WTM/AB/IVD/ID7/10565/2020-21

SECURITIES AND EXCHANGE BOARD OF INDIA
FINAL ORDER

UNDER SECTIONS 11(1), 11(4) AND 11B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992

In respect of:

Noticee no.	Noticee Name	PAN
1	Santosh Kumar Agarwal	ABHPA5568M
2	Kamta Prasad Pandey	AIPPP5293B
3	Success Vyapar Private Limited	AAKCS0190G
4	Raj Kumar Agarwal	ADNPA5935E
5	Anant Fin Consultancy Pvt. Ltd.	AAHCA6049D
6	Sanjay Jain	AAOPJ7804M
7	Anurag Khandelwal	AJGPK5922L
8	Rishi Kant Awasthi	ABTPA6752B
9	Adinath Shares and Commodities Private Limited	AAGCA2671L
10	Rajesh Agarwal	AFXPA3649F
11	Manoj Agarwal	ABBPA2306H
12	Kpk Fin Consultancy Private Limited	AAECK1577D
13	Kavita Awasthi	AEFPA0316N
14	Dheeraj Agarwal	AAPPA2284B
15	Ankit Jain	AGAPJ8105H
16	Sanjai Jain Huf	AARHS1381K
17	Neil Industries Ltd.	AABCN1473G
18	MHDS Stone Edge Pvt. Ltd. (formerly known as Priyanshi Securities Limited)	AADCP5478K
19	Shubhang Exports Ltd.	AAJCS1526R
20	Surendra Kumar Gupta	AAQPG0240E

21	Raghuvansh Agrofarms Ltd.	AABCR8407N
22	Sonali Agarwal	ANEPA8840R
23	Umesh Kumar Agarwal	ADWPA7313D
24	Manoj Kumar Agarwal	ACFPA8077Q
25	Shreesh Agrawal	ABPPA1510R
26	Scope Vyapar Pvt. Ltd.	AAICS6023N
27	Narendra Kumar Jain	ACOPJ3389F
28	Rajendra Kumar Gupta	ACZPG0720G
29	Rich Udyog Network Limited	AACCR9158H
30	Som Prakash Goenka	AAQPG0238C
31	Samtal Financial System Limited (through Mr. Manoj Kumar Agarwal)	AAKCS6185K
32	Manish Agarwal	ABBPA2326D
33	Praveen Kumar Agnihotri	AISPA4037F
34	Taurus Data Links Pvt. Ltd.	AABCT4650P
35	Rajni Gupta	AATPG2292F
36	Subodh Agarwal	ABNPA4910B
37	Anuradha	AEGPA1780D
38	Madhu Rani Goenka	AAQPG0239D
39	Varsha Maheshwari	AGYPM8421H
40	Sanmukh Vincom Private Limited	AALCS9735Q
41	R R Synthetics & Finvest Private Limited	AABCR3722Q
42	Neharika Gupta	AHHPG2251K
43	Vibgyor Financial Service Pvt. Ltd.	AAACV8378B
44	Jeetendra Kumar Agnihotri	ANAPA1509P
45	Maya Gupta	AATPG2293E
46	Parag Bhargava	AJLPB3464D
47	Ravina Exports Private Limited	AABCR1994E
48	Sanjay Kumar Gupta	ACYPG8090L
49	Vardhaman Textile Company Private Limited	AAACV9627M

50	Manish Verma	ACZPV3072C
51	Aman Portfolio Pvt. Ltd.	AAACA2639L
52	Vinod Kumar Dhingra	AAAPD3732E
53	Ahmad Sadat	AABPA7646R
54	Sdl Commodities Limited	AACCS6309R
55	Cityon Nano Technology Private Limited	AADCC6583G
56	Ram Pher Dwivedi	AADHR9909N
57	Mohammad Anwar	AADPM9208K
58	Daddu Prasad (Huf)	AAFHD6399L
59	Piyush Jain Huf	AAHHP4178F
60	Sanjay Gupta HUF	AAIHS2444E
61	Anand Kumar Chaurasia	AAIPC1441K
62	Surya Bhan Singh-Huf	AAJHS9953D
63	Savita Devi	AAJPD3619D
64	Ramdas Agarwal (Huf)	AALHR8852C
65	Sapna Devi	AALPD7362F
66	Sagar Net Mart P Ltd.	AAMCS8585R
67	Arun Kumar	AARPS2631L
68	Sanjay Kumar	AARPS2632K
69	Dilip Kumar Agrawal	AASPA5063F
70	Aman Dhingra	AASPD5242P
71	Renu Dhingra	AASPD5245L
72	Manish Agarwal	ABBPA2308K
73	Kamal Kishor Chaurasia	ABJPC8088J
74	Pankaj Kumar Gupta	ABKPG5661L
75	Renu Agarwal	ABTPA6753A
76	Pushap Lata Girotra	ACKPG2678Q
77	Param Jeet Singh	ACOPS3609M
78	Divya Agarwal	ACUPG5212E
79	Bindu Pandey	ADIPP9231H

80	Dev Shankar Pandey	ADIPP9238Q
81	Vikas Agarwal	ADLPA3088Q
82	Rita Jain	ADLPJ0701D
83	Dinesh Kumar Soni	ADPPS6544M
84	Siddharth Gupta	AEJPG0532N
85	Ram Kumar Dubey	AENPD6890C
86	Neelu Agarwal	AERPA3515K
87	Anjana Jain	AERPJ6046C
88	Pushpa Jain	AERPJ6048N
89	Seema Kapoor	AERPK1243A
90	Neetu Gupta	AEVPG6484R
91	Mahalaxmi Gupta	AEVPG6485Q
92	Surendra Kumar Agarwal	AEXPA7231G
93	Sudeep Goenka	AFGPG9168J
94	Sapna Agrawal	AFJPA4652G
95	Nikita Dhingra	AGFPD2805F
96	Sanjay Kumar Sahu	AGKPS0093B
97	Heera Devi Ahirwar	AGTPA2234R
98	Amit Kumar	AJOPK3355M
99	Ruchita Bhargava	AKVPB0258N
100	Rajendra Kaur	ALTPK1155E
101	Priyanka Agarwal	AOMPA7168P
102	Abhishek	ARRPA7374B
103	Preeti Sharma	ARRPS1079B
104	Ram Sukhi	ASOPS5888G
105	Akansha Goel	ATWPG9066D
106	Jitendra Sharma	AWMPS0757N
107	Vandana Saini	AXXPS2459P
108	Lal Ji Sarraf	AYDPS7650P
109	Ravi Karan	BBHPK1342N

(The aforesaid entities are hereinafter referred to by their respective names / Noticee numbers and collectively as "the Noticees")

In the matter of Nikki Global Finance Ltd.

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1. Present proceedings have emanated from a show cause notice dated July 25, 2017 (hereinafter referred to as "**the SCN"**), issued by Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") to the Noticees for their trading activities in the scrip of Nikki Global Finance Ltd. (hereinafter referred to as "**NGFL**"**/** "**the Company**") during the period from July 1, 2009 to May 30, 2014 hereinafter referred to as **'the Investigation Period'**), alleging therein the violations of Regulations 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a) and (e) of SEBI (Prevention of Fraudulent and unfair trading activities relating to the Securities Market) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations, 2003**"), by the Noticees.

2. Prior to the issue of the SCN, on the basis of a reference received from the Income Tax Department that certain entities could have manipulated the price in the scrip of NGFL, as part of a larger scheme linked to the long term capital gains scam, SEBI had conducted an investigation in the trading activities in the scrip of NGFL.

<u>Show Cause Notice, Replies, Inspection of Documents, Personal Hearing and Submissions:</u>

3. The brief facts and the allegations levelled against the Noticees, as understood from the SCN, are as follows:

   a. The business activities of the Company comprises investments, derivative trading, jobbing in securities, loans and advances, leasing, hire and purchase, and other activities. As per MCA website, the registered address of the company is I-9, LGF, Lajpat Nagar, New Delhi 110024 IN. The company is listed only on BSE.

b. It was observed that during investigation period, the price of the scrip opened at Rs. 11.60, registering a high of Rs. 980 and closed at Rs. 115.

c. It was observed that the Company, for FY 2010-11, FY 2011-12, FY 2012-13, FY 2013-14, and FY 2014-15 registered a profit of Rs.0.01 Cr, Rs.0.04 Cr, Rs.0.03 Cr, Rs.0.01 Cr and Rs.0.01 Cr respectively. For FY 2015-16 the Company registered a loss of Rs.0.31 Cr. During the investigation period, corporate announcements of the Company were pertaining to announcements of financial results and meeting of the Board of Directors of the company etc.

d. On the basis of price rise/fall in the scrip of NGFL during the Investigation Period, four patches were identified (2 price rise and 2 price fall). Patch 1 - Price Rise – July 1, 2009 to February 28, 2012, Patch 2 - Price Fall – February 29, 2012 to March 30, 2012, Patch 3 - Price Rise – April 2, 2012 to December 4, 2013 and Patch 4 - Price Fall – December 5, 2013 to May 30, 2014.

e. During **Patch 1 - Price Rise (**July 1, 2009 to February 28, 2012) **-** the price of the scrip of NGFL opened at Rs. 11.60, reached a high of Rs. 375 and closed at Rs. 337.75 i.e., a rise of 2836.95%. Buy LTP analysis was carried out and it was observed that top 10 entities contributed Rs. 1,738.35 (26.47% of the market +ve LTP) to the market +ve LTP of the scrip of NGFL. Based on KYC details, off market transfers and MCA documents, following entities namely, Mr. Santosh Kumar Agarwal, Success Vyapar Private Limited, Priyanshi Securities Ltd. Adinath Shares and Commodities Private Limited, Anant Fin Consultancy Pvt Ltd and Ms. Kamta Prasad Pandey were found to be connected.

f. During **Patch 2 - Price Fall -** the price of the scrip of NGFL opened at Rs. 337.50, reached a low of Rs. 121 and closed at Rs. 126.35 i.e., a fall of 62.56%. Sell LTP analysis was carried out and it was observed that top 10 entities contributed Rs. -227.45 (31.19% of the market -ve LTP) to the market -ve LTP. Based on KYC details, off market transfers and MCA documents, following entities namely, Mr. Surendra Kumar Agarwal, Mr. Santosh Kumar Agarwal and Mr. Tarun Kumar Agarwal were found to be connected.

g. During **Patch 3 - Price Rise**, the price of the scrip opened at Rs. 126, reached a high of Rs. 950 and closed at Rs. 950 i.e., a rise of 653.96%. Buy LTP analysis was carried out and it was observed that top 10 entities contributed Rs.1,344.20 (23.86% of the market +ve LTP) to the market +ve LTP. Based on KYC details, off market transfers and MCA documents, following entities namely, Ayodhya Vinimay Pvt Ltd., Mr. Upinder Singh, Mr. Vinodkumar Singhania, Neil Industries Ltd., Zen Stock & Share Broking Pvt Ltd. and Vilohit Property Pvt. Ltd. were found to be connected.

h. During **Patch 4**, the price of the scrip opened at Rs. 944.50, reached a low of Rs. 112.05 and closed at Rs. 115 i.e., a rise of 87.82%. Sell LTP analysis was carried out and, it was observed that top 10 entities contributed Rs. -1,199.90 (34.86% of the market -ve LTP) to the market -ve LTP. Based on KYC details, off market transfers and MCA documents, following entities namely Mr. Manish Agarwal and Mr. Pankaj Singhania were found to be connected.

i. It was observed that Mr. Shashwat Agarwal, Director of NGFL (26-Mar-2007 till date of conclusion of investigation), shared same address with Neil Industries Ltd. (LTP contributor in Patch 3). Mr. Ashesh Agarwal, Managing Director of NGFL, shared same number with Mr. Manish Agarwal (LTP contributor in Patch 4). Further, top 10 entities of all 4 patches were analyzed based on KYC details, Off-market transfers, Bank Statements and MCA details and 6 entities from Patch - 1, 3 entities from Patch - 2, 6 entities from Patch - 3 and 2 entities from Patch - 4 were found to be connected to one another and to the Directors of NGFL. Also, additional connected entities were identified based on the above analysis and a group of 301 connected entities was established. These entities are collectively hereafter referred as 'Connected Entities'.

j. **Patch - 1 - Price Rise:**

During this period **(**July 1, 2009 to February 28, 2012), 90 (75 of whom are Noticees herein) out of identified group of 301 Connected Entities had traded as buyers during Patch 1. Buy LTP analysis was carried out and is tabulated below:

Table 1

Sr. No		All trades			LTP > 0 (positive LTP)			LTP < 0 (negative LTP)			LTP = 0		% of +ve LTP to Mkt +ve LTP
		Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	No of trades	Qty	
1	Santosh Kumar Agarwal	293.55	3545	606322	545.55	594	105820	-252	295	40170	2656	460332	8.31
2	Success Vyapar Private Limited	78.05	1573	344198	151.05	166	30251	-73	96	12479	1311	301468	2.30
3	Priyanshi Securities Limited	67.21	621	164353	93.35	164	38462	-26.14	64	18647	393	107244	1.42
4	Adinath Shares And Commodities Private Limited	62.85	334	177729	71.35	72	36135	-8.50	14	6963	248	134631	1.09
5	Anant Fin Consultancy Pvt Ltd	57.65	526	265430	71.75	165	64253	-14.10	23	7884	338	193293	1.09
6	Kamta Prasad Pandey	56.95	1741	286460	339.75	327	50806	-282.80	325	40338	1089	195316	5.17
7	Raj Kumar Agarwal Agarwal	56.50	564	144289	82.10	115	29960	-25.60	42	5214	407	109115	1.25
8	Rishi Kant Awasthi	47.60	513	247168	80.90	131	63446	-33.30	50	10149	332	173573	1.23
9	Surendra Kumar Gupta	46.12	767	220347	96.91	205	55231	-50.79	128	30775	434	134341	1.48
10	Anurag Khandelwal	38.70	226	147715	45.30	85	50519	-6.60	11	7711	130	89485	0.69
11	Rajesh Agarwal	29.80	253	87676	43.40	67	27415	-13.60	19	5298	167	54963	0.66
12	Neil Industries Ltd.	28	520	219484	44.70	89	38010	-16.70	38	15943	393	165531	0.68
13	Kpk Fin Consultancy Private Limited	26.75	398	76313	40.95	63	13331	-14.20	20	3105	315	59877	0.62
14	Umesh Kumar Agarwal	25.05	183	12745	32.95	24	2026	-7.90	12	440	147	10279	0.50
15	Shubhang Exports Ltd	24	260	116572	29.05	56	25293	-5.05	15	8949	189	82330	0.44
16	Ankit Jain	22.20	196	74576	26.60	42	13690	-4.40	11	4253	143	56633	0.41
17	Kavita Awasthi	21.80	272	88407	29.85	64	20116	-8.05	36	7732	172	60559	0.45
18	Rich Udyog Network Limited	21.65	91	13464	27.10	23	2660	-5.45	6	1509	62	9295	0.41
19	Manoj Kumar Agarwal	19.35	118	19242	31.90	19	1580	-12.55	6	626	93	17036	0.49
20	Sanjai Jain Huf	17.75	262	41137	22.20	26	5526	-4.45	8	1589	228	34022	0.34
21	Sanjay Jain	16.80	420	90865	53.05	56	7859	-36.25	48	4167	316	78839	0.81
22	Rajendra Kumar Gupta	14.30	102	16111	22.25	17	1661	-7.95	15	1225	70	13225	0.34
23	Dheeraj Agarwal	11.35	200	101546	19.15	42	12832	-7.80	11	4911	147	83803	0.29
24	Sagar Net Mart P Ltd	10.30	70	51000	10.75	21	15650	-0.45	2	900	47	34450	0.16
25	Som Prakash Goenka	7.60	287	122846	14.10	42	12742	-6.50	10	3345	235	106759	0.22
26	Raghuvansh Agrofarms Ltd.	7.55	63	11095	9.30	9	253	-1.75	3	155	51	10687	0.14
27	Sonali Agarwal	6.40	171	100200	9.50	33	16665	-3.10	12	5200	126	78335	0.15
28	Scope Vyapar Pvt Ltd	5.25	101	39500	6.75	16	4456	-1.50	2	1041	83	34003	0.10
29	Taurus Data Links Pvt Ltd	4.90	80	19940	5.90	19	4061	-1	4	800	57	15079	0.09
30	Manoj Agarwal	4.55	110	9965	26.75	13	1485	-22.20	10	430	87	8050	0.41
31	Maya Gupta	4.50	33	21850	4.55	6	4816	-0.05	1	200	26	16834	0.07
32	Varsha Maheshwari	3.55	21	11145	3.55	8	3430	0	0	0	13	7715	0.05
33	Shreesh Agrawal	3.30	63	12370	7.50	8	1643	-4.20	6	1819	49	8908	0.11
34	Manish Agarwal	3.10	42	21865	3.75	13	7073	-0.65	5	1165	24	13627	0.06
35	Parag Bhargava	2.75	19	3538	3.75	3	650	-1	1	75	15	2813	0.06
36	Jeetendra Kumar Agnihotri	2.20	36	15800	3.70	2	1950	-1.50	2	700	32	13150	0.06
37	Samtal Financial System Limited	2.15	59	13000	4.85	15	3922	-2.70	5	1070	39	8008	0.07
38	Deepak Sehgal	1.90	54	17500	2.25	5	4937	-0.35	2	1999	47	10564	0.03
39	Sdl Commodities Limited	1.83	38	28650	2.95	4	3500	-1.12	6	3631	28	21519	0.05

Sr. No		All trades			LTP > 0 (positive LTP)			LTP < 0 (negative LTP)			LTP = 0		% of +ve LTP to Mkt +ve LTP
		Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	No of trades	Qty	
40	Narendra Kumar Jain	1.75	19	19000	3.10	11	11700	-1.35	3	4600	5	2700	0.05
41	Ravina Exports Private Limited	1.60	5	6400	1.60	2	2890	0	0	0	3	3510	0.02
42	Anuradha Anuradha	1.15	29	21117	2.40	7	3488	-1.25	5	4900	17	12729	0.04
43	Mahalaxmi Gupta	1.15	11	8630	1.50	2	2	-0.35	6	6592	3	2036	0.02
44	Rajni Gupta	1	144	71752	3.40	22	11855	-2.40	20	11610	102	48287	0.05
45	Praveen Kumar Agnihotri	0.90	32	10150	1.65	7	3062	-0.75	3	90	22	6998	0.03
46	Manish Verma Verma	0.80	3	300	0.80	2	200	0	0	0	1	100	0.01
47	R R Synthetics & Finvest Private Limited	0.80	8	9000	0.80	5	3750	0	0	0	3	5250	0.01
48	Vardhaman Textile Company Private Limited	0.75	2	3000	0.75	2	3000	0	0	0	0	0	0.01
49	Sanmukh Vincom Private Limited	0.55	20	30000	0.55	9	13546	0	0	0	11	16454	0.01
50	Subodh Agarwal	0.45	63	43310	1.70	16	13232	-1.25	6	9650	41	20428	0.03
51	Madhu Rani Goenka	0.40	98	68800	1.65	17	11356	-1.25	8	5085	73	52359	0.03
52	Sapna Gupta	0.25	74	13410	0.25	1	500	0	0	0	73	12910	0.00
53	Vibgyor Financial Servicepvt Ltd	0.25	15	22000	0.40	8	11530	-0.15	1	2000	6	8470	0.01
54	Dinesh Chand Goel Huf	0.20	7	3000	0.20	3	650	0	0	0	4	2350	0.00
55	Neharika Gupta	0.16	215	101548	6.41	31	12960	-6.25	18	7637	166	80951	0.10
56	Sanjay Gupta	0.15	9	8650	0.25	1	2000	-0.10	1	1	7	6649	0.00
57	Surya Bhan Singh-Huf	0.10	4	300	0.10	1	10	0	0	0	3	290	0.00
58	Meeta Agrawal	0.05	11	2000	0.10	1	100	-0.05	1	110	9	1790	0.00
59	Sanjay Kumar Gupta	0.05	17	2800	0.10	1	500	-0.05	1	150	15	2150	0.00
60	Ashesh Agarwal	0	2	20	0	0	0	0	0	0	2	20	0.00
61	Meenakshi Gupta	0	9	2500	0	0	0	0	0	0	9	2500	0.00
62	Pankaj Kumar Gupta	0	18	4645	0	0	0	0	0	0	18	4645	0.00
63	Rakesh Totuka	0	3	700	0	0	0	0	0	0	3	700	0.00
64	Sanjay Kumar	0	1	1000	0	0	0	0	0	0	1	1000	0.00
65	Shrishti E Systems Private Limited	0	21	7850	0.30	3	1000	-0.30	1	1500	17	5350	0.01
66	Upinder Singh	0	12	900	0	0	0	0	0	0	12	900	0.00
67	Vasundhara Capital And Securities Limited	0	3	298	0	0	0	0	0	0	3	298	0.00
68	Bindu Pandey	0	26	15860	0.20	2	2300	-0.20	4	660	20	12900	0.00
69	Sudeep Goenka	-0.05	235	96098	18.15	46	13304	-18.20	32	12892	157	69902	0.28
70	Subodh Agarwal Huf	-0.10	8	3000	0.40	1	400	-0.50	1	100	6	2500	0.01
71	Divya Agarwal	-0.10	1	135	0	0	0	-0.10	1	135	0	0	0.00
72	Cityon Nano Technology Private Limited	-0.15	36	15900	0.60	2	1000	-0.75	4	3599	30	11301	0.01
73	Neetu Gupta	-0.15	6	10800	0	0	0	-0.15	1	2447	5	8353	0.00
74	Kirti Stocks & Securities Limited	-0.20	14	14000	0.40	7	9260	-0.60	2	35	5	4705	0.01
75	Jitendra Sharma	-0.50	20	8000	0	0	0	-0.50	2	1333	18	6667	0.00
76	Dev Shankar Pandey	-0.60	29	25382	0.05	1	500	-0.65	1	500	27	24382	0.00
77	Vandana Saini	-0.70	7	685	0.25	3	600	-0.95	2	35	2	50	0.00
78	Dinesh Kumar Soni	-0.80	16	18000	0	0	0	-0.80	3	3900	13	14100	0.00
79	Pawan Agarwal	-0.80	27	9910	0.75	4	2750	-1.55	5	1900	18	5260	0.01
80	Renu Agarwal	-1.30	196	95159	5.75	32	21306	-7.05	12	8849	152	65004	0.09
81	Amit Kumar	-1.40	30	8858	0.20	2	151	-1.60	1	100	27	8607	0.00

Sr. No		All trades			LTP > 0 (positive LTP)			LTP < 0 (negative LTP)			LTP = 0		% of +ve LTP to Mkt +ve LTP
		Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	No of trades	Qty	
82	Arun Kumar	-1.75	45	6550	0	0	0	-1.75	2	400	43	6150	0.00
83	Santosh Kumar Agarwal Huf	-2.75	11	3895	0.75	1	100	-3.50	5	2110	5	1685	0.01
84	Manish Agarwal	-3.15	6	2350	0	0	0	-3.15	4	1500	2	850	0.00
85	Siddharth Gupta	-3.30	102	16200	0	0	0	-3.30	3	700	99	15500	0.00
86	Sanjay Kumar Sahu	-3.40	13	6933	0.50	1	2500	-3.90	6	1123	6	3310	0.01
87	Bansal Suppliers Private Ltd.	-5.40	86	27900	3.90	6	2950	-9.30	13	6600	67	18350	0.06
88	Ruchita Bhargava	-11.85	123	39708	10.45	18	6775	-22.30	30	6519	75	26414	0.16
89	Rita Jain	-40.90	3614	538006	519.05	477	73831	-559.95	599	57898	2538	406277	7.90
90	Surendra Kumar Agarwal	-244.15	614	43658	62.70	99	5566	-306.85	168	21222	347	16870	0.95
Group Total		**844.82**	**21052**	**5532480**	**2773.17**	**3683**	**1034739**	**-1928.35**	**2339**	**451089**	**15030**	**4046652**	**42.23**
Overall Market		**326.15**	**45297**	**10726493**	**6569.20**	**8412**	**2258593**	**-6243.05**	**7322**	**1087650**	**29563**	**7380250**	**100**

k. From the above table, it was observed that entities from Sr. No. 1 to 59 contributed to net +ve LTP, entities from Sr. No. 60 to 68 contributed to net 0 LTP and entities from Sr. No. 69 to 90 contributed to net -ve LTP. The group entities contributed Rs. 2,773.17 (42.23% of the market +ve LTP) to the market +ve LTP. It was also observed that the net LTP contribution by entities from Sr. No. 1 to 59 was Rs. 1,168.32 whereas the net LTP contribution of the market was Rs. 326.15. Hence, the entities from Sr. No. 1 to 59 (all of whom are not Noticees here) have contributed positively to net LTP significantly during Patch - 1.

l. From trading analysis, it was observed that the 109 entities, who all are Noticees herein, had traded among themselves during Patch - 1 and the trade details are as follows:

Table 2

Sr. No.		+LTP trades as Buyer with group entities				+LTP trades as Seller with group entities				+LTP as Buyer and Seller (Rs.)
		+LTP (Rs.)	No of trades	Qty	% of mkt. +ve LTP	+LTP (Rs.)	No of trades	Qty	% of mkt. +ve LTP	
1	Santosh Agarwal	251.75	301	48821	3.83	118.95	129	35233	1.81	370.7
2	Kamta Prasad Pandey	134.40	122	25375	2.05	41	40	8603	0.62	175.4
3	Success Vyapar Private Limited	38.10	56	10125	0.58	0.20	3	290	0.00	38.30
4	Raj Agarwal	34.15	47	11620	0.52	6.90	5	1353	0.11	41.05
5	Anant Fin Consultancy Pvt Ltd	33.95	81	22356	0.52	4.65	18	20078	0.07	38.60
6	Sanjay Jain	32.90	28	4337	0.50	0.70	3	300	0.01	33.60
7	Anurag Khandelwal	27.60	44	11639	0.42	1	2	45	0.02	28.60
8	Rishi Kant Awasthi	22.10	33	21513	0.34	10.55	5	1630	0.16	32.65
9	Adinath Shares And Commodities Private Limited	17.05	32	25575	0.26	0.40	8	4759	0.01	17.45
10	Rajesh Agarwal	16.05	28	11287	0.24	0	0	0	0.00	16.05
11	Manoj Agarwal	14.75	7	785	0.22	0.50	2	406	0.01	15.25
12	Kpk Fin Consultancy Private Limited	14.15	30	5518	0.22	2.05	5	3450	0.03	16.20
13	Kavita Awasthi	13.50	25	10079	0.21	1.15	3	3070	0.02	14.65

Sr. No.		+LTP trades as Buyer with group entities				+LTP trades as Seller with group entities				+LTP as Buyer and Seller (Rs.)
		+LTP (Rs.)	No of trades	Qty	% of mkt. +ve LTP	+LTP (Rs.)	No of trades	Qty	% of mkt. +ve LTP	
14	Dheeraj Agarwal	11.40	28	9227	0.17	0.40	6	2642	0.01	11.80
15	Sanjai Jain Huf	10.45	10	3033	0.16	0	0	0	0.00	10.45
16	Neil Industries Ltd	9.50	29	17431	0.14	2.40	11	3397	0.04	11.90
17	Ankit Jain	9.35	11	3830	0.14	3.60	4	778	0.05	12.95
18	Shubhang Exports Ltd	7.70	27	13289	0.12	0.35	5	4105	0.01	8.05
19	Priyanshi Securities Limited	7.20	18	5209	0.11	2.03	5	1345	0.03	9.23
20	Raghuvansh Agrofarms Ltd	6.30	7	151	0.10	0.40	2	2645	0.01	6.70
21	Sonali Agarwal	5.30	21	7675	0.08	0.90	6	3559	0.01	6.20
22	Surendra Kumar Gupta	4.68	18	8590	0.07	11.85	31	33074	0.18	16.53
23	Umesh Kumar Agarwal	4.65	7	990	0.07	0.50	1	10	0.01	5.15
24	Manoj Kumar Agarwal	3.30	3	300	0.05	0.10	1	1000	0.00	3.40
25	Shreesh Agrawal	2.95	3	860	0.04	0.80	4	3210	0.01	3.75
26	Scope Vyapar Private Limited	2.35	7	1735	0.04	0.05	1	1920	0.00	2.40
27	Narendra Kumar Jain	2.25	8	11400	0.03	0	0	0	0.00	2.25
28	Rajendra Kumar Gupta	2.25	5	365	0.03	0.45	2	2315	0.01	2.70
29	Rich Udyog Network Limited	1.85	3	675	0.03	0	0	0	0.00	1.85
30	Som Prakash Goenka	1.75	12	3022	0.03	1.45	14	5388	0.02	3.20
31	Samtal Financial System Limited	1.60	6	2600	0.02	0.6	7	1527	0.01	2.20
32	Manish Agarwal	1.45	3	349	0.02	0.60	6	2838	0.01	2.05
33	Praveen Kumar Agnihotri	1.05	5	2627	0.02	0.05	1	370	0.00	1.10
34	Taurus Data Links Pvt Ltd	0.90	10	1568	0.01	0	0	0	0.00	0.90
35	Subodh Agarwal	0.75	7	6712	0.01	0.20	3	6000	0.00	0.95
36	Rajni Gupta	0.75	10	6027	0.01	10.10	21	8352	0.15	10.85
37	Anuradha	0.65	2	1037	0.01	2.45	5	2019	0.04	3.10
38	Madhu Rani Goenka	0.60	8	5675	0.01	10.15	15	3565	0.15	10.75
39	Varsha	0.45	1	500	0.01	0.05	1	500	0.00	0.50
40	Sanmukh Vincom Private Limited	0.45	7	11946	0.01	0	0	0	0.00	0.45
41	Neharika Gupta	0.40	6	2381	0.01	14.80	18	11804	0.23	15.20
42	R R Synthetics & Finvest Private Limited	0.40	4	2720	0.01	0	0	0	0.00	0.40
43	Vibgyor Financial Servicepvt Ltd	0.25	5	7505	0	0	0	0	0.00	0.25
44	Jeetendra Kumar Agnihotri	0.25	1	1800	0	0	0	0	0.00	0.25
45	Maya Gupta	0.15	3	2416	0	2	2	1000	0.03	2.15
46	Parag Bhargava	0.15	1	500	0	0.50	1	340	0.01	0.65
47	Ravina Exports Private Limited	0.10	1	1940	0	0	0	0	0.00	0.10
48	Sanjay Kumar Gupta	0.10	1	500	0	0	0	0	0.00	0.10
49	Vardhaman Textile Company Pvt. Ltd.	0.05	1	2940	0	0	0	0	0.00	0.05
50	Manish Verma Verma	0.05	1	100	0	0	0	0	0.00	0.05
51	Aman Portfolio Pvt Ltd	0	0	0	0	2.65	5	591	0.04	2.65
52	Vinod Kumar Dhingra	0	0	0	0	0.25	2	775	0.00	0.25
53	Ahmad Sadat	0	0	0	0	0.25	1	600	0.00	0.25
54	S D L Commodities Ltd	0	0	0	0	2.20	4	1881	0.03	2.20
55	Cityon Nano Technology Private Limited	0	0	0	0	1.75	2	375	0.03	1.75
56	Ram Pher Dwivedi	0	0	0	0	2	2	2000	0.03	2
57	Mohammad Anwar	0	0	0	0	0.10	1	100	0.00	0.10
58	Daddu Prasad (Huf)	0	0	0	0	1.05	3	2116	0.02	1.05
59	Piyush Jain Huf	0	0	0	0	0.10	1	323	0.00	0.10
60	Sanjay Gupta	0	0	0	0	3.50	1	100	0.05	3.50
61	Anand Kumar Chaurasia	0	0	0	0	0.30	2	1162	0.00	0.30
62	Surya Bhan Singh-Huf	0	0	0	0	0.50	1	200	0.01	0.50
63	Savita Devi	0	0	0	0	7	16	7098	0.11	7
64	Ramdas Agarwal (Huf)	0	0	0	0	1.10	3	791	0.02	1.10
65	Sapna Devi	0	0	0	0	1.50	1	500	0.02	1.50
66	Sagar Net Mart P Ltd	0	0	0	0	0.30	3	2981	0.00	0.30
67	Arun Kumar	0	0	0	0	13.20	16	1511	0.20	13.20
68	Sanjay Kumar	0	0	0	0	1.65	4	95	0.03	1.65
69	Dilip Kumar Agrawal	0	0	0	0	1.55	2	1850	0.02	1.55
70	Aman Dhingra	0	0	0	0	5.90	14	4773	0.09	5.90
71	Renu Dhingra	0	0	0	0	1.75	5	2525	0.03	1.75
72	Manish Agarwal	0	0	0	0	0.05	1	132	0.00	0.05
73	Kamal Kishor Chaurasia	0	0	0	0	0.05	1	410	0.00	0.05
74	Pankaj Kumar Gupta	0	0	0	0	0.50	1	910	0.01	0.50
75	Renu Agarwal	0	0	0	0	1	1	100	0.02	1
76	Pushap Lata Girotra	0	0	0	0	2.15	3	399	0.03	2.15
77	Param Jeet Singh	0	0	0	0	1.15	2	690	0.02	1.15
78	Divya Agarwal	0	0	0	0	5.05	6	6281	0.08	5.05
79	Bindu Pandey	0	0	0	0	0.30	4	5526	0.00	0.30
80	Dev Shankar Pandey	0	0	0	0	4.15	6	6439	0.06	4.15

Sr. No.		+LTP trades as Buyer with group entities				+LTP trades as Seller with group entities				+LTP as Buyer and Seller (Rs.)
		+LTP (Rs.)	No of trades	Qty	% of mkt. +ve LTP	+LTP (Rs.)	No of trades	Qty	% of mkt. +ve LTP	
81	Vikas Agarwal	0	0	0	0	4.95	9	5203	0.08	4.95
82	Rita Jain	0	0	0	0	326.15	465	42707	4.96	326.15
83	Dinesh Kumar Soni	0	0	0	0	1.80	7	4324	0.03	1.80
84	Siddharth Gupta	0	0	0	0	0.50	1	150	0.01	0.50
85	Ram Kumar Dubey	0	0	0	0	0.85	4	5040	0.01	0.85
86	Neelu Agarwal	0	0	0	0	2.40	10	4415	0.04	2.40
87	Anjana Jain	0	0	0	0	1.35	2	295	0.02	1.35
88	Pushpa Jain	0	0	0	0	2.40	2	947	0.04	2.40
89	Seema Kapoor	0	0	0	0	0.65	6	5300	0.01	0.65
90	Neetu Gupta	0	0	0	0	1.10	2	1100	0.02	1.10
91	Mahalaxmi Gupta	0	0	0	0	4.15	4	1055	0.06	4.15
92	Surendra Kumar Agarwal	0	0	0	0	59.15	35	6719	0.90	59.15
93	Sudeep Goenka	0	0	0	0	3.50	10	12476	0.05	3.50
94	Sapna Agrawal	0	0	0	0	2.50	3	765	0.04	2.50
95	Nikita Dhingra	0	0	0	0	5.85	7	1715	0.09	5.85
96	Sanjay Kumar Sahu	0	0	0	0	5.95	15	6350	0.09	5.95
97	Heera Devi Ahirwar	0	0	0	0	1.60	4	2424	0.02	1.60
98	Amit Kumar	0	0	0	0	1.20	6	3721	0.02	1.20
99	Ruchita Bhargava	0	0	0	0	2.10	9	4230	0.03	2.10
100	Rajendra Kaur	0	0	0	0	0.25	1	1402	0.00	0.25
101	Priyanka Agarwal	0	0	0	0	0.10	2	205	0.00	0.10
102	Abhishek	0	0	0	0	0.05	1	500	0.00	0.05
103	Preeti Sharma	0	0	0	0	0.05	1	500	0.00	0.05
104	Ram Sukhi	0	0	0	0	3.40	4	2190	0.05	3.40
105	Akansha Goel	0	0	0	0	0.25	2	1370	0.00	0.25
106	Jitendra Sharma	0	0	0	0	0.25	1	290	0.00	0.25
107	Vandana Saini	0	0	0	0	0.15	2	1300	0.00	0.15
108	Lal Ji Sarraf	0	0	0	0	0.25	2	1000	0.00	0.25
109	Ravi Karan	0	0	0	0	3.50	7	4808	0.05	3.50
Group Total		**754.23**	**1134**	**358655**	**11.48**	**754.23**	**1134**	**358655**	**11.48**	**-**

m. From the above table, it was observed that by trading among themselves, the group of 109 connected entities contributed Rs. 754.23, which is 11.48% of the market +ve LTP. Also, the 59 entities listed at Sr. No 51-109 had aided other 50 entities i.e. Sr. No. 1 to 50, by selling shares to increase the price of the scrip. In view of the significant +ve LTP contribution by the group of 109 connected entities by trading among themselves it is alleged that Noticees, listed in the above table manipulated the price of the scrip by contributing to the price rise and hence it is alleged that they have violated Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of PFUTP Regulations, 2003.

n. It is observed from the Investigation Report that during Patch 2 - Price Fall, in view of the insignificant -ve LTP contribution to the market -ve LTP and -ve LTP contribution among the group, no adverse inference has been drawn.

o. It is observed from the Investigation Report that during Patch - 3 - Price Rise, in view of the insignificant +ve LTP contribution among the group, no adverse inference has been drawn.

p. It is observed from the Investigation Report that during Patch 4 - Price Fall, in view of the insignificant -ve LTP contribution to the market -ve LTP by the Connected Entities, no adverse inference has been drawn.

q. The details of entities that indulged in price manipulation and whose net sell value (sell value – buy value) was Rs. 50 Lakh or more during the Investigation Period is tabulated below -

Table 3

Sr. No.	Name	Buy Qty.	Buy Value	Sell Qty.	Sell Value	Net Sell Value
Promoters						
1	Anand Kumar Chaurasia	-	-	292786	234539805.30	234539805.30
2	Kamal Kishor Chaurasia	-	-	90502	73209336.40	73209336.40
Entities who indulged in Price Manipulation						
3	Surendra Kumar Gupta	259834	15257238.86	351536	58514574.25	43257335.39
4	Neharika Gupta	138898	9903872.90	157153	38844534.55	28940661.65
5	Manish Agarwal	31075	3695360.35	31075	24929675.70	21234315.35
6	Sanjay Kumar Sahu	6933	129510.50	71933	16324384.70	16194874.20
7	Som Prakash Goenka	158196	13862455.10	123796	29422742.95	15560287.85
8	Maya Gupta	58682	8371016.10	41982	23896325.65	15525309.55
9	Savita Devi	-	-	90000	13602655.95	13602655.95
10	Rajendra Kumar Gupta	50824	8008147.70	34024	20697060.70	12688913.00
11	Divya Agarwal	135	26716.50	55135	10053140.50	10026424.00
12	Rajni Gupta	89352	7584103.65	71427	16534568.50	8950464.85
13	Madhu Rani Goenka	89900	7959196.10	68800	16462904.50	8503708.40
14	Seema Kapoor	1500	291000.00	33500	7518836.65	7227836.65
15	Anuradha	21117	498739.20	36117	7064373.15	6565633.95
16	Vikas Agarwal	-	-	26656	5559369.35	5559369.35

r. The basis of connection for the entities mentioned in the above table is as follows:

Table 4

Sr. No.	Name	Basis of Connection
1	Anand Kumar Chaurasia	Promoters of NGFL as per BSE website
2	Kamal Kishor Chaurasia	
3	Surendra Kumar Gupta	1. Surendra Kumar Gupta, Rajni Gupta and Som Prakash Goenka have same address 2. Som Prakash Goenka and Madhu Rani Goenka have same number 3. Madhu Rani Goenka and Anant Fin Consultancy Pvt Ltd and have same email id 4. Rishi Kant Awasthi is a common director of Anant Fin Consultancy Pvt Ltd and Success Vyapar Private Limited 5. Subodh Agarwal (director of NGFL) and Success Vyapar Private Limited have same address
4	Madhu Rani Goenka	
5	Som Prakash Goenka	
6	Rajni Gupta	
7	Neharika Gupta	1. Neharika Gupta and Manoj Kumar Agarwal have same address 2. Manoj Kumar Agarwal and Subodh Agarwal (director of NGFL) were directors of Samtal Financial System Limited
8	Manish Agarwal	1. Manish Agarwal and Manoj Agarwal have same number 2. Manoj Agarwal has an off market transfer with Flabby Traders Private Limited who has an off market transfer with Divya Agarwal 3. Divya Agarwal has an off market transfer with Vasundhara Capital and Securities Ltd. where Subodh Agarwal was a director and Subodh Agarwal is a director of Nikki Global Finance Ltd.
9	Divya Agarwal	

10	Sanjay Kumar Sahu	1. Sanjay Kumar Sahu, Anuradha and Savita Devi have off market transfers with Adinath Shares and Commodities Private Limited 2. Anant Fin Consultancy Pvt Ltd and Adinath Shares And Commodities Private Limited have a common director Ankit Jain 3. Rishi Kant Awasthi is a common director of Anant Fin Consultancy Pvt Ltd and Success Vyapar Private Limited 4. Subodh Agarwal (director of NGFL) and Success Vyapar Private Limited have same address
11	Anuradha	
12	Savita Devi	
13	Maya Gupta	1. Maya Gupta, Rajendra Kumar Gupta and Manish Agarwal have same address 2. Manish Agarwal and Sapna Gupta have same number 3. Sapna Gupta has an off market transfer with Adinath Shares and Commodities Private Limited 4. Anant Fin Consultancy Pvt Ltd and Adinath Shares And Commodities Private Limited have a common director Ankit Jain 5. Rishi Kant Awasthi is a common director of Anant Fin Consultancy Pvt Ltd and Success Vyapar Private Limited 6. Subodh Agarwal (director of NGFL) and Success Vyapar Private Limited have same address
14	Rajendra Kumar Gupta	
15	Seema Kapoor	1. Seema Kapoor has an off market transfer with Success Vyapar Private Limited 2. Rishi Kant Awasthi is a common director of Anant Fin Consultancy Pvt Ltd and Success Vyapar Private Limited 3. Subodh Agarwal (director of NGFL) and Success Vyapar Private Limited have same address
16	Vikas Agarwal	1. Vikas Agarwal HUF and Vikas Agarwal have same address 2. Vikas Agarwal HUF has an off market transfer with Raj Kumar Agarwal 3. Raj Kumar Agarwal and Subodh Agarwal (director of NGFL) have same address

s. As alleged above, the 16 entities mentioned in the above table were observed to have indulged in price manipulation and benefited by selling substantial value of shares of NGFL, during the Investigation Period.

t. Hence, 109 entities mentioned in the Table 2 above were called upon to show cause as to why directions under Sections 11(1), 11(4) and 11B of the SEBI Act, 1992 should not be issued against them for the aforesaid alleged violations under PFUTP Regulations, 2003, committed while trading during Patch-1 of the Investigation Period.

4. The SCN dated July 25, 2017, was served upon 109 *Noticees* by way of registered post and in some cases by way of substituted service, viz. affixture and newspaper publication. After completion of service of SCN, the matter came to be placed before two other Whole Time Members but it could not be proceeded further due to internal re-allocation of cases amongst the Whole Time Members of SEBI. In December 2019, the matter finally came to be assigned to the undersigned for granting of personal hearing and subsequent determination.

5. I note that Noticee no. 1 to 18, 20 to 25, 27 to 30, 32, 33, 35 to 50, 52 to 55, 57, 58, 59, 60, 61, 62, 64, 67, 68, 69, 73, 75 to 84, 86 to 95, 97 to 101, 104, 107 and 109, have filed their reply to the SCN. No reply has been filed by Noticee no. 19, 26, 31, 34, 51, 56, 63, 65, 66, 70, 71, 72, 74, 85, 96, 102, 103, 105, 106 and 108.

6. The personal hearing in the present matter were conducted on March 5, 2020, March 6, 2020, July 8, 2020, August 28, 2020, December 11, 2020 and December 22, 2020. Noticee no. 51, 52, 70, 71, 76, 95, 43, 27, 47, 64, 9, 98, 5, 87, 15, 37, 7, 79, 58, 80, 14, 69, 83, 97, 44, 2, 13, 12, 91, 50, 86, 90, 46, 77, 59, 33, 101, 18, 88, 21, 4, 100, 10, 104, 109, 75, 8, 82, 99, 16, 60, 6, 48, 1, 94, 54, 25, 22, 36, 3, 92, 62, 23, 39, 81, 55 and 29, appearing personally or through their authorised representative, were heard at the personal hearing.

7. I note that some of the Noticees had sought inspection of certain documents like copy of investigation report, details of communications, trade details, etc. In compliance with the principles of natural justice inspection of original documents, copies of which had been annexed to the SCN, was provided to such Noticees. However, some of these Noticees had sought inspection of certain documents, including order log, that have not been relied upon in the SCN. Therefore, it was clarified to them that inspection of all the relevant extracts of the investigation report which have already been incorporated in the SCN and all the documents that have been relied upon in the SCN have already been made available to them.

8. Noticee no. 9, 98, 5, 87, 15, 37, 7, 79, 58, 80, 14, 69, 83, 97, 44, 2, 13, 12, 91, 50, 86, 90, 46, 77, 59, 33, 101, 18, 88, 21, 4, 100, 10, 104, 109, 75, 8, 82, 99, 16, 60, 6, 48, 1, 94, 54, 25, 22, 36, 3, 92, 62, 23, 39, 81, 55 and 29, represented by one Advocate (hereinafter referred to as '**57 Noticees'**), in their separate replies and common written submissions and oral submissions made at the time of personal hearing, have raised the following key contentions to the allegations in the SCN:

   a. SCN is bad in law as the same has been issued after a period of more than 5 - 8 years after execution of trades by the Noticees. BSE is a first stage Regulator and claims that it has most scientific and surveillance mechanisms. Similarly, SEBI as Regulator of Regulators of all Stock Exchanges, of all intermediaries and of all the entities who deal in securities market has also a sophisticated Surveillance System. None of the Noticees had received a single Caution Letter either from BSE and/or SEBI in the scrip of NGFL. Hence, the issue of SCN after a lapse of period of 5 - 8 years has caused extreme mental agony to

Noticees and issue of SCN after lapse of 5-8 years highly prejudices the case of the Noticees as justice delayed is justice denied. Recently, the Hon'ble Supreme Court of India and the Hon'ble Tribunal took a tough stand against inordinate delay and latches in quasi-judicial proceedings. We hereby rely on two of such Judgements passed by the Hon'ble SAT: 1) Mr. Ashok Shivpal Rupani & Ors, v. SEBI, Order dated 22-08-2019. 2) *Mr. Rakesh Kathotia & Ors. vs. SEBI (Appeal No. 07 of 2016 decided by SAT on 27.05.2019).*

b. The entire SCN is based on purported connections with 301 entities / persons out of which only 109 entities/person have been made Noticees to the SCN. Thus, the SCN exhibits a classic case of arbitrariness and discrimination. It is an admitted fact that SEBI had not made 192 entities parties to the captioned SCN. Further, despite having substantial contribution to +ve LTP by several entities out of 192 entities, no adverse finding has been recorded in the Investigation Report as well as in the SCN. Under these circumstances, the allegation of connection is totally misconceived and liable to be dropped. Since SEBI has not initiated any proceeding against 192 entities, the chain of connection has been broken and therefore the allegation of connection against the Noticees cannot sustain.

c. It is further submitted that the basis of connection as given in the Annexure 2 enclosed with the SCN has been portrayed as an allegation simpliciter. If mere connection is an allegation then why all 301 entities have not been made parties to the SCN? Mere connection cannot be an allegation. It is submitted that alleged violation of PFTUP Regulations, 2003 by the Noticees has to be established and proved on the touch stone of connivance. However, the Investigation has failed to prove any connivance amongst the Noticees. Thus, the allegation of connection with the aforesaid purported connected entities have nothing to do with the trades executed by them in the scrip of NGFL. In this regard, the Noticees place reliance on the Orders passed by the Hon'ble SAT in the following matters:

    i. Premchand Shah & Ors. V/s SEBI (Date of Order dated 21-02-2011)
    ii. Smitaben N. Shah vs. SEBI (Date of decision 30/07/2010)

iii. Manish Suresh Joshi vs. SEBI (Date of decision 13-01-2020, Appeal No. 2 of 2020)

d. It is further submitted that the trades executed by the Noticees in the scrip of NGFL were in the normal course of trading and there was no intention of raising, decreasing or maintaining the price of the scrip.

e. In case of all the Noticees an adverse inference has been drawn for their trades executed during Patch 1 period of the investigation. However, no adverse inference has been drawn against any Noticees for their trades executed during 2, 3 and 4 Patches of the investigation when the price of the scrip had witnessed steep fluctuations i.e. reaching a low of Rs. 121/- from Rs. 375/- during Patch 2 period and thereafter recording a high of Rs. 980/- during Patch 4 of the investigation. It is thus established that irrespective of unimpressive financial results of the Company, the price of the scrip increased on its own without any manual intervention.

f. The very foundation of the entire SCN is based on analysis of 10 ten entities in all the four Patches which has been dealt in paragraph 6 and 8 of the Investigation Report. During Patch 1 (01-07-2009 to 28-02-2012) the price of the NGFL opened at Rs. 11.60, reached a high of Rs. 375 and closed at Rs. 337.75. During Patch 3 period (02-04-2012 to 04-12-2013) the price of the Company opened at Rs. 126/- and reached a high of Rs. 950/- and closed at Rs. 950. In both the periods i.e. Patch 1 and 3, it is observed that top 10 entities contributed significantly to positive LTP i.e. Rs. 1738.35 and Rs. 1344.20 respectively. However, surprisingly, contribution to positive LTP which was Rs. 1344.20 (23.86% of the market +ve LTP) in Patch 3 period as against Rs. 1738.35 (26.47% of the market +ve LTP) in Patch 1 period, (as referred in paragraph 11.III of the Investigation Report), no adverse inference has been drawn in view of insignificant positive LTP amongst the group. Similarly, during Patch 2 and 4 periods of Investigation, from the Sell LTP analysis it was observed in the Investigation Report that in Patch 2 period top 10 entities had contributed Rs. -227.45 (31.19% of the market –ve LTP) as against contribution of Rs. -1199.90 (34.86% of the market –ve LTP) of the top 10 entities in Patch

4 period. Inspite of contribution of huge –ve LTP during both the 2nd and 4th Patches, no adverse inference has been drawn considering the same as insignificant –ve LTP contribution to the market by connected entities. On perusal of the Investigation Report dated 17-05-2017, it is revealed that in the SCN, the contribution of several non Noticees/Entities to +ve LTP has deliberatively been skipped. On perusal of the Trade Log data it is revealed that one single entity i.e. M/s Kanudia Capital and Management Services Private Limited which had generated huge positive LTP of Rs. 2532.15 during the entire investigation period in the scrip of the Company but has been left scot-free whereas the 109 Noticees including 57 Noticees have been issued SCN for alleged violation of SEBI PFUTP Regulation for alleged positive LTP contribution of Rs. 754.23 i.e. comparably much lower from the contribution of the one single entity i.e. M/s Kanudia Capital and Management Services Private Limited.

g. It is very pertinent to mention that the several Entities which were shown as part of 301 purported connected group entities and had contributed to +ve LTP during the Investigation Period were not made parties to the SCN despite their significant contribution to +ve LTP.

h. The Investigation Department's own findings is an enough indication that the price of the scrip had decreased / increased in Patch 2, 3 and 4 periods without any manual intervention and it was market driven. In para 14 to 16 of the SCN, SEBI itself acknowledges that no adverse inference can be drawn for the trades executed in the said periods by the Noticees in view of insignificant negative / positive contribution to LTP. Then how an adverse inference could be drawn against trades of Noticees in Patch 1 period?

i. In Para 13 of the SCN, it is alleged that by trading amongst themselves the group of 109 connected entities had contributed Rs. 754.23 which is 11.48% of the market positive LTP during the Patch 1 period of investigation. It is beyond the comprehension of the Noticees how +ve LTP contribution of Rs. 754.23 i.e. 11.48% of the market +ve LTP could draw adverse inference when in Patch 3 period there was substantial multiple +ve LTP contribution but no adverse

inference has been drawn in view of insignificant +ve LTP contribution. Thus, the entire basis of adverse inference drawn is vague and faulty and such allegations cannot sustain in eyes of law.

j. It is further submitted that the total positive LTP during the Patch 1 period of Investigation was Rs. 6569.20. The alleged individual contribution by the Noticees is too miniscule in comparison to the total market positive LTP contribution.

k. It is further submitted that the total positive LTP during the entire period of Investigation was more than Rs. 15335/-. The alleged individual contribution by the Noticees is too miniscule in comparison to the total market positive LTP contribution.

l. The Noticees further wish to submit that their total trades have not been considered while making allegation against them. Several of Noticees had actually net –ve contribution to LTP though allegation of +ve LTP contribution has been made against them.

m. The Noticee further wish to submit that several counterparties to their trades are admittedly not part of the present SCN.

9. The allegations against the Noticees as contained in the SCN can be summarized as follows:

a. 301 Connected Entities traded in the scrip of NGFL, during the Investigation Period. 90 out of the 301 Connected Entities have traded as buyers during Patch 1. These 90 entities collectively contributed to Rs. 2773.17 to the market positive LTP, during Patch 1, which was 42.23% of market positive LTP. Out of the 90 entities, 75 entities are Noticees to the SCN, namely, Noticee nos. 1 to 50, 54, 55, 60, 62, 66, 67, 68, 72, 74, 75, 78, 79, 80, 82, 83, 84, 90, 91, 92, 93, 96, 98, 99, 106 and 107, and have been alleged to have violated Regulation 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations.

b. Further, entities from Sr No. 1 to 59 at Table 1 of the SCN, are observed to have contributed to Rs. 1168.32 to the net LTP during Patch 1, whereas the net LTP contribution of the market was Rs. 326.15. In view of the above, SCN alleges that, 55 Noticees namely, Noticee no. 1 to 50, 54, 60, 62, 66 and 91 have violated Regulation 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations.

c. The top 10 LTP contributors to the price rise in the scrip of NGFL, during Patch 1, contributed to Rs. 1738.35 (26.47% of the market positive LTP). Noticee no. 1, 2, 3, 18, 9 and 5, were among the top 10 LTP contributors who apparently were also part of the group of Connected Entities. Thus, the SCN alleges that Noticee no. 1, 2, 3, 18, 9 and 5, played a role in the manipulation in the price of scrip of NGFL and thus violated Regulation 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations.

d. The Noticees by trading amongst themselves during Patch 1, contributed to Rs. 754.23, which is 11.48% of the market positive LTP. Noticee no. 51 to 109, have aided other Connected Entities i.e. Noticee no. 1 to 50, by acting as sellers to increase the price of the scrip. In view of the significant LTP contribution by the Noticees while trading amongst themselves, it is alleged that the Noticees have violated Regulation 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations.

e. Noticee no. 61, 73, 20, 42, 72, 96, 30, 45, 63, 28, 78, 35, 38, 89, 37 and 81, are alleged to have indulged in price manipulation and benefited by selling shares of NGFL having net sell value of Rs. 50 Lacs or more.

10. I find that the investigation in the present matter has analyzed the trading in the scrip of NGFL in four Patches. Out of the four Patches, charges have been framed by the SCN with regards to the trading done by the Noticees during Patch 1 only. I note that no allegations have been levelled by the SCN against the Connected Entities for their trades in the remaining three Patches. Out of the various allegations made in the SCN with respect to trading during Patch 1, as summarized in the preceding paragraph, the following are the two key allegations in the SCN:

i. **<u>Trading by 90 Connected Entities as buyers during Patch 1</u>:** 301 Connected Entities traded in the scrip of NGFL, during the Investigation Period.

90 out of the 301 Connected Entities have traded as buyers during Patch 1. These 90 entities collectively contributed to Rs. 2773.17 to the market positive LTP, during Patch 1, which was 42.23% of market positive LTP. Out of the 90 entities, 75 Noticees namely, Noticee nos. 1 to 50, 54, 55, 60, 62, 66, 67, 68, 72, 74, 75, 78, 79, 80, 82, 83, 84, 90, 91, 92, 93, 96, 98, 99, 106 and 107 are alleged to have violated Regulation 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations.

ii. **Noticees trade amongst themselves during Patch 1**: The Noticees by trading amongst themselves during Patch 1, contributed to Rs. 754.23, which is 11.48% of the market positive LTP. Noticee no. 51 to 109, have aided other Connected Entities i.e. Noticee no. 1 to 50, by acting as sellers to increase the price of the scrip of NGFL. In view of the significant LTP contribution by the Noticees while trading amongst themselves, it is alleged that the Noticees have violated Regulation 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations.

11. I have perused the allegations made in the SCN, the replies filed by the Noticees, the submissions made by the Noticees at the time of personal hearing and through their written submissions. After consideration of the same, my findings thereon are as under:

a. The 57 Noticees have raised a preliminary objection to the issuance of SCN in the present matter. It is the case of the said Noticees that the inordinate delay in the issuance of SCN in the present matter has prejudicially affected their rights to put forward an effective defense and thus has resulted in violation of the principles of natural justice. I note that investigation in the present matter was initiated by SEBI after receipt of a reference dated April 27, 2015, from the Principal Director of Income Tax (Inv), Kolkata, wherein the Company was part of a list of 84 companies which were referred by the Income Tax Department, whose shares prices were alleged to have been rigged for providing Long Term Capital Gains Tax/ Short Term Capital Loss advantage. In order to carry out the investigation, the following activities were involved: 1) Examination of trades of various entities, 2) collecting data from various sources such as exchanges,

depositories, banks, etc. 3) Examination of funds flows, 4) Seeking responses from various delinquent entities, etc. and thereafter, various dots were connected to get the complete picture and thus, investigation was concluded in May 2017. Thus, investigation in the matter was time consuming since, it involved multitude of entities, precisely 301 Connected Entities including 109 Noticees. After conclusion of investigation, SCN dated July 25, 2017 was issued and served upon the 109 Noticees in the matter. While in some cases, the SCN and its annexures were served upon the Noticees by way of registered posts, in case of the remaining Noticees, the SCN had to be served by way of substituted services. After completion of service of SCN, on January, 2019 the matter was placed before another Whole Time Member for hearing but it could not be proceeded further due to impending redistribution of cases amongst the Whole Time Members of SEBI. Thereafter, in February 2019, the matter was reallocated to another WTM of SEBI. Subsequently, in December 2019, the matter finally came to be assigned to the undersigned for granting of personal hearing and subsequent determination. The opportunity of personal hearing was granted to all the Noticees on March 5, 2021 and March 6, 2021. The Advocate representing the 57 Noticees sought for an adjournment on the ground that he had asked for an inspection of documents and the same was pending to be completed. Accordingly, the matter was adjourned to April 21, 2020 for the 57 Noticees. The case could not be taken up for personal hearing on April 21, 2020 because of the strict nationwide lockdown measures. Hence, the hearing was further adjourned to July 8, 2020. This time an option of hearing through audio-video conference was also provided. I note that the Advocate representing 57 Noticees again sought for an adjournment on the ground that impending restrictions during lockdown were making it difficult to co-ordinate with his clients and finalizing their reply to the SCN. Another opportunity of hearing was granted to the 57 Noticees on August 28, 2020. Once again the Advocate representing 57 Noticees, sought for an adjournment on the ground that he would desire to have a physical hearing for this matter owing to the voluminous data to be presented and that the arguing counsel was residing in a Containment Zone and was not available for hearing on the scheduled date. A final adjournment was granted to the Advocate representing 57 Noticees and the next hearing was scheduled on December 11, 2020. However, another

adjournment was sought by the Advocate representing 57 Noticees on the ground of non-availability of arguing counsel. Accordingly, as the final opportunity, the matter was adjourned to December 22, 2020 for the 57 Noticees, since some other entities were also called on the same day. The Advocate representing 57 Noticees through the Ld. Arguing Counsel was heard on December 22, 2020 through CISCO WebEx and they were granted 15 days time to file written submissions in the matter. In view of the above, I note that, the time taken for completion of collective investigation into such a large number of entities, the time taken for issuing SCNs and conducting personal hearing for such a large number of Noticees cannot be termed as unreasonable delay, in the peculiar facts of the present case. Notwithstanding the same, I also note that there is no provision in the SEBI Act, 1992 which may have the effect of prohibiting SEBI from taking action beyond a particular period of time in a given case. In **Ravi Mohan & Ors. v. SEBI and other** connected appeals decided on August 08, 2013, Hon'ble Securities Appellate Tribunal, Mumbai (hereinafter referred to as '**Hon'ble SAT'**) while referring to its own decision in **HB Stockholdings Ltd. v. SEBI (Appeal no. 114 of 2012)** decided on August 27, 2013 and decision of Hon'ble Supreme Court in **Collector of Central Excise, New Delhi v. Bhagsons Paint Industry (India) reported in 2003 (158) ELT 129 (S.C.),** observed as under:

> *"....Based on decision of this Tribunal in case of HB Stockholdings Ltd. vs. SEBI (Appeal no. 114 of 2012 decided on 27.08.2013) it is contended on behalf of the appellants that in view of the delay of more than 8 years in issuing the show cause notice, the impugned order is liable to be quashed and set aside. There is no merit in this contention, because, this Tribunal while setting aside the decision of SEBI on merits has clearly held in para 20 of the order, that delay itself may not be fatal in each and every case. Moreover, the Apex Court in case of Collector of Central Excise, New Delhi vs. Bhagsons Paint Industry (India) reported in 2003 (158) ELT 129 (S.C) has held that if there no statutory bar for adjudicating the matter beyond a particular date, the Tribunal cannot set aside the adjudication order merely on the ground that the adjudication order is passed after a lapse of several years from the date of issuing notice...."*

The observations made by Hon'ble SAT in the aforesaid case, were reiterated by it, in a subsequent order in the matter of **Kunal Pradip Savla & Ors. v.**

SEBI (Appeal no. 231 of 2017) decided on April 04, 2018. Further, I note that, while all relevant information relied on for crystallizing the allegations against the 57 Noticees, have been provided to them, said Noticees have failed to specifically identify any document which they could not retrieve due to delay in initiation of proceedings which has impacted their defence in the present proceedings or has rendered the same ineffective.

b. With regard to the allegation that 109 Noticees manipulated the price of the scrip of NGFL by contributing to Rs. 754.23 which is 11.48% of the market positive LTP by trading amongst themselves, I note that, in the facts of the present case, 11.48% contribution to market +ve LTP cannot be called significant for the trades by a group of 109 entities.

c. However, with regard to the other allegation relating to the trades by 90 connected entities resulting into contribution of 42.23% to market +ve LTP during Patch-1, I note that such a contribution is indeed a significant contribution. In this regard, many of the Noticees herein have contended that, their contribution to LTP during Patch 1, is miniscule and negligible and in some cases even zero and hence, they ought not be held liable for any allegations of manipulation in the price of NGFL. I have perused the trades of the 90 connected entities as referred in Table 1 of the SCN. After analyzing the same, I find that out of the 90 connected entities, only 75 entities have been made Noticees to the present SCN, the details of which are as under:

Noticee No	Name	All trades			LTP > 0 (positive LTP)			LTP < 0 (negative LTP)			LTP = 0		% of +ve LTP to Mkt +ve LTP
		Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	No of trades	Qty	
1	Santosh Kumar Agarwal	293.55	3545	606322	545.55	594	105820	-252	295	40170	2656	460332	**8.31**
3	Success Vyapar Private Limited	78.05	1573	344198	151.05	166	30251	-73	96	12479	1311	301468	**2.30**
18	Priyanshi Securities Limited	67.21	621	164353	93.35	164	38462	-26.14	64	18647	393	107244	**1.42**
9	Adinath Shares And Commodities Private Limited	62.85	334	177729	71.35	72	36135	-8.50	14	6963	248	134631	**1.09**
5	Anant Fin Consultancy Pvt Ltd	57.65	526	265430	71.75	165	64253	-14.10	23	7884	338	193293	**1.09**

Noticee No	Name	All trades			LTP > 0 (positive LTP)			LTP < 0 (negative LTP)			LTP = 0		% of +ve LTP to Mkt +ve LTP
		Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	No of trades	Qty	
2	Kamta Prasad Pandey	56.95	1741	286460	339.75	327	50806	-282.80	325	40338	1089	195316	**5.17**
4	Raj Kumar Agarwal	56.50	564	144289	82.10	115	29960	-25.60	42	5214	407	109115	**1.25**
8	Rishi Kant Awasthi	47.60	513	247168	80.90	131	63446	-33.30	50	10149	332	173573	**1.23**
20	Surendra Kumar Gupta	46.12	767	220347	96.91	205	55231	-50.79	128	30775	434	134341	**1.48**
7	Anurag Khandelwal	38.70	226	147715	45.30	85	50519	-6.60	11	7711	130	89485	**0.69**
10	Rajesh Agarwal	29.80	253	87676	43.40	67	27415	-13.60	19	5298	167	54963	**0.66**
17	Neil Industries Ltd.	28	520	219484	44.70	89	38010	-16.70	38	15943	393	165531	**0.68**
12	Kpk Fin Consultancy Private Limited	26.75	398	76313	40.95	63	13331	-14.20	20	3105	315	59877	**0.62**
23	Umesh Kumar Agarwal	25.05	183	12745	32.95	24	2026	-7.90	12	440	147	10279	**0.50**
19	Shubhang Exports Ltd	24	260	116572	29.05	56	25293	-5.05	15	8949	189	82330	**0.44**
15	Ankit Jain	22.20	196	74576	26.60	42	13690	-4.40	11	4253	143	56633	**0.41**
13	Kavita Awasthi	21.80	272	88407	29.85	64	20116	-8.05	36	7732	172	60559	**0.45**
29	Rich Udyog Network Limited	21.65	91	13464	27.10	23	2660	-5.45	6	1509	62	9295	**0.41**
24	Manoj Kumar Agarwal	19.35	118	19242	31.90	19	1580	-12.55	6	626	93	17036	**0.49**
20	Sanjai Jain Huf	17.75	262	41137	22.20	26	5526	-4.45	8	1589	228	34022	**0.34**
6	Sanjay Jain	16.80	420	90865	53.05	56	7859	-36.25	48	4167	316	78839	**0.81**
28	Rajendra Kumar Gupta	14.30	102	16111	22.25	17	1661	-7.95	15	1225	70	13225	**0.34**
14	Dheeraj Agarwal	11.35	200	101546	19.15	42	12832	-7.80	11	4911	147	83803	**0.29**
66	Sagar Net Mart P Ltd	10.30	70	51000	10.75	21	15650	-0.45	2	900	47	34450	**0.16**
30	Som Prakash Goenka	7.60	287	122846	14.10	42	12742	-6.50	10	3345	235	106759	**0.22**
21	Raghuvansh Agrofarms Ltd.	7.55	63	11095	9.30	9	253	-1.75	3	155	51	10687	**0.14**
22	Sonali Agarwal	6.40	171	100200	9.50	33	16665	-3.10	12	5200	126	78335	**0.15**
26	Scope Vyapar Pvt Ltd	5.25	101	39500	6.75	16	4456	-1.50	2	1041	83	34003	**0.10**
34	Taurus Data Links Pvt Ltd	4.90	80	19940	5.90	19	4061	-1	4	800	57	15079	**0.09**
11	Manoj Agarwal	4.55	110	9965	26.75	13	1485	-22.20	10	430	87	8050	**0.41**
45	Maya Gupta	4.50	33	21850	4.55	6	4816	-0.05	1	200	26	16834	**0.07**
39	Varsha Maheshwari	3.55	21	11145	3.55	8	3430	0	0	0	13	7715	**0.05**
25	Shreesh Agrawal	3.30	63	12370	7.50	8	1643	-4.20	6	1819	49	8908	**0.11**
32	Manish Agarwal	3.10	42	21865	3.75	13	7073	-0.65	5	1165	24	13627	**0.06**
46	Parag Bhargava	2.75	19	3538	3.75	3	650	-1	1	75	15	2813	**0.06**
44	Jeetendra Kumar Agnihotri	2.20	36	15800	3.70	2	1950	-1.50	2	700	32	13150	**0.06**
31	Samtal Financial System Limited	2.15	59	13000	4.85	15	3922	-2.70	5	1070	39	8008	**0.07**
54	Sdl Commodities Limited	1.83	38	28650	2.95	4	3500	-1.12	6	3631	28	21519	**0.05**
27	Narendra Kumar Jain	1.75	19	19000	3.10	11	11700	-1.35	3	4600	5	2700	**0.05**
47	Ravina Exports Private Limited	1.60	5	6400	1.60	2	2890	0	0	0	3	3510	**0.02**
37	Anuradha Anuradha	1.15	29	21117	2.40	7	3488	-1.25	5	4900	17	12729	**0.04**
91	Mahalaxmi Gupta	1.15	11	8630	1.50	2	2	-0.35	6	6592	3	2036	**0.02**
35	Rajni Gupta	1	144	71752	3.40	22	11855	-2.40	20	11610	102	48287	**0.05**

Noticee No	Name	All trades			LTP > 0 (positive LTP)			LTP < 0 (negative LTP)			LTP = 0		% of +ve LTP to Mkt +ve LTP
		Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	No of trades	Qty	
33	Praveen Kumar Agnihotri	0.90	32	10150	1.65	7	3062	-0.75	3	90	22	6998	**0.03**
50	Manish Verma Verma	0.80	3	300	0.80	2	200	0	0	0	1	100	**0.01**
41	R R Synthetics & Finvest Private Limited	0.80	8	9000	0.80	5	3750	0	0	0	3	5250	**0.01**
49	Vardhaman Textile Company Private Limited	0.75	2	3000	0.75	2	3000	0	0	0	0	0	**0.01**
40	Sanmukh Vincom Private Limited	0.55	20	30000	0.55	9	13546	0	0	0	11	16454	**0.01**
36	Subodh Agarwal	0.45	63	43310	1.70	16	13232	-1.25	6	9650	41	20428	**0.03**
38	Madhu Rani Goenka	0.40	98	68800	1.65	17	11356	-1.25	8	5085	73	52359	**0.03**
43	Vibgyor Financial Servicepvt Ltd	0.25	15	22000	0.40	8	11530	-0.15	1	2000	6	8470	**0.01**
42	Neharika Gupta	0.16	215	101548	6.41	31	12960	-6.25	18	7637	166	80951	**0.10**
60	Sanjay Gupta	0.15	9	8650	0.25	1	2000	-0.10	1	1	7	6649	**0.00**
62	Surya Bhan Singh-Huf	0.10	4	300	0.10	1	10	0	0	0	3	290	**0.00**
48	Sanjay Kumar Gupta	0.05	17	2800	0.10	1	500	-0.05	1	150	15	2150	**0.00**
74	Pankaj Kumar Gupta	0	18	4645	0	0	0	0	0	0	18	4645	**0.00**
68	Sanjay Kumar	0	1	1000	0	0	0	0	0	0	1	1000	**0.00**
79	Bindu Pandey	0	26	15860	0.20	2	2300	-0.20	4	660	20	12900	**0.00**
93	Sudeep Goenka	-0.05	235	96098	18.15	46	13304	-18.20	32	12892	157	69902	**0.28**
78	Divya Agarwal	-0.10	1	135	0	0	0	-0.10	1	135	0	0	**0.00**
55	Cityon Nano Technology Private Limited	-0.15	36	15900	0.60	2	1000	-0.75	4	3599	30	11301	**0.01**
90	Neetu Gupta	-0.15	6	10800	0	0	0	-0.15	1	2447	5	8353	**0.00**
106	Jitendra Sharma	-0.50	20	8000	0	0	0	-0.50	2	1333	18	6667	**0.00**
80	Dev Shankar Pandey	-0.60	29	25382	0.05	1	500	-0.65	1	500	27	24382	**0.00**
107	Vandana Saini	-0.70	7	685	0.25	3	600	-0.95	2	35	2	50	**0.00**
83	Dinesh Kumar Soni	-0.80	16	18000	0	0	0	-0.80	3	3900	13	14100	**0.00**
75	Renu Agarwal	-1.30	196	95159	5.75	32	21306	-7.05	12	8849	152	65004	**0.09**
98	Amit Kumar	-1.40	30	8858	0.20	2	151	-1.60	1	100	27	8607	**0.00**
67	Arun Kumar	-1.75	45	6550	0	0	0	-1.75	2	400	43	6150	**0.00**
72	Manish Agarwal	-3.15	6	2350	0	0	0	-3.15	4	1500	2	850	**0.00**
84	Siddharth Gupta	-3.30	102	16200	0	0	0	-3.30	3	700	99	15500	**0.00**
96	Sanjay Kumar Sahu	-3.40	13	6933	0.50	1	2500	-3.90	6	1123	6	3310	0.01
99	Ruchita Bhargava	-11.85	123	39708	10.45	18	6775	-22.30	30	6519	75	26414	**0.16**
82	Rita Jain	-40.90	3614	538006	519.05	477	73831	-559.95	599	57898	2538	406277	**7.90**
92	Surendra Kumar Agarwal	-244.15	614	43658	62.70	99	5566	-306.85	168	21222	347	16870	**0.95**
Group Total		**844.82**	**21052**	**5532480**	**2773.17**	**3683**	**1034739**	**-1928.35**	**2339**	**451089**	**15030**	**4046652**	**42.23**
Overall Market		**326.15**	**45297**	**10726493**	**6569.20**	**8412**	**2258593**	**-6243.05**	**7322**	**1087650**	**29563**	**7380250**	**100**

d. From the above Table, I find that out of the above 75 Noticees, except for Noticee no. 1, 3, 18, 9, 5, 2, 4, 8, 20 and 82, the +ve LTP contribution to the market +ve LTP of the other Noticees during Patch 1 is less than 1%. The

trades of Noticee no. 1, 3, 18, 9, 5, 2, 4, 8, 20 and 82 (hereinafter referred to as **'the 10 Noticees'**), have resulted into 31.24% of contribution to market positive LTP during Patch 1 and 26.7% of the total market volume during Patch 1. I also note that except for the 10 Noticees, the other Noticees contribution to the market +ve LTP is not so significant to invite the rigors of regulatory direction under section 11B of SEBI Act, 1992. Further, out of the 10 Noticees, I also find that Noticee no. 1, 2, 3, 18, 9 and 5, were among the Top 10 LTP contributors during Patch 1. Out of the 10 Noticees, I also find that the trades by Noticee no. 1, 2, 3, 4, 5, 8, 9, 18 and 20 during Patch 1, had resulted into net LTP contribution of Rs. 766.48 in comparison to the market net LTP of Rs. 326.15, during Patch 1. In view of the above, coupled with the fact that the 10 Noticees were also part of the group of Connected Entities and from the allegations levelled in the SCN, I find that the 10 Noticees i.e. Noticee no. 1, 3, 18, 9, 5, 2, 4, 8, 20 and 82, have violated Regulation 3(a), 3(c), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations, 2003. However, I note that the 10 Noticees have raised certain contentions to the allegations levelled against them, which have been dealt in sub-para (h) to (m) herein below.

e. I note that the SCN has observed that entities from Sr No. 1 to 59 at Table 1 of the SCN, have contributed to Rs.1168.32 during Patch 1, whereas the net LTP contribution of the market was Rs. 326.15. Among the said entities, only 55 Noticees, namely, Noticee no. 1 to 50, 54, 60, 62, 66 have been alleged to have violated Regulation 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations. I note that the net LTP contribution by the said 55 Noticees during Patch-1 was Rs.1165.92. As indicated in the preceding para, trades by 9 Noticees i.e. Noticee no. 1, 2, 3, 4, 5, 8, 9, 18 and 20 during Patch 1, had resulted into net LTP contribution of Rs. 766.48. Thus, I find that the trades by the remaining 46 Noticees is found to have resulted into a net LTP contribution of only Rs. 399.44, in comparison to the net LTP contribution of 10 Noticees which Rs. 766.48. In view of the same, I find that no regulatory directions under Section 11B of the SEBI Act, 1992 is called for against the said 46 Noticees for the aforesaid violation.

f. I note that the SCN has alleged that Noticee no. 61, 73, 20, 42, 72, 96, 30, 45, 63, 28, 78, 35, 38, 89, 37 and 81, have indulged in price manipulation and benefited by selling shares of NGFL having net sell value of Rs. 50 Lacs or more. However, I note that while arriving at the "Net Sell Value', the SCN has considered their trades across the entire Investigation period i.e. July 1, 2009 to May 30, 2014, whereas the allegations of price manipulation as stipulated in the SCN qua the said Noticees is only limited to the period in Patch 1 of the Investigation Period. In view of the same, I find that mere allegation of 'unjust enrichment' without showing any co-relation with the allegation of price manipulation, let alone the price manipulation during Patch-1, is unsustainable.

g. I note that the Advocate representing the 10 Noticees has raised the following key contentions as their defense against the charges levelled by the SCN:

   i. While a group of 88 connected entities was found to have contributed to 40.01% of market +ve LTP., during Patch -3, but SEBI conveniently chose to ignore their contribution and arbitrarily SEBI has targeted the present Noticees;
   ii. SEBI has identified 301 Connected Entities, but action has been initiated against only 109 Noticees and the remaining 192 connected entities have been left scot free, despite significant contributions to LTP by them;
   iii. One single entity i.e. M/s Kanudia Capital and Management Services Private Limited which had generated huge positive LTP of Rs. 2532.15 during the entire investigation period in the scrip of the Company but has been left scot-free whereas the 109 Noticees have been issued SCN for their +ve LTP contribution of Rs. 754.23;
   iv. The connections depicted in the Annexure 2 to the SCN have been produced in a way that it has in itself become an allegation and mere connection cannot be treated as an allegation, since the investigation has failed to prove any connivance amongst the Noticees.

h. Regarding contention that while a group of 88 Connected Entities was found to have contributed to 40.01% of market +ve LTP., during Patch -3, but SEBI

conveniently chose to ignore their contribution and arbitrarily SEBI has targeted the present Noticees, I note that the said contention is not tenable on factual as well as legal grounds. In the instant case, during Patch-1, the price of scrip of NGFL rose from Rs. 11.60 to Rs. 337.75 i.e. a rise 2836.95 %, whereas, during Patch – 3, the price of the scrip of NGFL rose from Rs. 126 to Rs. 950 i.e. a rise of 653.96%. Thus, comparing the price rise during the Patch-1 and Patch-3 is misplaced. Further, I note that the SCN does not bring out any allegations against the Noticees for trading during Patch-3. It is a trite law to state that in the quasi-judicial proceedings, the adjudicator is primarily bound within the realms of the show cause notice before him. In the matter of ***Systematix Shares & Stocks India Limited v. SEBI (2012)***, the Hon'ble SAT also had the occasion to deal with a similar argument of the appellant therein contending that the Board should have proceeded against all wrong doers and the action against the appellant and a few entities alone was discriminatory. In the said case, the Hon'ble SAT had observed that "*We cannot subscribe to this view since the Board has set its own benchmark in selecting cases for action and, in any case, the appellant cannot plead himself innocent or his trades as lawful.*" In the instant case as well, SEBI has set its criteria and exercised intelligible differentia while selecting cases for action and more so for the instant proceedings, and the Noticees cannot seek exoneration or claim that their trades were lawful merely on the ground of parity. In view of the above, this contention of the 10 Noticees, is not tenable.

i. Another argument presented by the 10 Noticees is that SEBI has identified 301 Connected Entities, but action has been initiated against only 109 Noticees and the remaining 192 connected entities have been left scot free, despite significant contributions to LTP by them. I note that while the present proceedings are limited to the peculiar price rise of 2836.95% in the scrip of NGFL during Patch-1, none of the 192 Connected Entities have traded during Patch-1, thus no adverse inferences are drawn by the SCN against them. Further, I note that such an argument of relative parity as raised by the 10 Noticees is untenable for the same reasons as cited in the forgoing paragraph.

j. Another contention presented by the 10 Noticees is that one single entity i.e. M/s Kanudia Capital and Management Services Private Limited which had generated huge positive LTP of Rs. 2532.15 during the entire investigation period in the scrip of the Company but has been left scot-free whereas the 109 Noticees including 57 answering Noticees have been issued SCN for their +ve LTP contribution of Rs. 754.23. I note that while the 10 Noticees have been found to be connected to the Company /directors/ promoters etc., no such connection is alleged to have been found by the Investigation Report or the SCN in respect of M/s Kanudia Capital and Management Services Private Limited. I also note that while calculating the +ve LTP contribution of M/s Kanudia Capital and Management Services Private Limited, the 10 Noticees have taken the entire period of investigation into consideration, whereas, the reference period of the SCN for the said calculation is only Patch 1. Hence, the contention of the 10 Noticees is untenable. Further, I also note that such an argument of relative parity as raised by the 10 Noticees is untenable for the same reasons as cited in the sub-para (h) above.

k. I note that with regard to the connection alleged in the SCN, the 10 Noticees have invariably contended in their replies and submissions that the connections depicted in the Annexure 2 to the SCN have been produced in a way that it has in itself become an allegation and mere connection cannot be treated as an allegation, since the investigation has failed to prove any connivance amongst the Noticees. I have perused the replies of the 10 Noticees with regard to the connections alleged in the SCN. Before I delve into the specifics of the alleged connection and the basis of such allegation, I find it relevant to observe that the alleged connection amongst the Noticees, whether direct or indirect, is considered as one of the basis for alleging the violations against the Noticees and not the violation in itself. The connection of each of the Noticees is also corroborated by their conduct, viz., peculiar ways of trading during Patch 1 in the share of the Company which had utterly dismal financials which has also been considered as another basis for imputing charges against the Noticees. As mentioned above, during the period from July 1, 2009 to February 28, 2012 i.e., Patch 1, the share price of NGFL had increased from Rs. 11.60/- to Rs.

337.75/-, i.e., an increase of 2836.95%. However, the net profit of the Company was a paltry sum of Rs.0.01 Cr, Rs.0.04 Cr and Rs.0.03 Cr for the financial years 2010-11, 2011-12 and 2012-13, respectively. In this background, the trading done by the 10 Noticees and the connections between them assume significance. As mentioned in the SCN and Annexure 2 thereto, the connection amongst the Noticees has been alleged based on the analysis of the KYC UCC details received from BSE, details on the MCA website, off-market transfers in the scrip of NGFL and bank account statements of each of the Noticees. In fact, the analysis of KYC details, etc. had imputed connection amongst a larger group of 301 entities out of which 109 entities have been made part of the instant proceedings and hence, have been made Noticees. Some of these Noticees are directly connected to each other based on common director, common email id, common address, common registered office addresses, fund transactions, off-market transactions, etc. Similarly, the remaining Noticees allegedly shared connections amongst themselves by virtue of being connected to other Connected Entities who are not Noticees in the instant proceedings. The common factors for imputing connection amongst the 10 Noticees, either directly or through the Connected Entities, are found to be sharing of common directors, common email id, common address, common registered office addresses, fund transactions, off-market transactions, etc. In view of the above, I note that the connection does not stand vitiated merely because the intermediate entities have not been made Noticees in the present matter. The basis of allegation of connection amongst the 10 Noticees and the summary of their respective role in the alleged price manipulation of the scrip, are enumerated herein below in a tabular format for better understanding:

Table 5: Extract of Basis of Connection amongst the said Noticees and their role.

***Noticee* No.**	**Name of the *Noticee***	**Role**	**Basis of Connection**
1	Santosh Kumar Agarwal	Contributed to 8.31 % of market positive LTP by trading as buyer during Patch-1.	Off market transfer of shares with Noticee no. 3 on 04/02/2014
3	Success Vyapar Private Limited	Contributed to 2.30 % of market positive LTP	Noticee no. 36, 34, 3 and 7 have same address viz. 16/19-A, Civil

		by trading as buyer during Patch-1.	Lines, Kanpur, Uttar Pradesh - 208001
18	Priyanshi Securities Limited	Contributed to 1.42 % of market positive LTP by trading as buyer during Patch-1.	Noticee no. 5 and Priyanshi Securities Limited share same address viz. 113/93, Shreeham Apt., Swaroop Nagar, Kanpur, Uttar Pradesh - 208001
9	Adinath Shares And Commodities Private Limited	Contributed to 1.09 % of market positive LTP by trading as buyer during Patch-1.	Noticee no. 5 and Adinath Shares and Commodities Private Limited have a common director Noticee no. 15
5	Anant Fin Consultancy Pvt Ltd	Contributed to 1.09 % of market positive LTP by trading as buyer during Patch-1.	Noticee no. 8 was a director of Anant Fin Consultancy Pvt Ltd from 04/03/2009 to 15/12/2010.
2	Kamta Prasad Pandey	Contributed to 5.17 % of market positive LTP by trading as buyer during Patch-1.	Noticee no. 5, Noticee no. 66, Kamta Prasad Pandey and Noticee no. 38 have same email id viz. ankit_jain99999@rediffmail.com
4	Raj Kumar Agarwal Agarwal	Contributed to 1.25 % of market positive LTP by trading as buyer during Patch-1.	Noticee no. 36 and Raj Kumar Agarwal have same address viz. 35/48, Chak Na 035, Bangali Mohal, Kanpur, Uttar Pradesh - 208001
8	Rishi Kant Awasthi	Contributed to 1.23 % of market positive LTP by trading as buyer during Patch-1.	Rishi Kant Awasthi is a director in Noticee no. 3 from 01/10/2007 till date
20	Surendra Kumar Gupta	Contributed to 1.48 % of market positive LTP by trading as buyer during Patch-1.	Noticee no. 30, Surendra Kumar Gupta, Noticee no. 35, Noticee no. 23 and Noticee no. 42 have same address viz. 51/40, Nayaanj, Goldie House, Kanpur, Uttar Pradesh - 208001
82	Rita jain	Contributed to 7.90 % of market positive LTP by trading as buyer during Patch-1.	Noticee no. 9, Rita Jain, Noticee no. 6 and Sanjai Jain Huf have same adrress viz. 32/47 Ghumani Bazar, Kanpur, Uttar Pradesh - 208001

l. I note that the details of basis of connection shared by the 10 Noticees had been provided to each of the 10 Noticees in Annexure 2 enclosed with the SCN and in the Tabular presentation made above, an attempt has been made to summarise the said points of connection which each of the 10 Noticees shares with other Noticees. I may reiterate once again that the connections that have been demonstrated amongst the 10 Noticees in the Annexure 2 enclosed to the SCN based on various factors, are not the only reason for imputing allegations against them. I have perused the replies of the 10 Noticees rebutting their alleged connections and find that the replies of the 10 Noticees in this regard are merely bald claims and lack specifics of any nature. It is a proven dictum that mere denial of allegations, without any modicum of verifiable facts and documents in support thereof, can never muster judicial scrutiny. Similarly, the

contention of the 10 Noticees that some other Connected Entities have not been proceeded against and unless those other Connected Entities are proceeded against, the Noticees who are connected through those other Connected Entities, cannot be proceeded against, is a bare argument that does not take case of the 10 Noticees any further.

m. As a matter of fact, in cases where a large number of entities are involved in manipulation of price and volume of a particular scrip, in order to give objectivity, the regulator has to fix benchmark for initiating action in respect of certain entities. In the instant case as well, the SEBI has exercised *intelligible differentia* based on the material before it and issued SCNs to the relevant entities. I note that, there is no straight jacket formula for describing manipulative trades. Hence, the attendant circumstances have to be taken into consideration, as has been done in the instant case since the *modus operandi* of fraudulent trade practice would change from case to case. No two manipulative trades can be expected to be the same. There would always be a new and smarter breed of manipulator ready to outdo or outgrow the old methods. As a regulator, SEBI endeavours to keep evolving with the times so as to truly give meaning to the preamble and object of the SEBI Act, 1992. In cases like the instant matter, having absolute proof is practically implausible. The gravitas of the impact of the manipulative trades in the instant case cannot be passed off or seen and analysed within the spectrum of usual manipulative trades. Each case deserves to be dealt on its own merit and attending facts and circumstances with the larger objective of investor protection in mind. Similarly, each violator must be accorded punishment commensurate with the gravity and nature of his default.

12. As observed in the earlier paras, out of the 75 Noticees that were alleged to have contributed significantly to the market positive LTP during Patch 1, only 10 Noticees are found to have violated provisions of Regulation 3(a), 3(c), 4(1), 4(2)(a) and 4(2)(e) of PFUTP Regulations, 2003. The trade of the remaining 65 Noticees is found not so significant to invite the rigours of regulatory direction under Section 11B of SEBI Act, 1992. The following Table reflects the trades of the said 65 Noticees:

Noticee No	Name	All trades			LTP > 0 (positive LTP)			LTP < 0 (negative LTP)			LTP = 0		% of +ve LTP to Mkt +ve LTP
		Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	No of trades	Qty	
7	Anurag Khandelwal	38.70	226	147715	45.30	85	50519	-6.60	11	7711	130	89485	**0.69**
10	Rajesh Agarwal	29.80	253	87676	43.40	67	27415	-13.60	19	5298	167	54963	**0.66**
17	Neil Industries Ltd.	28	520	219484	44.70	89	38010	-16.70	38	15943	393	165531	**0.68**
12	Kpk Fin Consultancy Private Limited	26.75	398	76313	40.95	63	13331	-14.20	20	3105	315	59877	**0.62**
23	Umesh Kumar Agarwal	25.05	183	12745	32.95	24	2026	-7.90	12	440	147	10279	**0.50**
19	Shubhang Exports Ltd	24	260	116572	29.05	56	25293	-5.05	15	8949	189	82330	**0.44**
15	Ankit Jain	22.20	196	74576	26.60	42	13690	-4.40	11	4253	143	56633	**0.41**
13	Kavita Awasthi	21.80	272	88407	29.85	64	20116	-8.05	36	7732	172	60559	**0.45**
29	Rich Udyog Network Limited	21.65	91	13464	27.10	23	2660	-5.45	6	1509	62	9295	**0.41**
24	Manoj Kumar Agarwal	19.35	118	19242	31.90	19	1580	-12.55	6	626	93	17036	**0.49**
20	Sanjai Jain Huf	17.75	262	41137	22.20	26	5526	-4.45	8	1589	228	34022	**0.34**
6	Sanjay Jain	16.80	420	90865	53.05	56	7859	-36.25	48	4167	316	78839	**0.81**
28	Rajendra Kumar Gupta	14.30	102	16111	22.25	17	1661	-7.95	15	1225	70	13225	**0.34**
14	Dheeraj Agarwal	11.35	200	101546	19.15	42	12832	-7.80	11	4911	147	83803	**0.29**
66	Sagar Net Mart P Ltd	10.30	70	51000	10.75	21	15650	-0.45	2	900	47	34450	**0.16**
30	Som Prakash Goenka	7.60	287	122846	14.10	42	12742	-6.50	10	3345	235	106759	**0.22**
21	Raghuvansh Agrofarms Ltd.	7.55	63	11095	9.30	9	253	-1.75	3	155	51	10687	**0.14**
22	Sonali Agarwal	6.40	171	100200	9.50	33	16665	-3.10	12	5200	126	78335	**0.15**
26	Scope Vyapar Pvt Ltd	5.25	101	39500	6.75	16	4456	-1.50	2	1041	83	34003	**0.10**
34	Taurus Data Links Pvt Ltd	4.90	80	19940	5.90	19	4061	-1	4	800	57	15079	**0.09**
11	Manoj Agarwal	4.55	110	9965	26.75	13	1485	-22.20	10	430	87	8050	**0.41**
45	Maya Gupta	4.50	33	21850	4.55	6	4816	-0.05	1	200	26	16834	**0.07**
39	Varsha Maheshwari	3.55	21	11145	3.55	8	3430	0	0	0	13	7715	**0.05**
25	Shreesh Agrawal	3.30	63	12370	7.50	8	1643	-4.20	6	1819	49	8908	**0.11**
32	Manish Agarwal	3.10	42	21865	3.75	13	7073	-0.65	5	1165	24	13627	**0.06**
46	Parag Bhargava	2.75	19	3538	3.75	3	650	-1	1	75	15	2813	**0.06**
44	Jeetendra Kumar Agnihotri	2.20	36	15800	3.70	2	1950	-1.50	2	700	32	13150	**0.06**
31	Samtal Financial System Limited	2.15	59	13000	4.85	15	3922	-2.70	5	1070	39	8008	**0.07**
54	Sdl Commodities Limited	1.83	38	28650	2.95	4	3500	-1.12	6	3631	28	21519	**0.05**
27	Narendra Kumar Jain	1.75	19	19000	3.10	11	11700	-1.35	3	4600	5	2700	**0.05**
47	Ravina Exports Private Limited	1.60	5	6400	1.60	2	2890	0	0	0	3	3510	**0.02**
37	Anuradha Anuradha	1.15	29	21117	2.40	7	3488	-1.25	5	4900	17	12729	**0.04**
91	Mahalaxmi Gupta	1.15	11	8630	1.50	2	2	-0.35	6	6592	3	2036	**0.02**
35	Rajni Gupta	1	144	71752	3.40	22	11855	-2.40	20	11610	102	48287	**0.05**
33	Praveen Kumar Agnihotri	0.90	32	10150	1.65	7	3062	-0.75	3	90	22	6998	**0.03**
50	Manish Verma Verma	0.80	3	300	0.80	2	200	0	0	0	1	100	**0.01**
41	R R Synthetics & Finvest Private Limited	0.80	8	9000	0.80	5	3750	0	0	0	3	5250	**0.01**

Noticee No	Name	All trades			LTP > 0 (positive LTP)			LTP < 0 (negative LTP)			LTP = 0		% of +ve LTP to Mkt +ve LTP
		Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	Sum of LTP diff	No of trades	Qty	No of trades	Qty	
49	Vardhaman Textile Company Private Limited	0.75	2	3000	0.75	2	3000	0	0	0	0	0	**0.01**
40	Sanmukh Vincom Private Limited	0.55	20	30000	0.55	9	13546	0	0	0	11	16454	**0.01**
36	Subodh Agarwal	0.45	63	43310	1.70	16	13232	-1.25	6	9650	41	20428	**0.03**
38	Madhu Rani Goenka	0.40	98	68800	1.65	17	11356	-1.25	8	5085	73	52359	**0.03**
43	Vibgyor Financial Servicepvt Ltd	0.25	15	22000	0.40	8	11530	-0.15	1	2000	6	8470	**0.01**
42	Neharika Gupta	0.16	215	101548	6.41	31	12960	-6.25	18	7637	166	80951	**0.10**
60	Sanjay Gupta	0.15	9	8650	0.25	1	2000	-0.10	1	1	7	6649	**0.00**
62	Surya Bhan Singh-Huf	0.10	4	300	0.10	1	10	0	0	0	3	290	**0.00**
48	Sanjay Kumar Gupta	0.05	17	2800	0.10	1	500	-0.05	1	150	15	2150	**0.00**
74	Pankaj Kumar Gupta	0	18	4645	0	0	0	0	0	0	18	4645	**0.00**
68	Sanjay Kumar	0	1	1000	0	0	0	0	0	0	1	1000	**0.00**
79	Bindu Pandey	0	26	15860	0.20	2	2300	-0.20	4	660	20	12900	**0.00**
93	Sudeep Goenka	-0.05	235	96098	18.15	46	13304	-18.20	32	12892	157	69902	**0.28**
78	Divya Agarwal	-0.10	1	135	0	0	0	-0.10	1	135	0	0	**0.00**
55	Cityon Nano Technology Private Limited	-0.15	36	15900	0.60	2	1000	-0.75	4	3599	30	11301	**0.01**
90	Neetu Gupta	-0.15	6	10800	0	0	0	-0.15	1	2447	5	8353	**0.00**
106	Jitendra Sharma	-0.50	20	8000	0	0	0	-0.50	2	1333	18	6667	**0.00**
80	Dev Shankar Pandey	-0.60	29	25382	0.05	1	500	-0.65	1	500	27	24382	**0.00**
107	Vandana Saini	-0.70	7	685	0.25	3	600	-0.95	2	35	2	50	**0.00**
83	Dinesh Kumar Soni	-0.80	16	18000	0	0	0	-0.80	3	3900	13	14100	**0.00**
75	Renu Agarwal	-1.30	196	95159	5.75	32	21306	-7.05	12	8849	152	65004	**0.09**
98	Amit Kumar	-1.40	30	8858	0.20	2	151	-1.60	1	100	27	8607	**0.00**
67	Arun Kumar	-1.75	45	6550	0	0	0	-1.75	2	400	43	6150	**0.00**
72	Manish Agarwal	-3.15	6	2350	0	0	0	-3.15	4	1500	2	850	**0.00**
84	Siddharth Gupta	-3.30	102	16200	0	0	0	-3.30	3	700	99	15500	**0.00**
96	Sanjay Kumar Sahu	-3.40	13	6933	0.50	1	2500	-3.90	6	1123	6	3310	0.01
99	Ruchita Bhargava	-11.85	123	39708	10.45	18	6775	-22.30	30	6519	75	26414	**0.16**
92	Surendra Kumar Agarwal	-244.15	614	43658	62.70	99	5566	-306.85	168	21222	347	16870	**0.95**

13. I also note that, as discussed in the earlier paragraphs, the allegation that 109 Noticees (which also includes the 75 Noticees as discussed in the preceding paragraph) by trading amongst themselves during Patch 1 and contributing to Rs. 754.23 (11.48% of the market positive LTP), does not call for issuance of regulatory directions under section 11B of SEBI Act, 1992, in the facts and circumstances of this case. Accordingly, the following 34 Noticees (whose trades are enumerated in the table below) who were part of the group of 109 Noticees who have been alleged to have contributed 11.48% of market positive LTP by trading amongst themselves

also does not call for issuance of regulatory directions under Section 11B of SEBI Act, 1992:

Sr. No.		+LTP trades as Buyer with group entities				+LTP trades as Seller with group entities				+LTP as Buyer and Seller (Rs.)
		+LTP (Rs.)	No of trades	Qty	% of mkt. +ve LTP	+LTP (Rs.)	No of trades	Qty	% of mkt. +ve LTP	
51	Aman Portfolio Pvt Ltd	0	0	0	0	2.65	5	591	0.04	2.65
52	Vinod Kumar Dhingra	0	0	0	0	0.25	2	775	0.00	0.25
53	Ahmad Sadat	0	0	0	0	0.25	1	600	0.00	0.25
56	Ram Pher Dwivedi	0	0	0	0	2	2	2000	0.03	2
57	Mohammad Anwar	0	0	0	0	0.10	1	100	0.00	0.10
58	Daddu Prasad (Huf)	0	0	0	0	1.05	3	2116	0.02	1.05
59	Piyush Jain Huf	0	0	0	0	0.10	1	323	0.00	0.10
61	Anand Kumar Chaurasia	0	0	0	0	0.30	2	1162	0.00	0.30
63	Savita Devi	0	0	0	0	7	16	7098	0.11	7
64	Ramdas Agarwal (Huf)	0	0	0	0	1.10	3	791	0.02	1.10
65	Sapna Devi	0	0	0	0	1.50	1	500	0.02	1.50
69	Dilip Kumar Agrawal	0	0	0	0	1.55	2	1850	0.02	1.55
70	Aman Dhingra	0	0	0	0	5.90	14	4773	0.09	5.90
71	Renu Dhingra	0	0	0	0	1.75	5	2525	0.03	1.75
73	Kamal Kishor Chaurasia	0	0	0	0	0.05	1	410	0.00	0.05
76	Pushap Lata Girotra	0	0	0	0	2.15	3	399	0.03	2.15
77	Param Jeet Singh	0	0	0	0	1.15	2	690	0.02	1.15
81	Vikas Agarwal	0	0	0	0	4.95	9	5203	0.08	4.95
85	Ram Kumar Dubey	0	0	0	0	0.85	4	5040	0.01	0.85
86	Neelu Agarwal	0	0	0	0	2.40	10	4415	0.04	2.40
87	Anjana Jain	0	0	0	0	1.35	2	295	0.02	1.35
88	Pushpa Jain	0	0	0	0	2.40	2	947	0.04	2.40
89	Seema Kapoor	0	0	0	0	0.65	6	5300	0.01	0.65
94	Sapna Agrawal	0	0	0	0	2.50	3	765	0.04	2.50
95	Nikita Dhingra	0	0	0	0	5.85	7	1715	0.09	5.85
97	Heera Devi Ahirwar	0	0	0	0	1.60	4	2424	0.02	1.60
100	Rajendra Kaur	0	0	0	0	0.25	1	1402	0.00	0.25
101	Priyanka Agarwal	0	0	0	0	0.10	2	205	0.00	0.10
102	Abhishek	0	0	0	0	0.05	1	500	0.00	0.05
103	Preeti Sharma	0	0	0	0	0.05	1	500	0.00	0.05
104	Ram Sukhi	0	0	0	0	3.40	4	2190	0.05	3.40
105	Akansha Goel	0	0	0	0	0.25	2	1370	0.00	0.25
108	Lal Ji Sarraf	0	0	0	0	0.25	2	1000	0.00	0.25
109	Ravi Karan	0	0	0	0	3.50	7	4808	0.05	3.50

14. I also note from the records before me that adjudication proceedings have been initiated and are pending against all the 109 *Noticees.* Having found that the 10 Noticees, in the instant proceedings have indulged in manipulative trades albeit of varied quantum, as has been alleged in the SCN, I would now set out to issue directions to the 10 *Noticees* taking into account the nature and quantum of manipulative trades executed by the 10 *Noticees* and various other acts of fraudulent trade indulged in by them which have been dealt in the foregoing paras of this order.

15. In view of the aforesaid, I, in exercise of powers conferred upon me under section 11 (4) and 11B, read with section 19 of the SEBI Act, 1992, hereby pass the following directions:

i. Noticee no. 1, 2, 3, 4, 5, 8, 9, 18, 20 and 82 are restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of three (3) months, from the date of this order;

ii. Proceedings against Noticee no. 6, 7, 10, 11, 12, 13, 14, 15, 16, 17, 19, 21 to 81 and 83 to 109, are disposed of without any directions.

16. This order comes into force with immediate effect. The obligation of the Noticees debarred in the present Order, in respect of settlement of securities, if any, purchased or sold in the cash segment of the recognized stock exchange(s), as existing on the date of this Order, can take place irrespective of the restraint/ prohibition imposed by this Order, only in respect of pending unsettled transactions, if any. Further, all open positions, if any, of the Noticees debarred in the present Order, in the F&O segment of the stock exchanges, are permitted to be squared off, irrespective of the restraint/ prohibition imposed by this Order.

17. A copy of this Order shall be served on the Noticees, recognized Stock Exchanges, Depositories, Registrar and Share Transfer Agents of Mutual Funds to ensure compliance with the above directions.

Sd/-

Place: Mumbai **ANANTA BARUA**

Date: February 26, 2021 **WHOLE TIME MEMBER**

SECURITIES AND EXCHANGE BOARD OF INDIA