during April 2008 on-market through the broker Vijay Bhagwandas & Co. However, the shares were not transferred to his demat account by the broker. The broker had issued letter dated March 31, 2009 confirming that they were holding 1,10,500 shares in their pool account on their behalf and that the same were transferred as per the instructions of the Noticee and that they did not hold any more shares on their behalf. However, from the email of BSE as above, it becomes clear that there could not have been any transaction on BSE during April 2008, when the scrip in itself was listed only on August 14, 2008. It is concluded here also that the contract notes dated April 2, 2008 to April 7, 2008 submitted by Shri Sanjay Jain, and similarly by the other entities, were not genuine.

67. The AR of Shri S Ramesh has also similarly claimed that the shares were not bought off-market during June, 2009 as has been alleged in the SCN, but, the shares were purchased during 2008 on-market through the broker Vijay Bhagwandas & Co The AR of Shri S Ramesh claimed that due to the fire at Shri S Ramesh's office all documents pertaining to the matter were destroyed.

68. Another Manish Rathi Group entity Dr. Rajendra Agrawal has claimed that the purchases were made through the Broker M/s. Alliance Intermediaries and Network Pvt Ltd. (Alliance) in April 2007, but, Alliance did not transfer the shares to his client account till February 04, 2009, and, that he was unaware from whose account the shares were ultimately transferred.

69. Further, the AR of one of the other Manish Rathi group entity viz. Shri Dinesh Ghevariya, during the course of the hearing, provided a copy of the contract notes through which shares of OITL were purchased through Alliance by Shri Dinesh Ghevariya. The AR stated that 1, 20,000 shares of OITL were purchased by Shri Dinesh Ghevariya on Exchange on April 18, 2007, and, not off-market, as brought out by Investigation. The contract note copy was not in the standard format laid down. It was noted from the literature below the transaction table that

the trades were claimed to have been executed on BSE. It was then noted that Alliance was neither a broker nor a sub broker of BSE. Besides, OITL was listed only on August 14, 2008.

70. Also, the Authorised Representative (AR) of certain other Manish Rathi group entities viz. Shri Radha Govind Lashkari, M/s. Radha Govind Lashkari HUF and Ms. Sunita Garg too stated that that the shares were not bought off-market during April-July, 2009 as has been alleged in the SCN, but, the shares were purchased during April/ May 2008 on-market through their broker Alliance. Also, that they did make the payment towards the shares purchased to the broker, however, the shares were not transferred to their demat account by the broker. The broker Alliance in case of Shri Radha Govind Lashkari and Radha Govind Lashkari HUF had issued individual letters dated March 31, 2009 confirming that they were holding 6,79,500 shares and 1,68,400 shares respectively in their pool account on their behalf from the date of purchase. In case of Ms. Sunita Garg, the broker Alliance vide letter dated March 31, 2009 confirmed that they had 20,000 + 30,000 shares in their pool account from the date of purchase and that they have transferred the shares to the account of Ms. Sunita Garg as per instruction received from her. Shri Radha Govind Lashkari has submitted contract notes dated April 14, 2008-May 13, 2008 issued by Alliance, Radha Govind Lashkari HUF has submitted contract notes dated April 15, 2008- April 29, 2008 issued by Alliance and Ms. Sunita Garg has submitted contract notes dated April 10, 2008- April 16, 2008 issued by Alliance, which are all prior to the date of listing of the scrip on BSE. Hence here also I conclude that these contract notes presented were also not genuine

71. Also one of the other Manish Rathi Group entities viz. Divya inter alia submitted during the hearing that he was employed with M/s. Shree Sai Securities Ltd, the franchisee of RR Equity Brokers, the proprietor of which was Ms. Neeta Rughani, wife of Shri Bharat Rughani. The entity Shri Divya Sushil Kumar Shah during the hearing has further stated that Shri Bharat Rughani had in 2009 had taken his signature on certain documents for bank account opening and all related documents pertaining to the bank account were kept in the custody of Shri Bharat Rughani and that Shri Bharat Rughani was operating the bank account. However, no evidence was provided in support of the above claims, including his employment with Shree Sai Securities Ltd. Pursuant to the hearing, vide letter dated February 25, 2015, Shri Divya Sushil Kumar Shah has stated that Shri Bharat Rughani was issuing him cheques of salary from his personal savings account and has provided copies of pay-in slips. Further when Shri Divya Sushil Kumar Shah was asked about the transactions in OITL, he stated that the demat/

trading account were also opened by Shri Bharat Rughani and he was unaware of the transactions. Pursuant to the hearing, he has provided copy of the bank statement to state that the account was opened by Shri Bharat Rughani in June 2009 and closed in October 2009 and that Shri Bharat Rughani was receiving funds from his self-operated companies viz. Asit Traders, Pratik Trading Co., Taldhvaj etc., which were later declared as hawala companies by Department of Sales Tax, Maharashtra. Divya has accepted that he was aware that a trading account and demat account was open in his name during his employment, I note that however after leaving his employment he never took any efforts to inform authorities to inform about the same or taken any effort to close those accounts. I note that he had produced the bank statement depicting various enteritis into it from Bharat Rughani and his associates, without having complete information from both sides, I am not inclined to accept the story of Divya.

72. Another entity Ms. Shanti Pinto informed that shares were bought on market and were not transferred to the Noticee's demat account, but, were held in a margin account of the broker, Nirmal Bang Securities Pvt. Ltd.

73. It was seen that several entities stated that the shares which were purchased on their behalf in 2007/ 2008 were kept in the brokers' pool account and transferred to them only in 2009 and it was only on the receipt of SCN that the entities realised that the shares were not transferred from the account of whom they had bought on-market, but, were transferred off-market from some other persons account. When clarification was sought from these entities with regard to the payment made in lieu of the shares purchased by them on-market, most of the entities stated that the payments were made in cash and that they could not provide any specific evidence in relation thereof.

74. The fact that emerges from the above is that reversal/ circular trades have been done by the entities buying off-market and selling on-market. Their claims regarding purchases being made on-market in 2007/ 2008 was through forged contract notes. The fact that the entities are not able to provide any proper evidence of payments made in lieu of the shares purchased by them, the brokers/ counterparties have not asked for the payment and the entities have not asked their brokers the reason for non-credit of shares purchased to their account, gives an impression that the entities concerned were hand in gloves with the brokers concerned in manipulating the shares of OTIL scrip and tried to circumvent detection of reversal/ circular

trades by issuing forged contract notes to give an impression that the shares were bought on stock exchange through third parties.

75. The gravity of the falsification of facts can be assessed from the fact that the reply of some of the entities of Manish Rathi Group viz. Jignesh, Suresh and Dhiren reveals that they have been provided with a draft reply. The said draft reply requires them to either "mention his relation with one Shri Vipul Shah or give the name of any finance broker of his city who is now no more" - to state that he was the person who was looking after their family financial transactions, that at such persons request funds were provided, further, in turn, OTIL shares were provided by such person to them, and, that on such person's instructions the shares were sold in the market, hence, they were not aware as to the shares were coming from which account and who was the buyer of the same.

76. The Noticees had completely misused the Stock Exchange platform to manipulate the price of a stock which was not backed by any fundamentals and they traded among themselves to create an artificial volume and entice other investors to start buying this scrip, upon taking the price of the scrip ahead multiple times, these entities started off loading their shares and within few months completely disappeared from the scene. This case warrants exemplary penalty on the Noticees for the following reasons:

i. Noticees were engaged in a manipulative activity with the pure intention to rig the price of the stock.
ii. Around 50% of the Noticees did not responded to the SEBI Noticees (SCN and hearing Noticees).
iii. Those who responded had made false statements that they had purchased the shares through Alliance and Vijay Bhagwandas on Stock Exchange where this scrip was not traded during the relevant period.
iv. Although there is no restriction, however it was unusual to observe that Noticees based out of different parts of India had chosen to deal with Alliance (which was operating from Mumbai) which was the stock broker of a Stock Exchange where there was no trading during relevant period.
v. Certain Noticees had also produced fake contract notes purportedly issued by Alliance for the shares purchased on Stock Exchange.

vi. Certain Noticees had also produced letter of Alliance confirming that shares purchased by them are lying with Alliance in its pool account, which was incorrect as Alliance was never holding any share of OITL in its pool account.

vii. Upon asked to provide proof of payments made for the purchase of shares through Alliance, one Noticee had mentioned that he had dealt with the broker in cash as there was no stringent rules, which was also incorrect.

viii. Noticees had made several untrue statements and to corroborate those statements had produced fake documents and fake stories

77. I also note pursuant to an investor complaint received by SEBI via email dated January 5th, 2010 wherein it alleged that the price of the scrip of OITL was continuously going down by 5 % during the two months preceding his complaint and the promoters' holdings have reduced from 67% to 37% .

78. As I have noted as above, the price rise of OITL scrip during January 2, 2009 to September 9, 2009, promoter group entities in connivance with Manish Rathi group entities had artificially increased the price of OITL scrip from ₹ 69.50 on January 2, 2009 to a high of ₹ 243.50 on August 28, 2009. Two promoter group entities *viz,* Giriraj Kishore Agrawal and Tanu Agrawal have sold their OITL holdings near the peak of the scrip price (₹ 243).

79. SEBI had conducted second investigation in the scrip OITL for the period September 1, 2009 to January 15, 2010) and had observed that Manish Rathi Group had traded in the off market and on the exchange in a circular/reversal trading pattern and attempted to influence the scrip price. However the scrip price during the investigation period displayed a steady and consistent decline from ₹ 239 on September 02, 2009 to ₹ 10.20 on January 15, 2010.Further, the quarterly shareholding pattern of OITL indicates that a number of promoters sold their stakes in OITL and exited the company during the quarter ended March 2010 and the subsequent quarters. It was also noticed that some entities connected to promoters had sold their stakes towards the end of the investigation period. In this regards it is pertinent to note that the price of the scrip had stabilized by January 15, 2010 at ₹ 10.20 (closing price). Thereafter the scrip opened at ₹ 10.40 (January 18, 2010) reached a low of ₹ .9.15 (February 26, 2010), touched a high of ₹ 15.51 (May 03, 2010) and closed ₹ 11.48 (September 30, 2010). These price levels were much lower than the opening price (₹ 69.50) at the start of the price rise in the above matter. Majority of the net sellers who have only sold shares in the market, had met their pay-in obligation of securities from the shares received in the off-market from promoters/entities related/connected to OITL/ promoters.

80. In the light of the above, it is a clear case of pump and dump wherein certain entities by trading among themselves had rigged the price, upon taking at greater height, dumped their shares and other entities slowly exited from the scrip by leaving other investors in severe losses.

81. The Hon'ble SAT in the matter of Ketan Parekh v. Securities and Exchange Board of India, order dated July 17, 2006, has held that:

"…Any transaction executed with the intention to defeat the market mechanism whether negotiated or not would be illegal. Whether a transaction has been executed with the intention to manipulate the market or defeat its mechanism will depend upon the intention of the parties which could be inferred from the attending circumstances because direct evidence in such cases may not be available. The nature of the transaction executed, the frequency with which such transactions are undertaken, the value of the transactions, whether they involve circular trading and whether there is real change of beneficial ownership, the conditions then prevailing in the market are some of the factors which go to show the intention of the parties. This list of factors, in the very nature of things, cannot be exhaustive. Any one factor may or may not be decisive and it is from the cumulative effect of these that an inference will have to be drawn."

82. Further, Hon'ble SAT in the matter of V. G. Capital Market Pvt. Ltd. v SEBI, order dated December 1, 2009 also noted the following:

The trading system on the exchanges is based on the principle of anonymity. The buyer does not know who the seller is and seller cannot know who the buyer is. In other words, the buyer should buy the shares without being concerned as to who the seller is and similarly the seller should sell the shares in the market without being concerned about the buyer and it is the system which determines the buyer and the seller by matching the buy and sell orders. On a screen based trading, the best buy order will match the best sell order subject to price time priority. The buyer and seller cannot keep matching their trades and if they do, they are obviously manipulating the system which is the case before us. Reverse trades are a clear instance of manipulative trading. It is true that before any buy and sell order can result in a trade they must match but this matching must take place through the system without the intervention of any human element. ***Knowing how the system works, reverse trades are not possible unless the trades are manipulated particularly when the scrip is liquid.***

83. Here I refer the order of Hon'ble SAT dated March 21, 2014 in the matter of Saumil Bhavanagari v/s SEBI stating that "*It is amply clear that although the scrip was available at a lower price, the Noticees bought them at a higher price only with a view to give false representation to the general public about the rise in price of the scrip. This was done repeatedly done by the Noticees. Such trades undoubtedly have a potential of raising the price of the scrip by sending a wrong signal to the gullible investors about the activity of price hike in the scrip.* ------------------- -------*. This was done evidently with ulterior motives, because if shares were available for a lesser price, there was no reason*

to place orders at a price higher than the LTP and if orders at price higher than LTP were placed on account of the financial status of the company then there was no reason to place some orders below LTP."

84. Also, in the matter of SEBI v/s Rakhi Trading, Hon'ble Supreme Court has held that *"Whether a transaction has been executed with the intention to manipulate the market or defeat its mechanism will depend upon the intention of the parties which could be inferred from the attending circumstances because direct evidence in such cases may not be available. The nature of the transaction executed, the frequency with which such transactions are undertaken, the value of the transactions, whether they involve circular trading and whether there is real change of beneficial ownership, the conditions then prevailing in the market are some of the factors which go to show the intention of the parties. This list of factors, in the very nature of things, cannot be exhaustive. Any one factor may or may not be decisive and it is from the cumulative effect of these that an inference will have to be drawn."(Emphasis Supplied)*

85. Thus, in light of the above the allegation of violation of PFUTP Regulations by the Noticees stand established.

86. Settlement order in respect of Hem Jain is already passed on April 18, 2019.

87. The Hon'ble Supreme Court of India in the matter of *SEBI Vs. Shri Ram Mutual Fund* [2006] 68 SCL 216(SC) held that *"In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the Regulations is established and hence the intention of the parties committing such violation becomes wholly irrelevant…".*

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

> ***Section 15J** - **Factors to be taken into account by the adjudicating officer** While adjudging quantum of penalty under section 15, 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.

I have considered the profit made by Giriraj and Tanu in the matter, repetitiveness of violations by the noticees.

ORDER

89. In view of the above, after considering all the facts and circumstances of the case and the factors mentioned in the provisions of Section 15-J of the SEBI Act, I, in exercise of the powers conferred upon me under Section 15-I(2) of the SEBI Act read with Rule 5 of the SEBI Adjudication Rules, conclude that the proceedings against the Noticee stand established in terms of the provisions of the SEBI Act. Hence, in view of the charges established under the provisions of the SEBI Act, I, hereby impose monetary penalty on the Noticees as follows:

Sl. No.	Entity Name	Penalty
1	Giriraj Kishore Agarwal	3,00,00,000 (Rupees Three Crore Only)
2	Tanu Giriraj Kishore Agarwal	2,00,00,000 (Rupees Two Crore only)
3	Fulchand Raka	25,00,000 (Rupees Twenty Five Lakh only)
4	Radha Govind Lashkari (HUF)	25,00,000 (Rupees Twenty Five Lakh only)
5	Manju Mutha	35,00,000 (Rupees Thirty Five Lakh only)
6	Radha Lashkari	25,00,000 (Rupees Twenty Five Lakh only)
7	Sanjay Jain	25,00,000 (Rupees Twenty Five Lakh only)

8	**Dinesh Ghevariya**	**25,00,000 (Rupees Twenty Five Lakh only)**
9	**Rajendra Aggrawal**	**25,00,000 (Rupees Twenty Five Lakh only)**
10	**Ramesh Kumar Jain**	**25,00,000 (Rupees Twenty Five Lakh only)**
11	**S Raja**	**25,00,000 (Rupees Twenty Five Lakh only)**
12	**Sunita Garg**	**25,00,000 (Rupees Twenty Five Lakh only)**
13	**Jigneshkumar Kapadia**	**25,00,000 (Rupees Twenty Five Lakh only)**
14	**Dhiren Kapadia**	**25,00,000 (Rupees Twenty Five Lakh only)**
15	**Suresh Chandra Kapadia**	**25,00,000 (Rupees Twenty Five Lakh only)**
16	**Raman Goyal**	**25,00,000 (Rupees Twenty Five Lakh only)**
17	**Rampal Kalya**	**25,00,000 (Rupees Twenty Five Lakh only)**
18	**Govindbhai Patel**	**25,00,000 (Rupees Twenty Five Lakh only)**
19	**S Ramesh**	**25,00,000 (Rupees Twenty Five Lakh only)**
20	**Keystone Stock Finance Ltd.**	**1,00,00,000 (Rupees One Crore only)**
21	**Manish Rathi**	**1,00,00,000 (Rupees One Crore only)**
22	**Indra Pratap Gajraj Singh**	**1,00,00,000 (Rupees One Crore only)**

23	**Jitendra Chandrabhan SIngh**	**1,00,00,000 (Rupees One Crore only)**
24	**Alliance Intermediaries and Network Pvt. Ltd.**	**1,00,00,000 (Rupees One Crore only)**
25	**VRP Financial Services Pvt. Ltd.**	**1,00,00,000 (Rupees One Crore only)**
26	**Shiv Kumar Kaushik**	**35,00,000 (Rupees Thirty Five Lakh only)**
27	**Rajesh Tukaram Dambre**	**30,00,000 (Rupees Thirty Lakh only)**
28	**Praveen Vasisth**	**30,00,000 (Rupees Thirty Lakh only)**
29	**Roshan Jha**	**25,00,000 (Rupees Twenty Five Lakh only)**
30	**Shanti Pinto**	**25,00,000 (Rupees Twenty Five Lakh only)**
31	**Kaushik Shah**	**55,00,000 (Rupees Fifty Five Lakh only)**
32	**Divya Sushil Kumar Shah**	**25,00,000 (Rupees Twenty Five Lakh only)**
33	**Aparna Commodities Pvt. Ltd.**	**25,00,000 (Rupees Twenty Five Lakh only)**
34	**Uniflex Carrying Co.**	**25,00,000 (Rupees Twenty Five Lakh only)**
35	**Clocksign Trading Pvt. Ltd.**	**35,00,000 (Rupees Thirty Five Lakh only)**

90. The Noticees shall remit / pay the said amount of penalty within 45 (forty five) days of receipt of this order either by way of Demand Draft (DD) in favour of "SEBI - Penalties Remittable to Government of India", payable at Mumbai and 1) the said DD should be forwarded to the Division Chief, Enforcement Department 1(EFD), Division of Regulatory Action - IV [**EFD 1-**

DRA-4] SEBI Bhavan, Plot No.C4-A,' G' Block, Bandra Kurla Complex (BKC), Bandra (East), Mumbai – 400 051 and also send an email to tad@sebi.gov.in with the following details:

Case Name	
Name of the Payee	
Date of payment	
Amount Paid	
Transaction No.	
Bank Details	
In which payment is made for	Penalty

OR

91. Payment can also be made online by following the below path at SEBI website www.sebi.gov.in ENFORCEMENT → Orders → Orders of AO → Click on PAY NOW or at https://siportal.sebi.gov.in/intermediary/AOPaymentGateway.html

92. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, recovery proceedings may be initiated under section 28A of the SEBI Act, 1992 for realization of the said amount of penalty along with interest thereon, *inter alia*, by attachment and sale of movable and immovable properties.

93. In terms of Rule 6 of the Rules, copy of this order are sent to the Noticee and also to the Securities and Exchange Board of India.

Date : August 02 , 2019
Place : Mumbai

SAHIL MALIK
ADJUDICATING OFFICER