BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. Order/BM/GN/2023-24/28598-28602]

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

In respect of:

Noticee No.	Noticee Name	PAN
1	**Satsai Finlease Pvt Ltd**	AABCS5249P
2	**Anm Fincap Pvt Ltd**	AAACA9489Q
3	**Savita Holdings Pvt Ltd**	AABCS3394P
4	**Raj Kumar Bansal**	AISPB2642M
5	**Ishu Sharma**	DZOPS8916M

In the matter of
Trading activities of certain entities in the scrip of AKG Exim Ltd.

BACKGROUND:

1. Unsolicited SMSs were floated in the market for the scrip AKG Exim Limited (hereinafter referred to as **Company**) on March 15, 2021 and March 16, 2021 recommending buy in the scrip of the company. Pursuant to this SEBI conducted an investigation to ascertain any violation of the provisions of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as **SEBI Act**) and SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as **PFUTP Regulations**) by the Satsai Finlease Pvt Ltd (hereinafter referred to as **'Noticee 1'**), Anm Fincap Pvt Ltd (hereinafter referred to as **'Noticee 2'**), Savita Holdings Pvt Ltd (hereinafter referred to as **'Noticee 3'**), Raj Kumar Bansal (hereinafter referred to as **'Noticee 4'**) and Ishu Sharma (hereinafter referred to as **'Noticee 5'**) (hereinafter collectively referred to as **Noticees**) trading in the scrip of the company during the period December 08, 2020 to March 19, 2021(hereinafter referred to as **'Investigation Period'** or **'IP'**).

APPOINTMENT OF ADJUDICATING OFFICER

2. SEBI, Vide order dated March 16, 2023, appointed the undersigned as the Adjudicating Officer under Section 19 of SEBI Act read with Sub-section (1) of Section 15I of the SEBI

Act and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as **'SEBI Adjudication Rules'**) to inquire into and adjudge under the provision of Section 15HA of SEBI Act, 1992, for the alleged violations of Section 12A(a), (b) and (c) of the SEBI Act, 1992, Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2)(a), (b) and (d) of PFUTP Regulations by Noticees.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. Show Cause Notice (hereinafter referred to as **"SCN"**) dated May 10, 2023 was issued to the Noticees under rule 4(1) of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as the **SEBI Rules**) to show cause as to why an inquiry should not be held against them in terms of Rule 4 of Adjudication Rules read with Section 15-I (1) & (2) of SEBI Act, and penalty, if any, be not imposed on Noticees under Section 15HA of SEBI Act, 1992 for the alleged violations of Section 12A(a), (b) and (c) of the SEBI Act, 1992, Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2)(a), (b) and (d) of PFUTP Regulations by Noticees.

4. The allegations levelled against the Noticees are summarized below:

I. Unsolicited SMSs were floated in the market for the scrip AKG Exim Limited (hereinafter referred to as **Company**) on March 15, 2021 and March 16, 2021 recommending buy in the scrip of the company. Pursuant to this SEBI conducted an investigation to ascertain any violation of the provisions of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as SEBI Act) and SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 by Noticees trading in the scrip of the company during the IP.

II. The IP has been divided into two patches: (a) PATCH 1: (December 08, 2020 to February 26, 2021) and (b) PATCH 2: (March 01, 2021 to March 09, 2021).

PATCH 1: (December 08, 2020 to February 26, 2021):

Synchronized Trades

III. It was observed that the Noticees allegedly through 10 synchronized trades among themselves, contributed 4.87% to market volume and Rs.14.15 to net LTP.

Reversal trades

IV. Noticees allegedly did reversal trades among themselves on 3 days and contributed 2.92% to market volume.

Last Trade Price (LTP) Analysis

V. It was observed that, Noticees allegedly contributed Rs.132.75 to net LTP and Rs.165.65 to positive LTP in 133 positive LTP trades.

VI. Counterparties to Noticees positive LTP trades were analyzed, it was observed that in their 54 positive LTP trades, the counterparties were Noticees and through trades among themselves Noticees contributed Rs. 46.90 i.e. 13.64% to market positive LTP (market positive LTP during patch 1 was Rs. 343.95). this allegedly shows the intent of Noticees to trade in a way to contribute to positive LTP by trading among themselves.

LTP Contribution through small orders/trades

VII. It was observed that out of 93 trades of Noticee 4 and Noticee 5 which allegedly contributed to positive LTP of Rs.128.45, the 12 buy order trade were where order was for 1 share and allegedly contributed to positive LTP of Rs.45 (13.08% of total market positive LTP, market positive LTP during patch 1 was Rs. 343.95). Further, for 14 trades, buy order quantity was in the range of 2-10 shares, which allegedly contributed to positive LTP of Rs.18.25 i.e. 5.31% of total market positive LTP. Thus, it is alleged that the Noticee 4 and Noticee 5 together through 26 small trades contributed to Rs. 63.25, i.e.18.39% to market positive LTP. Hence, it is alleged that in the majority of the trades, the Noticee 4 and Noticee 5 had placed their buy orders with small quantity of shares ranging from 1 to 10 shares whereas sell orders were available with quantity in the range of 1 to 4000 shares and contributed 18.39% of total market positive LTP.

PATCH 2: (March 01, 2021 to March 09, 2021): Price Rise

Synchronized Trades

VIII. It is alleged that Noticees through 8 synchronized trades among themselves, contributed 0.26% to market volume and Rs.2.00 to net LTP.

Last Trade Price (LTP) Analysis

IX. It has been alleged in the SCN that, Noticee1, Noticee 3, Noticee 4 and Noticee 5 contributed Rs.24.90 to net LTP and Rs.26.90 to positive LTP in 81 positive LTP trades.

X. It has been alleged in the SCN, that out of 81 positive LTP trades of Noticees, in 30 positive LTP trades of Noticees, counterparties were Noticees only, and through trades among themselves Noticee1, Noticee 3, Noticee 4 and Noticee 5 contributed Rs. 7.10 i.e. 7.61% to market positive LTP (Market positive LTP was Rs. 93.25 during patch 2).

LTP Contribution through small orders/trades

XI. The small trade for top LTP contributors were analysed. It was observed that, 81 trades of Noticee 1, Noticee 3, Noticee 4 and Noticee 5, allegedly contributed to positive LTP of Rs.28.84. Out of 81 trades, 9 buy order trade were where order was for 1 share, which contributed to positive LTP of Rs.3.30 (3.53% of total market positive LTP, market positive LTP was Rs. 93.25 during patch 2). Further, for 20 trades, buy order quantity was in the range of 2-10 shares, which contributed to positive LTP of Rs.5.40 i.e. 5.79% of total market positive LTP. Thus through 29 small trades, the Noticee 1, Noticee 3, Noticee 4 and Noticee 5 contributed Rs. 8.7 i.e 9.32% to market positive LTP. Hence, it is alleged that in the trades, Noticee 1, Noticee 3, Noticee 4 and Noticee 5 had placed their buy orders in the range of 1 to 10 shares even though sell orders were available with quantity in the range of 5 to 5000 shares.

XII. It was observed that Noticee 1, Noticee 3, Noticee 4 and Noticee 5 allegedly contributed 9.32% of total market positive LTP, by placing orders for small quantities i.e. 1-10 shares.

Alleged Gain/ loss by Noticees

XIII. On the basis of trading during the IP, the profit made by the Noticees has been calculated.

XIV. It was observed that Noticees have allegedly earned profit of Rs.13,14,368.75 during the IP in the scrip of company Exim Ltd.

Bank account analysis

XV. The observation made from the analysing bank account statement is given below:

Noticee 5:

XVI. From the statement it was observed that, he received Rs. 11,00,000 from Mona Portfolio on 20-01-2021. He transferred the same funds to her trading account with Zerodha Rs. 5,50,000 on 20-01-21 and Rs. 5,39,000 on 21-01-21. The same funds were utilised for buying shares of the company. On further analysis of bank account statement of Mona Portfolio (account held with ICICI Bank), it was observed that Mona Portfolio had received Rs. 45,00,000 from Noticee 1 on 20-01-21 and from the same amount Rs.11,00,000 was transferred to Noticee 5 by Mona portfolio on the same day.

XVII. Further, after trading in the scrip of the company, Noticee 5 withdrew funds from Zerodha of Rs.13,91,000 and returned Rs.11,00,000 to Mona Portfolio on 19-03-21 in 3 parts i.e. Rs.5,00,000. Rs. 1,00,000 and Rs.5,00,000. Further, Mona Portfolio on the same day transferred Rs.11,00,000 to Noticee 1.

XVIII. The trade log reveals that Noticee 5 had traded during the period January 20, 2021 to March 12, 2021 in the scrip of company. Noticee 5 had allegedly received funds from Noticee 1 indirectly through Mona Portfolio and utilized the fund for trading in the scrip of company and contributed to the LTP by trading with the Noticee 2, Noticee 3 and Noticee 4.

Noticee 4

XIX. The bank account statement (Account no 11271930000458 of HDFC Bank) of Noticee 4 was analysed. From the statement it was observed that, he had received Rs. 5,00,000 from Ankit Bhageria (Director of Noticee 1, Noticee 2 and Noticee 3) on 29-12-20. The same fund was transferred by Noticee 4 to his broker account at Nirmal Share Brokers Pvt Ltd.

XX. The trade log shows that Noticee 4 had traded during the period December 30, 2020 to March 10, 2021 in the scrip of company. Noticee 4 received funds directly from Ankit Bhageria and allegedly utilized the fund for trading in the scrip of company and contributed to the LTP by trading with the Noticee 5, Noticee 2 and Noticee 1.

CDR Analysis

XXI. The Call Detail Records (CDR) between Noticee 4 (Mob no 9953157007) and Ankit Bhageria (Mob no 9810534822) were analysed and it was observed that during the IP

December 08, 2020 to March 19, 2021, 17 calls were exchanged between them. Further calls were also observed between them after the IP period. Further CDR of Noticee 4 for the period December 08, 2020 to December 31, 2022 was analysed and found 84 calls received and 70 calls made to Ankit Bhageria during the period. This shows that they know each other and were in frequent contact with each other.

XXII. The call detail records between Noticee 5 (Mob no 8595740467) and Ankit Bhageria (Mob no 9810534822) were analysed and it was observed that call was made between them on July 26, 2021 and 2 calls were made on December 30, 2020. This shows that they knew each other.

5. In view of the above observations, it is alleged in the SCN that Noticee 1, Noticee 2, Noticee 3, Noticee 4 and Noticee 5 indulged in an act which created false and misleading appearance of trading, thereby allegedly violated Section 12 A(a),(b),(c) of SEBI Act, 1992, Regulation 3(a),(b),(c),(d), Regulation 4(1), 4(2) (a), (b) and (d) of SEBI (PFUTP) Regulations, 2003.

6. The SCNs were issued at the last known addresses of Noticees through Speed Post Acknowledgment Due (SPAD) which was delivered to Noticee 1, 2, 4 and 5, however returned Undelivered for Noticee 3. SCNs were also sent through Digitally Signed E-mail which was delivered to all the Noticees and the delivery of the notices are on record. Noticee 1, vide reply dated July 18, 2023 made the following submission-

I. *Noticee 1 submitted that there is no role of the Noticee in the sending the unsolicited SMS and it has not been alleged in the SCN.*

II. *Noticee 1 submitted that it has traded in the AKG scrip in its normal course of business as per the understanding of the market and capacity to trade in the market. Hence no wrong doing can be attributed to its trades.*

III. *With regard to Synchronized trades during Patch I Noticee 1 stated that out of 36 days of trading executed by the Noticee in the said scrip. Trading done by Noticee 1 on 2 days has been considered objectionable towards synchronized trading. The Noticee states that on 13.01.2021, only 1 trade out of 4 trades of the Noticee 1 executed was considered objectionable towards synchronized trades. out of 276 trades only aforesaid 3 trades have been found objectionable. The orders placed were within the circuit limit and the price of the scrip had already been established on the previous day. Noticee 1 further submitted* *that alleged synchronized trades have contributed to 0.97% or the market volume on different days, which is miniscule and could not have impacted the price or the volume of the scrip in the market at the given time or even otherwise.*

IV. *With respect to reversal trades during patch I, Noticee 1 submitted that the trade alleged to have resulted into reversal trade is also considered towards LTP contribution through Synchronized as well as towards positive LTP contribution. The Noticee 1 states that it is incorrect to consider a single trade for all the allegations.*

V. *With regard to positive LTP, Noticee 1 submitted that it has analyzed the trade logs and the alleged positive LTP trades. From the analysis of the trade logs it is evident that only 16 trades out of total 101 trades of the Noticee have led to positive LTP contribution or Rs.14.05/-. However, 80 trades of the Noticee 1 resulted into 0 LTP and 5 trades resulted into negative LTP or Rs. 2.85. Thus, there is no such pattern of the Noticee 1 which could be regarded as manipulative and with an intent to affect the price or the scrip. The Noticee states that on most of days the prices of the scrip had already been established on the previous day.*

VI. *With respect to the LTP contribution through small orders / trades the Noticee 1 states that there is no allegation of LTP contribution through small orders / trades in Patch I of the investigation period on the Noticee 1.*

VII. *The Noticee 1 further states that the prices at which the Noticee's trades are considered objectionable towards positive LTP had already been established on the previous days. The price of the scrip had gone upto Rs. 102.65 in Patch 1 itself.*

VIII. *With regard to LTP contribution through small orders / trades, Noticee 1 submitted that the number of trades of the Noticee 1 with small quantities i.e. 1-10 shares is 11 only resulting into positive LTP contribution of Rs. 2.95. thus, considering such miniscule trades as objectionable and leading to manipulative trading practice is of no significance and relevance.*

IX. *With regard to alleged profit by the Noticee 1 submitted that the alleged profit of Rs. 2,33,596.3/- was based on independent research with its own fund and capacity of trading the stock market. The Noticee 1 has met with all its settlement obligations and has not made a single settlement default. The alleged profit is not substantial to make the Noticee 1 liable for grave allegations made in the SCN.*

X. *With regard to connection through fund transfer, Noticee 1 submitted that the amounts transferred by the Noticee 1 to Mona portfolio was a part of the Noticee's business of lending money / loan financing. As per MCA master data, currently Rajvinder Singh, Varsha Bansal and Aachal .Jaiswal are the directors of Mona Portfolio. Entire SCN is silent on connection between Noticee / Ankit Bageria and director (s) of Mona portfolio. Hence it is absurd to say that Noticee 1 is connected to any of the Noticees.*

XI. *With regard to CDR analysis, Noticee 1 submitted that it has not received any funding and has traded through its own fund and its regular course of business. It is pertinent to note that CDR provided by SEBI reflects that only two days i.e. 26.07.2021 & 30.12.2020 there has communication between the Noticee 5 and Ankit Bageria, as per SCN on 30.12.2020 there were 2 calls between them. The Noticee 5 had traded in the scrip of AKG from 20.01.2021 to 15.03.2021, in that period there were not a single call between the Noticce 5 and Ankit Bageria. The Noticce 4 and Ankit Bageria is a cousin and therefore call between them cannot be considered as objectionable. Further, CDR analysis of the directors cannot be attributed to the Noticee 1 since, the Noticee 1 is a separate legal entity. Hence, no wrongdoing or allegation of being connected to other Noticees can be attributed to the Noticee 1.*

XII. *Further, Noticee 1 submitted that the presumption of guilt of the Noticee 1 by SEBI is against the rule of evidence, since chain of evidence is not complete when it comes to connection. Further, Noticee referred to the judgement of Hon'ble SC in the matter of Balram Garg vs. Securitiies and Exchange Board of India.*

7. Noticee 2 vide reply dated July 11, 2023 made the submission and the same is summarized below-

I. Noticee 2 submitted that there is no role of the Noticee 2 in the sending the unsolicited SMS and it has not been alleged in the SCN.

II. Noticee 2 submitted that it has traded in the AKG scrip in its normal course of business as per the understanding of the market and capacity to trade in the market. Hence no wrong doing can be attributed to its trades.

III. With regard to Synchronized trades during Patch I Noticee 2 stated that out of 29 days of trading executed by the Noticee 2 in the said scrip. 3 trades executed on 3 different days i.e..13.01.2021 , 05.02.2021 & I0.02.2021 has been considered objectionable towards *synchronized trading. The Noticee 2 states that out of 276 trades only aforesaid 3 trades have been found objectionable, which is just a coincident. The orders placed were within the circuit limit and the price of the scrip had already been established on the previous day. Noticee 2 further submitted that alleged synchronized trades have contributed to 1.46% or the market volume on different days, which is miniscule and could not have impacted the price or the volume of the scrip in the market at the given time or even otherwise.*

IV. *With respect to reversal trades during patch I, Noticee 2 submitted that the trade alleged to have resulted into reversal trade is also considered towards LTP contribution through Synchronized as well as towards positive LTP contribution. The Noticee 2 states that it is incorrect to consider a single trade for all the allegations.*

V. *With regard to positive LTP, Noticee 2 submitted that it has analyzed the trade logs and the alleged positive LTP trades. From the analysis of the trade logs it is evident that only 14 trades out of total 276 trades of the Noticee 2 have led to positive LTP contribution or Rs.15.90/-. However, 23 trades of the Noticee 2 resulted into 0 LTP and 4 trades resulted into negative LTP or Rs. 2.15. Thus, there is no such pattern of the Noticee 2 which could be regarded as manipulative and with an intent to affect the price or the scrip. The Noticee 2 states that on most of days the prices of the scrip had already been established on the previous day.*

VI. *The Noticee 2 states that the price at which the Noticee 2 placed order already existed on the previous days and thus the allegation of positive LTP contribution has no significance or relevance.*

VII. *With respect to the LTP contribution through small orders / trades the Noticee 2 states that there is no allegation of LTP contribution through small orders / trades in Patch I of the investigation period on the Noticee 2.*

VIII. *With regard to patch II Noticee 2 submitted that during patch 2, there is not a single buy. The Noticee 2 has denied being connected to any or the Noticee 2 in the SCN and the trades executed by the Noticee 2 were standalone and without any collusion with any of the Noticees. Hence, Noticee 2 submitted that alleged trades between other Noticees cannot be attributed to the Noticee 2 herein.*

IX. *With regard to synchronized trades during patch II Noticee 2 stated that none of the shares of the Noticee 2 have been considered synchronized among the suspected Entities.*

X. *With regard to alleged profit by the Noticee 2 submitted that the alleged profit of Rs. 5,03,081.15/- was based on independent research with its own fund and capacity of trading the stock market. The Noticee 2 has met with all its settlement obligations and has not made a single settlement default. The alleged profit is not substantial to make the Noticee 2 liable for grave allegations made in the SCN.*

XI. *With regard to connection through fund transfer, Noticee 2 submitted that in bank account analysis there is no mention of the Noticee 2 apart from the fact that one Mr. Ankit Bageria is a common director in Noticee No.1 , 2 and 3. It is pertinent to note that there is not a single transaction between Noticee 2 and Mona Portfolio. As per MCA master data, currently Rajvinder Singh, Varsha Bansal and Aachal .Jaiswal are the directors of Mona Portfolio. Entire SCN is silent on connection between Noticee 2 Ankit Bageria and director (s) of Mona portfolio. Hence it is absurd to say that Noticee 2 is connected to any of the Noticees.*

XII. *With regard to CDR analysis, Noticee 2 submitted that it has not received any funding and has traded through its own fund and its regular course of business. It is pertinent to note that CDR provided by SEBI reflects that only two days i.e. 26.07.2021 & 30.12.2020 there has communication between the Noticee 5 and Ankit Bageria, as per SCN on 30.12.2020 there were 2 calls between them. The Noticee 5 had traded in the scrip of AKG from 20.01.2021 to 15.03.2021, in that period there were not a single call between the Noticce 5 and Ankit Bageria. The Noticce 4 and Ankit Bageria is a cousin and therefore call between them cannot be considered as objectionable. Further, CDR analysis of the directors cannot be attributed to the Noticee 2 since, the Noticee 2 is a separate legal entity. Hence, no wrongdoing or allegation of being connected to other Noticees can be attributed to the Noticee.*

XIII. *Further, Noticee 2 submitted that the presumption of guilt of the Noticee 2 by SEBI is against the rule of evidence, since chain of evidence is not complete when it comes to connection. Further, Noticee 2 referred to the judgement of Hon'ble SC in the matter of Balram Garg vs. Securities.*

8. Noticee 3 vide reply dated July 11, 2023 made the submission and the same is summarized below-

I. *Noticee 3 submitted that there is no role of the Noticee 2 in the sending the unsolicited SMS and it has not been alleged in the SCN.*

II. *Noticee 3 submitted that it has traded in the AKG scrip in its normal course of business as per the understanding of the market and capacity to trade in the market. Hence no wrong doing can be attributed to its trades.*

III. *Noticee 3 submitted that as a buyer, the orders placed by the Noticee 3 were matched with 18 different entities and the Noticee 3 has not continuously traded with only 4 alleged connected entities. Further, as a seller, the orders placed by the Notice took place with 127 different counter parties. Thus, trades executed on the system with the 4 alleged connected entities is only a matter of coincidence. The Noticee 3 states that trades executed were the result of orders placed independently without any collusion with other entities. The Noticee 3 refers to and relies upon the SAT order dated 10.10.2013 in the matter of Kapil Chatrabhuj Bhuptani Vs. SEBI.*

IV. *With regard to Synchronized trades during Patch I Noticee 3 stated that out of 36 days of trading executed by the Noticee 3 in the said scrip. trading done on 1 day is considered objectionable towards synchronized trading. The Noticee 3 states that only 1 trade on 10.02.2021 is alleged towards synchronized trading. It resulted into positive LTP contribution of Rs. 1.20 which forms 0.49% of the market volume. The order placed were within the circuit limit and the price of the scrip had already been established on the previous days of the investigation period. It is pertinent to note that the alleged synchronized trade contributing to 0.49% of the market volume is miniscule and could not have impacted the price or the volume of the scrip in the market at the given time or even otherwise.*

V. *With respect to reversal trades during patch I, Noticee 3 submitted that the trade alleged to have resulted into reversal trade is also considered towards LTP contribution through Synchronized as well as towards positive LTP contribution. The Noticee 3 states that it is incorrect to consider a single trade for all the allegations.*

VI. *With regard to positive LTP, Noticee 3 submitted that it has analyzed the trade logs and the alleged positive LTP trades. From the analysis of the trade logs it is evident that only*

10 trades out of total 60 trades of the Noticee 3 have led to positive LTP contribution or Rs.7.25/-. However, 39 trades of the Noticee 3 resulted into 0 LTP and 11 trades resulted into negative LTP or Rs. 6.15. Thus, there is no such pattern of the Noticee 3 which could be regarded as manipulative and with an intent to affect the price or the scrip. The Noticee 3 states that on most of days the prices of the scrip had already been established on the previous day.

VII. *Noticee 3 further submitted that the first trade trade of the Noticee 3 considered objectionable towards positive LTP was on 11/01/2021. The price at which the LTP is alleged to have been created was Rs. 84.8. however, the price of the scrip had gone upto Rs. 85 on 04/01/2021 itself. The Noticee 3 states that the price at which the Noticee 3 placed order already existed on the previous days and thus the allegation of positive LTP contribution has no significance or relevance.*

VIII. *With respect to the LTP contribution through small orders / trades the Noticee 3 states that there is no allegation of LTP contribution through small orders / trades in Patch I of the investigation period on the Noticee 3.*

IX. *With regard to patch II Noticee 3 submitted that during patch 2, its buy trade quantity as per SCN Patch 2 is 8070 which is 0.82% of the market volume. The Noticee 3 denies being connected to any of the Noticees in the SCN and the trades executed by the Noticee 3 were standalone and without any collusion with any of the Noticees.*

X. *With regard to synchronized trades during patch II Noticee 3 stated that 2500 shares of the Noticee 3 have been considered towards alleged synchronized trades resulting to 0.26% of the total market volume. Such a random trade with miniscule quantity to the total market volume cannot be of any relevance and significance. Further, the same trade has been considered towards positive LTP contribution also. The Noticee 3 states that it is incorrect to held the Noticee 3 liable of various charges for the same trade.*

XI. *With regard to LTP trades during patch 2, Noticee 3 submitted that total of 27 trades of the Noticee 3 got executed with the alleged connected entities (other 4 Noticees to the SCN) which have resulted into positive, negative as well as 0 LTP. The Noticee 3 further states that only 4 trades out of the 27 trades have been considered towards positive LTP contribution among alleged connected entities. Thus, there has been absolutely no* *pattern or common intent which can be established that can lead to the charge of contribution to positive LTP among connected entities.*

XII. *With regard to placing order in small quantities, Noticee 3 submitted that the upon analysing the trades of the Noticee 3, it is evident that total 275 trades of the Noticee 3 had taken place during the investigation period. The number of trades of the Noticee 3 in Patch 2 with small quantities i.e. 1-10 shares is only 1 resulting into positive LTP contribution of Rs. 0.05. Thus, considering such miniscule trades as objectionable is arbitrary.*

XIII. *Noticee 3 denied that it had not acted genuinely and had no bonafide intention to buy shares*

XIV. *With regard to alleged profit by the Noticee 3 submitted that the alleged profit of Rs. 1,05,839.8/- was based on independent research with its own fund and capacity of trading the stock market. The Noticee 3 has met with all its settlement obligations and has not made a single settlement default. The alleged profit is not substantial to make the Noticee 3 liable for grave allegations made in the SCN.*

XV. *With regard to connection through fund transfer, Noticee 3 submitted that in bank account analysis there is no mention of the Noticee 3 apart from the fact that one Mr. Ankit Bageria is a common director in Noticee No.1 , 2 and 3. It is pertinent to note that there is not a single transaction between Noticee 3 and Mona Portfolio. As per MCA master data, currently Rajvinder Singh, Varsha Bansal and Aachal .Jaiswal are the directors of Mona Portfolio. Entire SCN is silent on connection between Noticee Ankit Bageria and director (s) of Mona portfolio. Hence it is absurd to say that Noticee is connected to any of the Noticees.*

XVI. *With regard to CDR analysis, Noticee 3 submitted that it has not received any funding and has traded through its own fund and its regular course of business. It is pertinent to note that CDR provided by SEBI reflects that only two days i.e. 26.07.2021 & 30.12.2020 there has communication between the Noticee 5 and Ankit Bageria, as per SCN on 30.12.2020 there were 2 calls between them. The Noticee 5 had traded in the scrip of AKG from 20.01.2021 to 15.03.2021, in that period there were not a single call between the Noticce 5 and Ankit Bageria. The Noticce 4 and Ankit Bageria is a cousin and therefore call between them cannot be considered as objectionable. Further, CDR analysis of the* *directors cannot be attributed to the Noticee since, the Noticee is a separate legal entity. Hence, no wrongdoing or allegation of being connected to other Noticees can be attributed to the Noticee.*

XVII. *Further, Noticee 3 submitted that the presumption of guilt of the Noticee 3 by SEBI is against the rule of evidence, since chain of evidence is not complete when it comes to connection*. Further, Noticee 3 referred to the judgement of Hon'ble SC in the matter of Balram Garg vs. Securitiies and Exchange Board of India.

9. Noticee 4 made the submission vide reply dated July 06, 2023 and the same is summarized below-

I. Noticee 4 submitted that the trades executed during IP was independent and without collusion of any other entity. Further Noticee 4 has bought as well as sold shares of AKG however only few of the trades on the buy side are considered objectionable.

II. Noticee 4 submitted that he is trading in securities market on regular basis with an objective to make profit and investment in the said scrip was also towards the same objective. The Noticee 4 provides such details during filing of ITR before the income tax authority. The profit of ₹ 1,71,138.90/- made by the Noticee 4 is a profit arising out of independent, standalone and based on his own research and therefore, allegations made in SCN be dropped qua the Noticee.

III. Noticee 4 submitted that as a buyer, the orders placed by the Noticee 4 were matched with 30 different entities out of which trades with only 4 Noticees has been considered as objectionable. Further, as a seller, the orders placed by the Notice took place with 117 different counter parties out of which only trades with 4 Notices were found objectionable. The Noticee states that trades executed were the result of orders placed independently without any collusion with other entities.

IV. Noticee 4 submitted that Noticee 4 started trading in the AKG scrip from 30.12.2020 whereas the investigation period starts from 08.12.2020. Further the Noticee 4 has traded till 15.03.2021 however Patch 2 of the investigation ends on 09.03.2021.

V. The Noticee 4 further submitted that out of 8152 trades executed on the market during the investigation period, only 32 trades of the Noticee 4 were considered objectionable which is miniscule in quantity.

VI. Noticee 4 submitted that Noticees 64 trades resulted into positive LTP and there were 18 different counter parties to those 64 trades. However, only 32 trades with the alleged 4 group entities are considered objectionable. Also, every day trades of the Noticee are not considered towards positive LTP contribution. Thus, this pick and choose method without any base or pattern cannot be considered as objectionable or manipulative.

VII. Noticee 4 submitted that during the investigation period the price of scrip increased from ₹44.40 to ₹95.05 which is 214 % and it happened during the period of 3 month. Whereas, before the investigation period (1st Oct 2020 to 7th Dec 2020) price of the scrip raised upto 154 % (₹ 46.9 to ₹72.2) from the first date of the said period. Therefore, price rise in the scrip of AKG during IP was organic and it cannot be said that there was any role of the Noticee 4 in rising price of scrip and therefore, no manipulation is there in the scrip and entire investigation is faulty.

VIII. With regard to reversal trades, Noticee 4 submitted that there is no allegation of price manipulation through such reversal trades.

IX. With regard to LTP Noticee 4 submitted that total no. of trades executed by the Noticee 4 in the scrip of AKG was 539, whereas the alleged trades contributing to LTP is 32, which is miniscule in quantity.

X. With regard to synchronized trades during patch 1 of the investigation period, Noticee 4submitted that Noticee 4 through 2 synchronized trades with Noticee 2 and Noticee 1 contributed 0.97% to market volume and Rs. 0.8 to the net LTP. The Noticee states that the alleged LTP creation through synchronized trades is negligible and it cannot affect the price of the scrip in any way.

XI. Noticee 4 further submitted that for the trade to be considered synchronized the timing of the trade, the quantity and the price should match. However, in case of the trade executed on 30.12.2020 above has a time difference of 3 mins and 4 seconds. Further, both the above trades have been considered objectionable towards LTP contribution. Thus, it amounts to double jeopardy resulting in duplication of charges.

XII. With regard to LTP contribution by small orders, Noticee 4 submitted that Noticee's 2 trades (1 in patch-I and 1 in patch-II) have been considered as trades with 1 share contributing to the positive LTP where the counter party to the trade in Patch 1 is not one of the alleged connected entities. The trade in Patch 1 has resulted into positive LTP *contribution of Rs. 0.05 which can in no manner be considered as illegitimate or manipulative and of any relevance.*

XIII. *Noticee 4 further submitted that Noticee's 18 trades (9 in patch-I and 9 in patch-II) have been considered as trades with 2 to 10 shares contributing to the positive LTP. The Noticee 4 states that only out of the 9 trades in Patch 1, only 1 trade resulted into positive LTP contribution of Rs. 0.65 where the counter party is one of the alleged connected entities. Further, in Patch 2, coincidently the counterparties to the Noticees trades are alleged connected entities where the positive LTP contribution alleged ranges between Rs. 0.05 to Rs. 0.2. Such 5, 10 or 20 paisa rise in LTP can by no stretch of imagination be considered as manipulative or wrong.*

XIV. *Noticee 4 further referred to the judgment of Hon'ble SAT in the matter of Indivar Traders Private Limited v. SEBI (Appeal No. 253 of 2020).*

XV. *With regard to the connection with other Noticees, Noticee 4 submitted that he is not connected with any of the Noticees in the captioned show cause notice. Bank statements and CDR analysis itself reveals/shows that Noticee was only connected to Ankit Bageria, who is not even a Noticee in this matter. Further, Noticee was not aware of the fact that Ankit Bageria is a director in companies viz. Noticee 1, Noticee 2 and 3.*

XVI. *With regard to fund transfer, Noticee 4 submitted that there is not a single fund transfer between the Noticee 4 herein and other Noticees. Fund transferred to the Noticee from one Ankit Bageria was pursuant to a hand loan, who is a cousin of the Noticee. Noticee submitted that Ankit Bageria (alleged director in Noticee No. 1 to 3) is his cousin.*

XVII. *With regard to CDR Noticee 4 submitted that Mr. Ankit Bageria is a cousin of the Noticee and they always use to communicate with each other and therefore, CDR cannot be considered as evidence in the matter. However, the Noticee reiterates that he was not aware with fact that Mr. Ankit Bageria was a director in said companies (Noticee 1 to 3). Noticee 4 referred to the Hon'ble SAT Order in the matter of Ashlesh Guvantbhai Shah vs SEBI.*

10. Noticee 5 vide reply dated July 07, 2023, made the submission and the same is summarized below-

I. *Noticee 5 submitted that not a single trade of the Noticee 5 has contributed to New High Price during the investigation period which shows that the trades of the Noticee were genuine without any ill will to gain money by any of the way as alleged in SCN.*

II. *Noticee 5 submitted that trades executed during IP was independent and without collusion of any other entity. The Noticee 5 trades in securities market on regular basis with an objective to make profit and investment in the said scrip was also towards the same objective. The Noticee 5 provided such details during filing of ITR before the income tax authority. The profit of ₹ 3,00,712.60/- made by the Noticee 5 is a profit arising out of independent, standalone and based on his own research and therefore, allegations made in SCN be dropped qua the Noticee.*

III. *Noticee 5 submitted that it has not traded throughout the investigation period.*

IV. *Further, Noticee 5 submitted that out of 15420 trades executed on the market during the investigation period, only 6 trades of the Noticee 5 as a buyer were considered objectionable which is negligible in quantity. Noticee 5 also submitted that the Noticees 77 trades resulted into positive LTP and there were 23 different counter parties to those 77 trades. However, only 6 trades with the alleged 4 group entities are considered objectionable.*

V. *Noticee 5 submitted that price rise in the scrip of AKG during IP was organic and it cannot be said that there was any role of the Noticee 5 in rising price of scrip and therefore, no manipulation is there in the scrip and entire investigation is faulty. Further, Noticee 5submitted that during investigation period only trades of 71,571 shares which is 1.72% of the market volume, has been considered as objectionable which is miniscule in comparison of market volume.*

VI. *Noticee 5 submitted that there is no allegation of reversal trades on the Noticee during Patch 1 and Patch 2.*

VII. *With regard to the synchronized trades, Noticee 5 submitted that during patch 1 of the investigation period, the Noticee 5 through 2 synchronized trades with Noticee 2 and Noticee 4 among themselves had contributed 0.49% to market volume. The Noticee states* *that out of the abovementioned 2 trades, 1 trade has resulted into 0 LTP contribution whereas 1 trade has resulted into positive LTP of Rs. 3.10. The Noticee 5 states that the alleged LTP creation through synchronized trades is negligible and it cannot affect the price of the scrip in any way. in case of alleged synchronized trade with Noticee 4 traded on 21.01.2021, the said trade has a time difference of more than 6 minutes. Further, LTP contribution in the said trade is zero. Thus, the said trade dated 21.01.2021 cannot be alleged synchronized trade.*

VIII. *Noticee 5 submitted that during patch 2 of IP there is not a single trade of the Noticee as a buyer in the said period which resulted in synchronized trade. Even as a seller synchronized trade was 0.26% which is negligible and have no significance and it has note even been charged on the Noticee 5.*

IX. *With regard to LTP, Noticee 5 submitted that only 6 out of 609 trades of the Noticee 5 have been considered as objectionable trades contributing to positive LTP with other Noticees which is negligible and cannot affect the price in any way. Noticee 5 further submitted that positive LTP contribution of the Noticee 5 with other suspected entities is just ₹ 6.05/- which is negligible in comparison of total market positive LTP (₹ 759.7) during the investigation period.*

X. *With regard to LTP contribution by small trades, Noticee's 15 trades (12 in patch-I and 3 in patch-II) have been considered as trades with 1 share contributing to the positive LTP. Noticee 5 submitted that only one order dated 03.03.2021 was traded with alleged connected entity and thereby trade resulted into positive LTP of ₹ 0.1, which is negligible and in no way it can affect the market.*

XI. *Noticee 5 submitted that with regard to trades with 2 to 10 shares contributing to the positive LTP, not a single trade with said quantity was executed with other suspected entities.*

XII. *Noticee 5 referred to the judgment of Hon'ble SAT in the matter of Indivar Traders Private Limited v. SEBI.*

XIII. *With regard to fund transfer, Noticee 5 submitted that an amount of rupees 11 lakhs credited to him was pursuant to an amount borrowed from Mona Portfolio. The said amount was repaid to Mona Portfolio in three instalments.*

XIV. *With respect to CDR Noticee 5 submitted that Noticee 5 does not know Mr. Ankit Bageria as such, some time Noticee 5 had words with Ankit Bageria regarding something not related to securities markets. Noticee 5 further submitted that as per SCN on 30.12.2020 there were 2 calls between them. The Noticee 5 states that he had traded in the scrip of AKG from 20.01.2021 to 15.03.2021, in that period there were not a single call between the Noticee 5 and Ankit Bageria. Therefore, CDR between the Noticee 5 and Ankit Bageria cannot be used as evidence to establish a connection in the matter qua the Noticee.*

XV. *Noticee 5 further referred to the Hon'ble SAT Order in the matter Ashlesh Gunvantbhai Shah V. SEBI, Hon'ble Supreme Court order in the matter of M/S Hindustan Steel Ltd. v. State of Orissa.*

11. Hearing opportunities were also given to the Noticees. Vide hearing Notice dated July 03, 2023 Noticees were advised to appear for hearing on July 13, 2022. Hearing Notice was sent via SPAD and digitally signed email dated 03/07/2023, which was duly delivered. However, Noticee 1 sought adjournment of hearing. In view of the same, vide email dated July 12, 2023 another opportunity of hearing was provided to the Noticee 1 on July 19, 2023.

12. Authorized representatives (ARs) of the Noticees attended the hearing on the scheduled day and reiterated the submission already made and the ARs of Noticee 2, Noticee 3, Noticee 4 and Noticee 5 further sought time till July 20, 2023 and of Noticee 1 sought time till July 28, 2023 for making the additional submissions. Vide email dated August 01, 2023 Noticee 1 made the additional submissions, and Noticee 2, 3, 4, 5 vide email dated July 20, 2023 made the additional submissions. In addition to the submissions already made by the Noticee 1, vide reply dated August 01, 2023, Noticee 1 made the following additional submission -

I. *Noticee 1 submitted that all trades are bound to result into either positive, negative opr zero LTP. Any form of LTP contribution cannot be attributed as unlawful or fraudulent, the respondednt has to proof that purported LTP transaction was fraudulent.*

II. *With regard to the LTP trades by Noticee 1 during patch-I and patch-II, Noticee 1 submitted that Noticee 1 was price taker. Noticee has modified its buy order after looking at available sell order. Accordingly, price was placed to the extent on which shares were available for sale.*

III. *With regard to the connection, Noticee 1 submitted that allegation has been made only because Mr. Ankit Bhageria is common director in Noticee 1, 2 and 3 and legal entity cannot be under scrutiny only because there is common director. Noticee further submitted that CDR report has not been provided with Investigation Report or SCN, which is a gross violation of natural justice. Noticee relied upon the order dated August 06, 2019 by Hon'ble SAT in the matter of Nagad Sarvar Vs SEBI and KSL & Industries Ltd. vs SEBI and the order passed by the Hon'ble Supreme Court in the matters of SEBI vs Kanaiyalal Baldevbhai Patel, A.L.N, Narayanan Chettyar v. Official Assignee, Nandkishore Prasad V. State of Bihar, Hanumat vs State of Madhya Pradesh. Noticee 1 further submitted that there is no evidence to show how Noticee 1 was involved in the alleged violation.*

IV. *Noticee 1 further submitted that Mr. Vimal Bageria was authorized person to place order on behalf of it. With respect to the relation with Mona portfolio, Noticee 1 submitted that, it has ongoing business relation with Mona Portfolio and it use to take loans on lower rate and thereafter provide to its customer on higher rates.*

13. In addition to the submissions already made, vide reply dated July 20, 2023, following additional submissions made by the Noticee 2 and Noticee 3-

    I. *Noticee 2 submitted that they were trading in the scrip of the company due to its volatility due to which there were price fluctuation. Noticee 3 submitted that they were trading in the said scrip since it was identified by the Noticee for trading purpose to make small profits. Noticee 2 and Noticee 3 further submitted that Mr. Ankit Bhageria used to place orders on behalf of Noticee 2 and Noticee 3.*

14. In addition to the submissions already made, vide reply dated July 20, 2023, following additional submissions made by the Noticee 4 and Noticee 5-

    I. *Noticee 4 and Noticee 5 submitted that the trades executed by them in the scrip of the AKG Exim Ltd. were pursuant to independent and standalone through Noticee's own fund and based on their own research and Noticee took volatility in the scrip as an opportunity to make lawful profit. Further, Noticee 4 and Noticee 5 submitted that small trades were executed looking at the best 5 quotes available on the trading screen. Noticee further submitted that SEBI did not provided CDR along with SCN/ Investigation Report.*

ISSUES FOR CONSIDERATION, EVIDENCE AND FINDINGS

15. I have taken into consideration the facts and circumstances of the case and the material available on record. The issues that arise for consideration in the present case are:

ISSUE I: (a); Whether Noticee 1, Noticee 2, Noticee 3, Noticee 4 and Noticee 5 are connected to each other?

(b): Whether Noticees has violated the provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992, Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2)(a), (b) and (d) of PFUTP Regulations?

ISSUE II: Does the violation, if any, on part of the Noticees attract penalty under Section for 15HA of SEBI Act?

ISSUE III: If so, how much penalty should be imposed on the Noticees taking into consideration the factors mentioned in Section 15J of the SEBI Act?

16. Before proceeding further, it will be appropriate to refer the provisions of 12 A(a),(b),(c) of SEBI Act, 1992, Regulation 3(a),(b),(c),(d), Regulation 4(1), 4(2) (a), (b) and (d) of SEBI (PFUTP) Regulations, 2003 alleged to have been violated by the Noticees. The texts of the alleged provisions are as under-

Regulation 12A of SEBI Act, 1992- Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.

Regulation 12A- No person shall directly or indirectly—

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

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

(c) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which

are listed or proposed to be listed on a recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder;

Regulation 3 of SEBI (PFUTP) Regulation, 2003 - Prohibition of certain dealings in securities

Regulation 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 there under;

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

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

Regulation 4 of SEBI (PFUTP) Regulation, 2003 - Prohibition of manipulative, fraudulent and unfair trade practices

Regulation 4(1)- Without prejudice to the provisions of regulation 3,no person shall indulge in a [manipulative,] fraudulent or an unfair trade practice in securities [markets].

[Explanation.–For the removal of doubts, it is clarified that any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company shall be and shall always be deemed to have been considered as manipulative, fraudulent and an unfair trade practice in the securities market.]

Regulation 4(2)- Dealing in securities shall be deemed to be a [manipulative] fraudulent or an unfair trade practice if it involves [any of the following]:—

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

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

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

FINDINGS

17. On perusal of the material available on record and giving regard to the facts and circumstances of the case and submissions made by the Noticees I record my findings hereunder:

18. It was observed that during the period December 8, 2020 to March 19, 2021 the scrip of the company reflected price rise of 85.67% (from Rs. 44.40 to Rs. 95.05). There was also sudden increase in daily trading volume. Investigation observed that the Notcee 1 to Noticee 5 were connected with each other and contributed significantly to the market positive LTP, Also the Noticees were alleged to be executing synchronized and reversal trades among themselves. In view of the same it has been alleged that the Noticees have indulged in an act which created false and misleading appearance of trading thereby violating 12A(a), (b) and (c) of the SEBI Act, 1992, Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2)(a), (b) and (d) of PFUTP Regulations.

ISSUE I: (a); Whether Noticee 1, Noticee 2, Noticee 3, Noticee 4 and Noticee 5 are connected to each other?

19. I would now deal with the connections among the Noticees. From the materials available on record and the submissions made by the Noticees connection among Noticees is tabulated below:

Connection among Noticees

Table 1

S.No.	Entity Name	Basis of Connection
1	Noticee 1 (**Satsai Finlease Pvt Ltd)**	Noticee 1, Noticee 2 and Noticee 3 are connected through common director namely Mr. Ankit Bhageria. Mr. Ankit Bhageria was observed to be placing orders for trade in the scrip of company for Noticee 2 and 3 and Late Vimal Bhageria father of Ankit Bhageria placed orders for Noticee 1. Noticee 2 is connected to Noticee 4 through Mr. Ankit Bhageria who transferred funds to Noticee 4 There were multiple call exchange between Mr. Ankit Bhageria and Noticee 4 and Noticee 5. Thus Noticee 1, 2 and 3 are connected to Noticee 4 and Noticee 5 through Ankit Bhageria. Further the synchronized trading among the Noticees also reveals connection among Noticees 1 to 5.
2	Noticee 2 (**Anm Fincap Pvt Ltd)**	
3	Noticee 3 (**Savita Holdings Pvt Ltd)**	
4	Noticee 4 (**Raj Kumar Bansal)**	Noticee 4 is cousin of Ankit Bhageria, further there are multiple calls made between Noticee 4 and Ankit Bhageria. Further Noticee 4 received funds from Ankit Bhageria. As already mentioned Ankit Bhageria is the common director in Noticee1, 2 and 3. Thus connection is observed between Noticee 1,2,3 and 4. Further the synchronized trading among the Noticees also reveals connection among Noticees 1 to 5.
5	Noticee 5 (**Ishu Sharma)**	Noticee 5 exchanged calls with Ankit Bhageria who is the common Director in Noticee 1, 2 and 3. Thus there exists connection between Noticee 1,2 3 and 5. Further the synchronized trading among the Noticees also reveals connection among Noticees 1 to 5.

20. I note from the material available before me that Noticee 5 received Rs. 11,00,000 from Mona Portfolio on 20-01-2021 and transferred Rs. 5,50,000 on 20-01-21 and Rs. 5,39,000 on 21-01-21 to her trading account with Zerodha for buying shares of the company. On further analysis of bank account statement of Mona Portfolio (account held with ICICI Bank), it was observed that Mona Portfolio had received Rs. 45,00,000 from Noticee 1 on 20-01-21 and on the same day Rs.11,00,000 was transferred to Noticee 5 by Mona

portfolio. I note that after trading in the scrip of the company, Noticee 5 withdrew funds from Zerodha of Rs.13,91,000/- and returned Rs.11,00,000 to Mona Portfolio on 19-03-21 in 3 parts i.e. Rs.5,00,000. Rs. 1,00,000 and Rs.5,00,000. Further, Mona Portfolio on the same day transferred Rs.11,00,000 to Noticee 1.

21. Noticee 5 submitted that an amount of rupees 11 lakhs credited to him was pursuant to an amount borrowed from Mona Portfolio and Noticee 1 submitted that it is not aware of dealing of Mona Portfolio with Noticee 5 and the amount transferred by the Noticee 1 to Mona Portfolio was a part of the Noticees's business of lending money / loan financing. The said amount was repaid to Mona Portfolio in three instalments. It was submitted that the Mona portfolio Ltd is involved in the Activities auxiliary to financial intermediation, however, on analysis of bank account statement of Noticee 5, it is observed that no commission or interest was paid by Noticee 5 to Mona portfolio despite borrowing Rs. 11,00,000/- for a period of two months from Mona portfolio Ltd.

22. I further note from the bank account statement of Noticee 4 that he had received Rs. 5,00,000 from Ankit Bhageria (Director of Noticee 1, Noticee 2 and Noticee 3) on 29-12-20. Noticee 4 thereafter transferred Rs. 5,00,000 to his broker account at Nirman Share Brokers Pvt Ltd. The trade log shows that Noticee 4 had traded during the period December 30, 2020 to March 10, 2021 in the scrip of the company. Noticee 4 submitted that fund transferred to the Noticee 4 from Ankit Bageria was pursuant to a hand loan, who is a cousin of the Noticee 4.

23. I note from the Call Detail Records (CDR) between Noticee 4 and Ankit Bhageria that during the IP December 08, 2020 to March 19, 2021, 17 calls were exchanged between them. Further calls were also observed between them after the IP period. Further CDR of Noticee 4 for the period December 08, 2020 to December 31, 2022 was analysed and found 84 calls received and 70 calls made to Ankit Bhageria during the period.

24. The call detail records between Noticee 5 and Ankit Bhageria were analysed and it was observed that call was made between them on July 26, 2021 and 2 calls were made on December 30, 2020.

25. I note that Noticee 5 submitted that he does not know Mr. Ankit Bageria as such, sometime Noticee had words with Ankit Bageria regarding something not related to securities markets. Noticee further submitted that as per SCN on 30.12.2020 there were 2 calls between them. The Noticee states that he had traded in the scrip of company from

20.01.2021 to 15.03.2021, in that period there were not a single call between the Noticee and Ankit Bageria. Therefore, CDR between the Noticee and Ankit Bageria cannot be used as evidence to establish a connection in the matter qua the Noticee. Noticee 4 and Noticee 5 further submitted that SEBI never provided CDR along with SCN. In this regard, I observe that, relevant CDR with respect to Noticee 5 was provided to Noticee 5 vide email dated June 08, 2023, and further, relevant CDR details of the Noticee 4 and Noticee 5 was already provided in the SCN.

26. In view of the same and from the above table, I observe that Noticee 1, Noticee 2, Noticee 3, Noticee 4 and Noticee 5 are connected to each other.

27. Having established the connection I would now proceed with the alleged violations by the Noticee in the scrip of the company.

(b): Whether Noticees has violated the provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992, Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2)(a), (b) and (d) of PFUTP Regulations?

28. The IP has been divided into following two patches;

(a) PATCH 1: (December 08, 2020 to February 26, 2021)

(b) PATCH 2: (March 01, 2021 to March 09, 2021)

PATCH 1: (December 08, 2020 to February 26, 2021): Price Rise

Price and Volume Manipulation Analysis

29. During Patch 1 the total buy volume was 1314058 and sell volume was1314058**.**

Trading by Noticees:

30. Summary of the trading done by Noticees during patch 1 is as under:

Summary of trades by Noticees
Table 2

Client Name	**Buy Qty.**	**%Buy Qty. to Market Vol.**	**Sell Qty.**	**%Sell Qty. to Market Vol.**
Noticee 4	196313	14.94%	191612	14.58%
Noticee 1	129121	9.83%	141914	10.80%
Noticee 3	123610	9.41%	147200	11.20%
Noticee 2	113950	8.67%	121600	9.25%
Noticee 5	58307	4.44%	46657	3.55%
Total	621301	47.29	648983	49.39%

Market total	1314058	100.00%	1314058	100.00%

31. I note that during investigation, it was observed that Noticees contributed 47.29% to buy volume and 49.39% to sell volume which is significant.

Last Trade Price (LTP) Analysis

32. The trade-log in the scrip of the company for the IP was analysed during investigation. The analysis is as below:

LTP analysis (08/12/2020 to 26/02/2021 – Price Rise)- Patch 1

33. During the patch 1, the price of the scrip opened at Rs.44.40 and touched period high of Rs.106.95 and closed at Rs.91.50.

Details of LTP contribution by Noticees during Patch 1 is given below:

34. I note from the material available before me that during patch I, the price of the scrip opened at Rs.44.40 and touched period high of Rs.106.95 and closed at Rs.91.50. I further note that during patch I Noticees made substantial contribution to net LTP. The details of the contribution by Noticees is as follows-

LTP contribution by Noticees

<u>Table 3</u>

	All trades			Positive LTP trades			Negative LTP trades			Zero LTP trades		
Client Name	**Ltp Rate**	**Traded Qty**	**No. Of Trades**	**Ltp Rate**	**Traded Qty**	**No. Of Trades**	**Ltp Rate**	**Traded Qty**	**No. Of Trades**	**Traded Qty**	**No. Of Trades**	**%Ltp**
Noticee 5	84.45	58307	159	93.50	33118	45	-9.05	14017	17	11172	97	27.18%
Noticee 4	22.15	196313	126	34.95	104883	48	-12.80	79874	32	11556	46	10.16%
Noticee 2	13.75	113950	41	15.90	83201	14	-2.15	25600	4	5149	23	4.62%
Noticee 1	11.20	129121	101	14.05	89620	16	-2.85	25620	5	13881	80	4.08%
Noticee 3	1.10	123610	60	7.25	57610	10	-6.15	57700	11	8300	39	2.11%
Total	**132.65**	**621301**	**487**	**165.65**	**368432**	**133**	**-33**	**202811**	**69**	**50058**	**285**	**48.16%**
Market total	**47.10**	**1314058**	**1118**	**343.95**	**777935**	**260**	**-296.85**	**407834**	**226**	**128289**	**632**	**100.00%**

35. From the above table, I observe that Noticee 1 contributed RS. 14.05 to positive LTP and Rs. 11.20 to net LTP, Noticee 2 contributed RS. 15.90 to positive LTP and Rs. 13.75 to net LTP, Noticee 3 contributed RS. 7.25 to positive LTP and Rs. 1.10 to net LTP, Noticee 4 contributed RS. 34.95 to positive LTP and Rs. 22.15 to net LTP and Noticee 5 contributed RS. 93.50 to positive LTP and Rs. 84.45 to net LTP. I further note that total number of positive LTP trades executed by Noticees were 133 out of 260 i.e. 51.15% of total positive LTP trades during patch 1.

36. During investigation, counterparties to Noticees positive LTP trades were analyzed, it was observed that in their 52 positive LTP trades, the counterparties were Noticees and through trades among themselves Noticees contributed Rs. 46.90 i.e. 13.64% to market positive LTP (market positive LTP during patch 1 was Rs. 343.95). The details of the trading of Noticees among themselves are as follows-

Table 4

TRADE DATE	BUYER NAME	SELLER NAME	Trade Price	Price of Last Trade	LTP DIFF IN Rs.	TRADED QUANTITY
30/12/2020	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	71.3	71	0.3	6400
05/01/2021	RAJ KUMAR BANSAL	SATSAI FINLEASE PRIVATE LIMITED	83.6	83.1	0.5	6400
05/01/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	84.2	83.6	0.6	6400
06/01/2021	SATSAI FINLEASE PRIVATE LIMITED	RAJ KUMAR BANSAL	83.9	80	3.9	6400
08/01/2021	RAJ KUMAR BANSAL	SAVITA HOLDINGS PRIVATE LIMITED	84.7	84.1	0.6	6400
11/01/2021	SAVITA HOLDINGS PRIVATE LIMITED	RAJ KUMAR BANSAL	84.8	84.5	0.3	6400
11/01/2021	SATSAI FINLEASE PRIVATE LIMITED	SAVITA HOLDINGS PRIVATE LIMITED	85.2	84.8	0.4	6400
12/01/2021	RAJ KUMAR BANSAL	SAVITA HOLDINGS PRIVATE LIMITED	85.25	85	0.25	6400
12/01/2021	SATSAI FINLEASE PRIVATE LIMITED	RAJ KUMAR BANSAL	85.4	85.25	0.15	6400
13/01/2021	ANM FINCAP PRIVATE LIMITED	SATSAI FINLEASE PRIVATE LIMITED	84.7	84.5	0.2	6400
13/01/2021	SATSAI FINLEASE PRIVATE LIMITED	RAJ KUMAR BANSAL	85	84.7	0.3	6400
13/01/2021	RAJ KUMAR BANSAL	SATSAI FINLEASE PRIVATE LIMITED	85.05	81.1	3.95	6400
15/01/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	84.4	84	0.4	6400
19/01/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	84.2	83.8	0.4	6400
19/01/2021	SAVITA HOLDINGS PRIVATE LIMITED	SATSAI FINLEASE PRIVATE LIMITED	84.4	84.2	0.2	6400
20/01/2021	SATSAI FINLEASE PRIVATE LIMITED	RAJ KUMAR BANSAL	84.2	84	0.2	6400

20/01/2021	ISHU SHARMA	SATSAI FINLEASE PRIVATE LIMITED	84.45	84.2	0.25	6400
21/01/2021	RAJ KUMAR BANSAL	SAVITA HOLDINGS PRIVATE LIMITED	85	84.6	0.4	6400
22/01/2021	SATSAI FINLEASE PRIVATE LIMITED	SAVITA HOLDINGS PRIVATE LIMITED	85.2	84	1.2	6400
25/01/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	85.4	85	0.4	6400
25/01/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	85.8	85.4	0.4	6400
25/01/2021	SAVITA HOLDINGS PRIVATE LIMITED	RAJ KUMAR BANSAL	86	85.7	0.3	6400
27/01/2021	RAJ KUMAR BANSAL	SAVITA HOLDINGS PRIVATE LIMITED	86.9	86	0.9	6400
27/01/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	87.1	86.5	0.6	6400
28/01/2021	RAJ KUMAR BANSAL	SAVITA HOLDINGS PRIVATE LIMITED	88	87.4	0.6	6400
28/01/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	87.3	87	0.3	6400
29/01/2021	SAVITA HOLDINGS PRIVATE LIMITED	RAJ KUMAR BANSAL	88.4	86.45	1.95	6400
01/02/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	90	88.9	1.1	6400
01/02/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	90.2	89.5	0.7	6400
02/02/2021	RAJ KUMAR BANSAL	SAVITA HOLDINGS PRIVATE LIMITED	91.5	90.8	0.7	6400
02/02/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	92.2	88	4.2	6400
05/02/2021	ANM FINCAP PRIVATE LIMITED	ISHU SHARMA	94.5	90.1	4.4	6400
09/02/2021	ISHU SHARMA	ANM FINCAP PRIVATE LIMITED	84.5	81.4	3.1	6400
09/02/2021	ISHU SHARMA	RAJ KUMAR BANSAL	87.25	86.1	1.15	6400
10/02/2021	SAVITA HOLDINGS PRIVATE LIMITED	ISHU SHARMA	89.9	88.7	1.2	6400
10/02/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	90.6	89.9	0.7	6400
10/02/2021	RAJ KUMAR BANSAL	SAVITA HOLDINGS PRIVATE LIMITED	91.2	90.6	0.6	6400
11/02/2021	ISHU SHARMA	SAVITA HOLDINGS PRIVATE LIMITED	92.2	91.5	0.7	6400
11/02/2021	ANM FINCAP PRIVATE LIMITED	ISHU SHARMA	92.7	92	0.7	6400
12/02/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	94.8	94	0.8	6400
12/02/2021	SAVITA HOLDINGS PRIVATE LIMITED	SATSAI FINLEASE PRIVATE LIMITED	95	94.8	0.2	6400
15/02/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	96.5	95.4	1.1	6400
15/02/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	97.5	96.5	1	6400
16/02/2021	SATSAI FINLEASE PRIVATE LIMITED	RAJ KUMAR BANSAL	102.65	102.6	0.05	10
23/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	86.6	86.5	0.1	200
23/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	86.7	86.6	0.1	300

23/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	87	86.7	0.3	400
24/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	91.35	90.7	0.65	10
25/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	94	91.3	2.7	10
25/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	94.2	94	0.2	20
25/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	94.5	94.2	0.3	30
25/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	94.7	94.5	0.2	40

LTP Contribution through small orders/trades

37. In the SCN it was alleged that out of 93 trades of Noticee 4 and Noticee 5 which allegedly contributed to positive LTP of Rs.128.45, the 12 buy order trade were where order was for 1 share and contributed to positive LTP of Rs.45 (13.08% of total market positive LTP, market positive LTP during patch 1 was Rs. 343.95). Further, for 14 trades, buy order quantity was in the range of 2-10 shares, which allegedly contributed to positive LTP of Rs.18.25 i.e. 5.31% of total market positive LTP. Thus, it is alleged that the Noticee 4 and Noticee 5 together through 26 small trades contributed to Rs. 63.25, i.e.18.39% to market positive LTP. Hence, in the majority of the trades, the Noticee 4 and Noticee 5 had placed their buy orders with small quantity of shares ranging from 1 to 10 shares whereas sell orders were available with quantity in the range of 1 to 4000 shares and contributed 18.39% of total market positive LTP.

38. I note from the material available before me and from the trade log that, Noticee 4 and Noticee 5 had entered into small order trades, the details of which are as follows-

Table 5

Buyer Name	No. of trades (LTP >0)	Positive LTP Contribution when buy order qty. was of 1 share only		Positive LTP Contribution when buy order qty. was between 2-10 shares		Positive LTP Contribution when buy order qty. were more than 10 shares		Total Positive LTP contribution (Rs.)	% of positive LTP to Total Market positive LTP	% contribution to total market positive LTP through small orders (1-10 shares)
		Positive LTP contribution	No. of trades	Positive LTP contribution	No. of trades	Positive LTP contribution	No. of trades			
Noticee 5	45	45	12	4.30	4	44.20	29	93.5	27.18	14.33
Noticee 4	48	1.3	1	12.65	9	21	38	34.95	10.16	4.06
Total	93	46.3	13	16.95	13	65.20	67	128.45	37.34	18.39

39. The details of trades of Noticee 5 in terms of positive LTP contribution through small order trades are as follows-

Table 6

Serial Number	Date Of Transaction	Buyer Name	Seller Name	Trade Volume	LtP Contribution (Rs)	Trade Price
1	17/02/2021	ISHU SHARMA	KIRAN DEEPAK SHRISHRIMAL	1	3.4	102
2	17/02/2021	ISHU SHARMA	ANJALI AGARWAL	1	0.7	98
3	17/02/2021	ISHU SHARMA	TARA CHAND	1	0.6	98.6
4	24/02/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	1	6.25	91.3
5	24/02/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	1	6.2	91.25
6	24/02/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	1	6	91.25
7	24/02/2021	ISHU SHARMA	RANJEETA VIRAJ CHOKHANI	1	6	91
8	24/02/2021	ISHU SHARMA	SHARMA RAJESH KUMAR	1	4.95	90
9	24/02/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	1	2.35	91.35
10	24/02/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	1	1.4	91.3
11	24/02/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	3	0.3	91.3
12	25/02/2021	ISHU SHARMA	RANAJIT SIL	3	3.75	89.8
13	25/02/2021	ISHU SHARMA	RANAJIT SIL	1	3.6	89.7
14	25/02/2021	ISHU SHARMA	RANAJIT SIL	1	3.55	89.6
15	25/02/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	10	0.05	88
16	26/02/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	10	0.2	90.5
				Total	49.3	

40. The details of trades of Noticee 4 in terms of positive LTP contribution through small order trades are as follows-

Table 7

Serial Number	Date Of Transaction	Buyer Name	Seller Name	Trade Volume	LtP Contribution (Rs)	Trade Price
1	23/02/2021	RAJ KUMAR BANSAL	VIJAY KUMAR MAKKAR	1	1.3	83.3
2	23/02/2021	RAJ KUMAR BANSAL	VIJAY KUMAR MAKKAR	9	0.1	83.4
3	23/02/2021	RAJ KUMAR BANSAL	VIJAY KUMAR MAKKAR	6	2.9	86.3
4	23/02/2021	RAJ KUMAR BANSAL	ADROIT FINANCIAL SERVICES PVT LTD	4	1.3	87.6
5	24/02/2021	RAJ KUMAR BANSAL	ADROIT FINANCIAL SERVICES PVT LTD	10	1.3	91.3
6	24/02/2021	RAJ KUMAR BANSAL	ADROIT FINANCIAL SERVICES PVT LTD	10	1.1	90.95
7	24/02/2021	RAJ KUMAR BANSAL	ISHU SHARMA	10	0.65	91.35
8	25/02/2021	RAJ KUMAR BANSAL	ADROIT FINANCIAL SERVICES PVT LTD	10	0.95	87.95
9	25/02/2021	RAJ KUMAR BANSAL	ADROIT FINANCIAL SERVICES PVT LTD	10	0.85	88.8
10	26/02/2021	RAJ KUMAR BANSAL	BIPIN CHIMANLAL SHAH	10	3.5	92
				Total	13.95	

41. I observe from the above tables that the 13 buy order trade of Noticee 4 and Noticee 5 were where order was for 1 share and contributed to positive LTP of Rs.46.3 (13.46% of

total market positive LTP, market positive LTP during patch 1 was Rs. 343.95). Further, for 13 trades of Noticee 4 and Noticee 5 buy order quantity was in the range of 2-10 shares, which contributed to positive LTP of Rs.16.95 i.e. 4.92% of total market positive LTP. Therefore, I observe that the Noticee 4 and Noticee 5 together through 26 small trades contributed to Rs. 63.25, i.e.18.38% to market positive LTP. Hence, in the large number of their trades, the Noticee 4 and Noticee 5 had placed their buy orders with small quantity of shares ranging from 1 to 10 shares.

42. Further I observe from the trade log and order log that, the Noticee 4 and Noticee 5 were placing orders of miniscule quantity ranging from 1 to 10 shares above LTP though large orders were pending in the system at the same price with quantity in the range of 1 to 4000 shares.. For instance on February 24, 2021, sell order was available for the quantity of 3000 at the same rate (i.e Rs 91.25), however, Noticee 5 placed buy order of 1 share, and this trade contributed to positive LTP of Rs. 6.2. Similarly, on February 23, 2021, sell order was available for the quantity of 4000, at the same rate (i.e. Rs. 87.6), however, Noticee 4 bought 4 shares and this trade contributed to positive LTP of Rs. 1.3. From the order log and trade log, I observed that Noticee 4 and Noticee 5 have executed trades with the similar pattern on 26 instances during patch I which lead to increase in the price of Rs. 63.25 which amounted to 18.38% to total market positive LTP, which is substantial. In this regard, I would refer to the order dated December 15, 2021 of Hon'ble SAT in the matter of *M/s Adamina Traders Private Limited vs SEBI*, wherein Hon'ble SAT has observed that-

we find from the trading pattern of the appellant that on most occasions the appellant was placing buy orders of miniscule quantity ranging from 1 to 10 shares above LTP though large orders were pending in the system. The WTM has categorically found that out of 176 trades, in a large numbers trades, only one share was purchased. These miniscule trades of one share per day led to increase price of the scrip by Rs. 50.23 which amounted to Rs. 26.34% of the total market positive LTP.

Thus, in the instant case, the pattern of trading, namely, placing buy orders in small quantities which led to increase in the price of the scrip was clearly fraudulent and manipulation of the price of the scrip which was violative of Regulations 3 and 4 of the PFUTP Regulations.

43. Similarly, in the present case, Noticee 4 and Noticee 5 were placing buy orders of miniscule quantity ranging from 1 to 10 shares above LTP though large orders were pending in the

system and this pattern of trading of Noticee 4 and Noticee 5 is clearly fraudulent and manipulation of the price of the scrip which is violative of Regulations 3 and 4 of the PFUTP Regulations.

44. Apart from the above Noticees also entered into reversal trades and synchronized which are as detailed below:

Reversal trades

45. During investigation it was observed that during patch 1 Noticee 1, 2 and 3 entered into reversal trades among themselves on 3 days for 34800 shares and contributed 2.92% to market volume which are as detailed below.

Table 8

Buyer Name	Seller Name	Gross Buy	Gross Sell	Reversal Qty	Number Of Days	%Market volume
Noticee 2	Noticee 4	6400	6400	12800	1	0.97%
Noticee 3	Noticee 4	6400	6400	12800	1	0.97%
Noticee 1	Noticee 4	6400	6400	12800	1	0.97%
Total		19200	19200	38400	3	2.92%

Synchronized Trades

46. It has been alleged in the SCN that the Noticees through 10 synchronized trades (i.e. trades wherein the buy and sell order quantity and rate are identical and orders for these transactions are placed within a time gap of one minute) among themselves, contributed 4.87% to market volume and Rs.14.15 to net LTP. The details of the synchronized trades carried out by the Noticees during the Patch 1 is placed below.

Summary of sync trades by Noticees in the scrip

Table 9

Client name	Gross Buy	Gross Sell	Gross Total	Total Traded Qty Among Noticees	Synchronized Traded Qty Among Noticees	Sync Trades As % Of Total Traded Qty Among The Noticees	Sync Trades As % Of Total Market Volume	Sum Of LTP Of Sync Trades
Noticee 1	129121	141914	271035	90610	12800	3.24%	0.97%	4.20
Noticee 2	113950	121600	235550	81949	19200	4.86%	1.46%	4.85
Noticee 3	123610	147200	270810	53200	6400	1.62%	0.49%	1.20

Noticee 4	196313	191612	387925	123210	12800	3.24%	0.97%	0.80
Noticee 5	58307	46657	104964	39933	12800	3.24%	0.97%	3.10
Total	**621301**	**648983**	**1270284**	**388902**	**64000**	**16.02**	**4.87**	**14.15**

47. Further, synchronized trades of Noticees trading among themselves is given in the table below:

Entity wise synchronised trade in the scrip of the company

Table 10

Buyer Name	Seller Name	Synchronized Quantity	Sum Of Ltp Diff	Number Of Days	Number Of Trades	%Marketvolume
Noticee 2	Noticee 4	12800	0.45	2	2	0.97%
Noticee 2	Noticee 5	6400	4.40	1	1	0.49%
Noticee 3	Noticee 5	6400	1.20	1	1	0.49%
Noticee 1	Noticee 4	12800	4.20	2	2	0.97%
Noticee 4	Noticee 2	6400	0.30	1	1	0.49%
Noticee 4	Noticee 1	6400	0.50	1	1	0.49%
Noticee 5	Noticee 2	6400	3.10	1	1	0.49%
Noticee 5	Noticee 4	6400	0.00	1	1	0.49%
Total		**64000**	**14.15**	**8**	**10**	**4.87%**

48. The details of the synchronized trades of the Noticees among themselves are as under:-

Table 11

Trade date	Buyer Name	Seller Name	Traded Quantity	BUY ORDER TIME	SELL ORDER TIME	BUY ORDER PRICE	SELL ORDERS PRICE
30/12/2020	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	6400	13:02:40	13:03:07	71	71
05/01/2021	RAJ KUMAR BANSAL	SATSAI FINLEASE PRIVATE LIMITED	6400	14:10:25	14:10:57	83.1	83.1
05/01/2021	ANM FINCAP PRIVATE LIMITED	RAJ KUMAR BANSAL	6400	15:03:06	15:02:24	83.6	83.6
06/01/2021	SATSAI FINLEASE PRIVATE LIMITED	RAJ KUMAR BANSAL	6400	15:12:28	15:11:50	80	80
13/01/2021	SATSAI FINLEASE PRIVATE LIMITED	RAJ KUMAR BANSAL	6400	15:14:10	15:13:19	84.7	84.7
13/01/2021	ANM FINCAP	RAJ KUMAR BANSAL	6400	15:26:34	15:26:03	85.05	85.05

	PRIVATE LIMITED						
21/01/2021	ISHU SHARMA	RAJ KUMAR BANSAL	6400	15:21:13	15:22:03	85	85
05/02/2021	ANM FINCAP PRIVATE LIMITED	ISHU SHARMA	6400	09:21:02	09:21:01	90.1	90.1
09/02/2021	ISHU SHARMA	ANM FINCAP PRIVATE LIMITED	6400	12:57:26	12:57:06	81.4	81.4
10/02/2021	SAVITA HOLDINGS PRIVATE LIMITED	ISHU SHARMA	6400	13:27:37	13:26:50	88.7	88.7

49. I note from the above table and from the trade log that, in the trades executed by the Noticees mentioned in the above table, there was a time gap of less than one minute between the buy order time and sell order time. I further note that the buy order rate and sell order rate were exactly identical. I also note that the total quantity bought and sold by the Noticees in a synchronized trades was 64000 shares on 8 days constituting 4.87% of total market volume in the scrip of the company during patch 1 of the IP.

<u>PATCH 2: (March 01, 2021 to March 09, 2021): Price Rise</u>

Price and Volume Manipulation Analysis (on the basis of trade log analysis)

Trading by Noticees:

50. Summary of the trading done by Noticees during the patch is as under:

Summary of trades by Noticees in the scrip

<u>Table 12</u>

Client Name	Buy Qty.	%Buy Qty. to Market Vol.	Sell Qty.	%Sell Qty. to Market Vol.
Noticee 5	27020	2.76%	25470	2.60%
Noticee 3	8070	0.82%	4250	0.43%
Noticee 1	7262	0.74%	7127	0.73%
Noticee 4	6721	0.69%	4235	0.43%
Noticee 2	0	0.00%	2500	0.26%
Total	49073	5.01%	43582	4.45%
Market total	979009	100.00%	979009	100.00%

51. Noticees contributed 5.01% to buy volume and 4.45% to sell volume.

***LTP analysis* (March 01, 2021 to March 09, 2021): Price Rise – Patch 2:**

52. During Patch 2, the price of the scrip opened at Rs. 91.55 and touched period high of Rs.102.25 and closed at Rs. 100.90.

53. I observe that during patch II Noticee1, Noticee 3, Noticee 4 and Noticee 5 contributed Rs.24.90 to net LTP and Rs.26.90 to positive LTP in 81 positive LTP trades as given below:

Table 13

	All trades			Positive LTP trades			Negative LTP trades			Zero LTP trades		
Client Name	**Ltp Rate**	**Traded Qty**	**No. Of Trades**	**Ltp Rate**	**Traded Qty**	**No. Of Trades**	**Ltp Rate**	**Traded Qty**	**No. Of Trades**	**Traded Qty**	**No. Of Trades**	**%Ltp**
Noticee 5	11.05	27020	100	11.65	2611	26	-0.60	11779	8	12630	66	12.49%
Noticee 1	9.85	7262	121	10.25	2048	31	-0.40	196	5	5018	85	10.99%
Noticee 3	2.90	8070	27	3.45	4140	9	-0.55	115	2	3815	16	3.70%
Noticee 4	1.10	6721	141	1.55	261	15	-0.45	2169	7	4291	119	1.66%
Total	24.90	49073	389	26.90	9060	81	-2.00	14259	22	25754	286	28.85%
Market total	9.40	979009	2064	93.25	316026	503	-83.85	299829	442	363154	1119	100.00%

54. Counterparties to Noticee1, Noticee 3, Noticee 4 and Noticee 5 positive LTP trades were analyzed, it was observed that in the abovementioned positive LTP trades of Noticees in 30 positive LTP trades, the counterparties were the above Noticees and through trades among themselves they contributed Rs. 7.10 i.e. 7.61% to market positive LTP (Market positive LTP was Rs. 93.25 during patch 2).

55. I further note from the trade log available before me, the following positive LTP trades were executed by the Noticees among themselves:-

Table 14

TRADE DATE	BUYER NAME	SELLER NAME	Trade Price	Price of last trade	LTP DIFF IN Rs.	TRADED QUANTITY
01/03/2021	SAVITA HOLDINGS PRIVATE LIMITED	ISHU SHARMA	94	93.75	0.25	84
01/03/2021	SAVITA HOLDINGS PRIVATE LIMITED	ISHU SHARMA	94	93.75	0.25	35
01/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ISHU SHARMA	93.7	92.95	0.75	50

01/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ISHU SHARMA	93.7	93.65	0.05	100
02/03/2021	RAJ KUMAR BANSAL	SATSAI FINLEASE PRIVATE LIMITED	94.5	94.45	0.05	95
02/03/2021	ISHU SHARMA	RAJ KUMAR BANSAL	94.55	93.8	0.75	100
02/03/2021	SAVITA HOLDINGS PRIVATE LIMITED	RAJ KUMAR BANSAL	94.45	94.05	0.4	1400
03/03/2021	ISHU SHARMA	ANM FINCAP PRIVATE LIMITED	96.15	96.05	0.1	1
03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	96.15	96	0.15	1
03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	96.15	96.10	0.05	2
03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	96.15	96.10	0.05	1
03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	96.15	96.10	0.05	6
03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	96.15	96	0.15	4
03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	96.15	96.10	0.05	5
03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	96.15	96.05	0.1	6
03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	96.15	96.10	0.05	1
03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	96.15	96.05	0.1	3
03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	96.15	96.05	0.1	2
03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	96.15	96.05	0.1	3
03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ISHU SHARMA	96.2	96.1	0.1	1
03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	96.2	96.15	0.05	3
03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ISHU SHARMA	96.2	96.15	0.05	2
03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	96.2	96	0.2	5
03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	96.2	96	0.2	2
03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	96.2	96.10	0.1	3
03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	96.2	96.15	0.05	10
05/03/2021	SAVITA HOLDINGS PRIVATE LIMITED	ISHU SHARMA	98.9	96.85	2.05	2500

08/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ISHU SHARMA	98.9	98.55	0.35	1
08/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	98.9	98.85	0.05	3
08/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	98.9	98.55	0.35	25
	Total				7.1	

LTP Contribution through small orders/trades

56. During patch II, 81 trades of Noticee 1, Noticee 3, Noticee 4 and Noticee 5, contributed to positive LTP of Rs.28.84. it was alleged in the SCN that out of 81 trades, 9 buy order trade were where order was for 1 share, which contributed to positive LTP of Rs.3.30 (3.53% of total market positive LTP, market positive LTP was Rs. 93.25 during patch 2). Further, for 20 trades, buy order quantity was in the range of 2-10 shares, which contributed to positive LTP of Rs.5.40 i.e. 5.79% of total market positive LTP. Thus through 29 small trades, the Noticee 1, Noticee 3, Noticee 4 and Noticee 5 contributed Rs. 8.7 i.e 9.32% to market positive LTP. I note from the material available before me that Noticee 1, 3, 4 and 5 have entered into small orders / trades, the details of which is provided below-

Table 15

Buyer Name	**No. of trades (LTP >0)**	**Positive LTP Contribution when buy order qty. was of 1 share only**		**Positive LTP Contribution when buy order qty. was between 2-10 shares**		**Positive LTP Contribution when buy order qty. were more than 10 shares**		**Total Positive LTP contribution (Rs.)**	**% of positive LTP to Total Market positive LTP**	**% contribution to total market positive LTP through small orders (1-10 shares)**
		Positive LTP contribution	**No. of trades**	**Positive LTP contribution**	**No. of trades**	**Positive LTP contribution**	**No. of trades**			
Noticee 5	26	2.55	3	2.15	4	6.95	19	11.65	12.49	5.04
Noticee 4	15	0.05	1	0.95	9	0.55	5	1.55	1.66	1.07
Noticee 1	31	0.65	4	2.30	7	7.30	20	10.25	10.99	3.16
Noticee 3	9	0.05	1	0	0	3.40	8	3.45	3.70	0.05
Total	81	3.3	9	5.4	20	18.2	52	26.9	28.84	9.32

57. I observe from the above table that 81 trades of Noticee 1, Noticee 3, Noticee 4 and Noticee 5, contributed to positive LTP of Rs.28.84. Out of 81 trades, 9 buy order trade were where order was for 1 share, which contributed to positive LTP of Rs.3.30 (3.53% of total market positive LTP, market positive LTP was Rs. 93.25 during patch 2). Further, for 20 trades,

buy order quantity was in the range of 2-10 shares, which contributed to positive LTP of Rs.5.40 i.e. 5.79% of total market positive LTP. Further, the Noticees executed small order trades among themselves, the details of the same are as follows-

58. The details of the small order details of Noticee 1 are as follows-

Table 16

Serial Number	Date Of Transaction	Buyer Name	Seller Name	Trade Volume	LtP Contribution (Rs)	Trade Price
1	03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	1	0.15	96.15
2	03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	6	0.05	96.15
3	03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	4	0.15	96.15
4	03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	5	0.05	96.15
5	03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	1	0.05	96.15
6	03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ANM FINCAP PRIVATE LIMITED	2	0.1	96.15
7	03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ISHU SHARMA	1	0.1	96.2
8	03/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ISHU SHARMA	2	0.05	96.2
9	08/03/2021	SATSAI FINLEASE PRIVATE LIMITED	ISHU SHARMA	1	0.35	98.9
10	09/03/2021	SATSAI FINLEASE PRIVATE LIMITED	NK SECURITIES RESEARCH PRIVATE LIMITED	5	1.85	101.9
11	09/03/2021	SATSAI FINLEASE PRIVATE LIMITED	QE SECURITIES	5	0.05	101.95
				Total	2.95	

59. The details of the small order details of Noticee 3 is as follows-

Table 17

Serial Number	Date Of Transaction	Buyer Name	Seller Name	Trade Volume	LtP Contribution (Rs)	Trade Price
1	02/03/2021	SAVITA HOLDINGS PRIVATE LIMITED	GAURAV CHANDRAKANT SHAH	1	0.05	94.6
	Total				0.05	

60. The details of the small order details of Noticee 4 is as follows-

Table 18

Serial Number	Date Of Transaction	Buyer Name	Seller Name	Trade Volume	LtP Contribution (Rs)	Trade Price
1	03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	2	0.05	96.15
2	03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	1	0.05	96.15
3	03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	6	0.1	96.15
4	03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	3	0.1	96.15
5	03/03/2021	RAJ KUMAR BANSAL	ANM FINCAP PRIVATE LIMITED	3	0.1	96.15
6	03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	3	0.05	96.2
7	03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	5	0.2	96.2
8	03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	2	0.2	96.2
9	03/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	3	0.1	96.2

10	08/03/2021	RAJ KUMAR BANSAL	ISHU SHARMA	3	0.05	98.9

61. The details of the small order details of Noticee 5 is as follows-

Table 19

Serial Number	Date Of Transaction	Buyer Name	Seller Name	Trade Volume	LtP Contribution (Rs)	Trade Price
1	01/03/2021	ISHU SHARMA	ADROIT FINANCIAL SERVICES PVT LTD	1	2.2	94.3
2	02/03/2021	ISHU SHARMA	GAURAV CHANDRAKANT SHAH	1	0.25	94.6
3	03/03/2021	ISHU SHARMA	ANM FINCAP PRIVATE LIMITED	1	0.1	96.15
4	04/03/2021	ISHU SHARMA	GAURAV CHANDRAKANT SHAH	10	1	97
5	05/03/2021	ISHU SHARMA	NK SECURITIES RESEARCH PRIVATE LIMITED	10	0.85	97.45
6	05/03/2021	ISHU SHARMA	GAURAV CHANDRAKANT SHAH	10	0.1	97.5
7	09/03/2021	ISHU SHARMA	SMT ALKA BHARAT MEHTA	3	0.2	100

62. From the above tables, I observe that through 29 small trades, the Noticee 1, Noticee 3, Noticee 4 and Noticee 5 contributed Rs. 8.7 i.e 9.32% to market positive LTP. Further, I note that Noticee 1, Noticee 3, Noticee 4 and Noticee 5 had placed their buy orders in the range of 1 to 10 shares even though sell orders were available with quantity in the range of 5 to 5000 shares. For instance on March 03, 2021, sell order was available for the quantity of 500 at the same rate (i.e Rs 96.15), however, Noticee 1 placed buy order of 1 share, and this trade contributed to positive LTP of Rs. 0.15. Similarly, on March 01, 2021, sell order was available for the quantity of 900, at the same rate (i.e. Rs. 94.3), however, Noticee 5 bought 1 shares and this trade contributed to positive LTP of Rs. 2.2. Trades

with similar pattern was executed by Noticee 3 and Noticee 4. In view of the above, I observe that Noticee 1, Noticee 3, Noticee 4 and Noticee 5 have executed trades with the similar pattern on 29 instances during patch II which lead to increase in the price of Rs. 8.7 which amounted to 9.32% to total market positive LTP.

Synchronized Trades

63. It is alleged that during patch II Noticee 3 and Noticee 5 through 8 synchronized trades among themselves, contributed 0.26% to market volume and Rs.2.00 to net LTP.

64. I observe from the material available before me that Noticee 3 and Noticee 5 entered into synchronized trades and contributed Rs.2.00 to net LTP, the details of the same are as follows-

Table 20

Buyer name	**Seller Name**	**Gross Buy**	**Gross Sell**	**Gross Total**	**Total Traded Qty Among Suspected Entities**	**Synchronized Traded Qty Among Suspected Entities**	**Sync Trades As % Of Total Market Volume**	**Sum Of LTP Of Sync Trades (Rs)**	**Number Of Days**	**Number Of Trades**
Noticee 3	Noticee 5	8070	4250	12320	4900	2500	0.26%	2.05	1	1
Noticee 4	Noticee 1	6721	4235	10956	3715	7	0.00%	-0.05	1	7
Total		49073	43582	92655	12447	2507	0.26%	2.00	2	8

65. I observe from the above table that Noticee 3 and Noticee 4 through 8 synchronized trades among themselves, contributed 0.26% to market volume which contributed Rs.2.00 to LTP. The details of the synchronized trade of Noticee 3 during patch II is as follows-

Table 21

Trade date	Buyer Name	Seller Name	Traded Quantity	Trade Value	Buy order time	Sell order time	Buy order price	Sell order price	Trade Price
05/03/2021	Savita Holdings Private Limited	Ishu Sharma	2500	247250	15:28:57	15:29:00	96.85	96.85	98.9

66. I note from the above table and from the trade log that, in the trade executed by the Noticee 3, there was a time gap of less than one minute between the buy order time and sell order time. I further note that the buy order rate and sell order rate were exactly identical.

67. With regard to LTP contribution Noticee 2 submitted that during patch I only 14 trades out of total 276 trades of the Noticee have led to positive LTP contribution of Rs.15.90/-. Noticee 3 submitted that in Patch 1 only 10 trades out of total 60 trades of the Noticee have led to positive LTP contribution of Rs.7.25/- and in patch 2 only 4 trades out of the 27 trades have been considered towards positive LTP contribution. Similar submissions have been made by other Noticees. Noticees submitted that there is no such pattern of the Noticee which could be regarded as manipulative and with an intent to affect the price or the scrip. With regard to the synchronized trades Noticees submitted that the alleged synchronized trades are very miniscule and could not have impacted the price or the volume of the scrip in the market at the given time or even otherwise.

68. As detailed above I observe that the Noticees who are connected to each other have traded among themselves and contributed to positive LTP in Patch 1 and Patch 2 as summarized below:

Table 22

Noticee No.	**Patch I**				**Patch II**				**Total Positive LTP contribution by Noticees**	**Total Net LTP contribution by Noticees**
	No. of Positive LTP Trades	**Positive LTP contribution**	**Negative LTP contribution**	**Net LTP contribution**	**No. of Positive LTP Trades**	**Positive LTP contribution**	**Negative LTP contribution**	**Net LTP contribution**		
Noticee 1	12	9.5	1.65	7.85	11	1.85	0.05	1.8	11.35	9.65
Noticee 2	11	14.4	0.15	14.25	-	-	-	-	14.4	14.25
Noticee 3	6	4.15	1.15	3	4	2.95	-	2.95	7.1	5.95
Noticee 4	19	13.65	4.95	8.7	13	1.45	0.15	1.3	15.1	10
Noticee 5	4	5.2	3.2	2	2	0.85	0.2	0.65	6.05	2.65
Total	**52**	**46.9**	**11.1**	**35.8**	**30**	**7.1**	**0.4**	**6.7**	**54**	**42.5**

69. As observed During patch 1 (December 08, 2020 to February 26, 2021), Noticees have contributed to positive market LTP. Through 52 trades by trading among themselves they contributed 13.64% to market positive LTP and during patch II (March 01, 2021 to March 09, 2021), Noticees have contributed to positive market LTP. Through 30 trades by trading among themselves they contributed 7.61% to market positive LTP. The price of the scrip rose from 44.4 to 95.05 and touched a high of Rs. 110.80 during investigation period. Further the average daily traded volume of the scrip also rose from 22166 (during October 01, 2020 to December 07, 2020) to 58505 during the investigation period and after the investigation period volumes started declining i.e. 8832 average no. of shares traded daily during March 22, 2021 to June 18, 2021. Noticees have not given any plausible explanation for indulging in such trades. They have merely submitted that they have traded in the normal course of the business. I observe that the Noticees have submitted that their individual contribution is very miniscule. However, given the connection as established, Noticees contribution to LTP which has impacted price rise is to be taken together which I observe is substantial. It is observed that there are no corporate announcements which would have led the Noticees to trade extensively in such scrip. Further the financials of the company does not justify trading extensively in the scrip of company which entered the main board of NSE (from SME) on February 2021. Thus the submissions made by the Noticees are not tenable. Further, I place on Hon'ble SAT order dated June 21, 2018 in Shri Lakhi Prasad Kheradi v.SEBI wherein Hon'ble SAT has held that:

Very fact that the appellant had indulged in self trades /LTP/ NHP without giving any justifiable reason, clearly justifies the inference drawn by the AO that the trades executed by the appellant were manipulative trades.

70. Further, I observe from the trade log and order log that during patch 1, Noticee 4 and Noticee 5 were placing orders of miniscule quantity ranging from 1 to 10 shares above LTP though large orders were pending in the system at the same price, and through their 26 small trades Noticee 4 and Noticee 5 contributed Rs. 63.25, i.e.18.38% to market positive LTP. Further, I observe that during patch 2, Noticee 1, Noticee 3, Noticee 4 and Noticee 5 had placed their buy orders with small quantity of shares ranging from 1 to 10 shares and through their 29 small trades they contributed Rs. 8.7 to market positive LTP which amounted to 9.32% to total market positive LTP, which is substantial.

71. I note that Noticees submitted that the small order LTP trades are miniscule and considering such miniscule trades as objectionable is arbitrary. However, as observed

above, the Noticees are connected and collectively the small order trades of the Noticee substantially contributed to the market positive LTP i.e. 18.38% in patch 1 and in patch 2, 9.32% of total market positive LTP, which affected the price of the scrip of company. The above Noticees have not been able to demonstrate any justifiable reason with regard to entering into such trades at higher than LTP of which majority were through small quantity trades despite availability of sufficient sell orders of larger quantity. In this regard, as already observed in paragraph 42, I place my reliance on the order dated December 15, 2021 of Hon'ble SAT in the matter of *M/s Adamina Traders Private Limited vs SEBI* wherein interalia Hon'ble SAT observed *………Thus, in the instant case, the pattern of trading, namely, placing buy orders in small quantities which led to increase in the price of the scrip was clearly fraudulent and manipulation of the price of the scrip which was violative of Regulations 3 and 4 of the PFUTP Regulations.*

72. Further, during patch I Noticees have executed synchronized trades among themselves and contributed 4.87% to market volume and during patch II through 8 synchronized trades were executed by Noticee 3 and Noticee 4 which contributed to 0.26% to market volume. Also through reversal trades the Noticee 1, Noticee 2, Noticee 3 and Noticee 4 contributed to 2.92% to market volume.

73. In view of the above it is established that the Noticees indulged in price rise by entering buy orders at higher price than the last traded price have influenced the price of the scrip and thus indulged in an act which created false and misleading appearance of trading, thereby violated Section 12 A(a),(b),(c) of SEBI Act, 1992, Regulation 3(a),(b),(c),(d), Regulation 4(1), 4(2) (a), (b) and (d) of SEBI (PFUTP) Regulations, 2003.

ISSUE II: Does the violation, if any, on part of the Noticees attract penalty under Section for 15HA of SEBI Act?

74. As has been established in foregoing paragraphs that Noticees has violated the Section 12A(a), (b) and (c) of the SEBI Act, 1992 read with Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2)(a), (b) and (d) of PFUTP Regulations.

75. The Hon'ble Supreme Court of India in the matter of SEBI vs. Shri Ram Mutual Fund interalia held *" once the violation of statutory regulations is established, imposition of penalty becomes sine qua non of violation and the intention of parties committing*

such violation becomes totally irrelevant. Once the contravention is established then the penalty is to follow."

76. Therefore, I am convinced that it is a fit case for imposition of penalty under the provisions of Section 15HA of the SEBI Act, which reads as given below:

Penalty for fraudulent and unfair trade practices.

15HA. If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty which shall not be less than five lakh rupees but which may extend to twenty -five crore rupees or three times the amount of profits made out of such practices, whichever is higher.

ISSUE III: If so, how much penalty should be imposed on the Noticee taking into consideration the factors mentioned in Section 15J of the SEBI Act?

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

15J - Factors to be taken into account by the adjudicating officer

While adjudging quantum of penalty under section 15-I, the adjudicating officer shall have due regard to the following factors, namely:-

(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;

(b) the amount of loss caused to an investor or group of investors as a result of the default;

(c) the repetitive nature of the default."

78. From the material available on record it is observed that no calculation has been made specifically for the disproportionate gain or loss caused to the investors for the activities which are in violation of FUTP Regulation by these Noticees. However, I note that the Noticees entered into fraudulent trade which has the effect of disrupting the securities market and has the potential to mislead and induce genuine investors to trade in the scrip. This violation of the Noticees, if dealt with lightly could seriously undermine investors' confidence in the securities market and has to be viewed seriously and calls

for appropriate penalty. With respect to the repetitive nature of default, I find that there is nothing on record to indicate any past violations committed by the Noticees.

ORDER

79. Having considered the facts and circumstances of the case, the material available on record, the factors mentioned in Section 15J of the SEBI Act, the purpose of SEBI PFUTP Regulations 2003, taking note of Section 15HA of the SEBI Act, and also taking into account judgment of the Hon'ble Supreme Court in *SEBI vs. Bhavesh Pabari (2019) 5 SCC 90* and in exercise of power conferred upon me under section 15-I of the SEBI Act, 1992 read with rule 5 of the Adjudication Rules, 1995, I hereby impose following penalty under section 15HA of the SEBI Act, 1992 on the Noticees:

Noticee No.	Name of entity	Provisions violated	Penalty (Rs.)
1	Satsai Finlease Pvt Ltd	Section 12A(a), (b) and (c) of the SEBI Act, 1992, Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2)(a), (b) and (d) of PFUTP Regulations	20,00,000/- (Rupees Twenty lakh only) (To be paid Jointly and Severally)
2	Anm Fincap Pvt Ltd		
3	Savita Holdings Pvt Ltd		
4	Raj Kumar Bansal		
5	Ishu Sharma		

80. I am of the view that the said penalty is commensurate with the lapse/omission on the part of the Noticees.

81. The Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order through online payment facility available on the website of SEBI, i.e. www.sebi.gov.in on the following path, by clicking on the payment link: ENFORCEMENT → Orders → Orders of AO → PAY NOW. In case of any difficulties in payment of penalties, Noticee may contact the support at portalhelp@sebi.gov.in.

82. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, SEBI may initiate consequential actions including but not limited to recovery proceedings under section 28A of the SEBI Act, 1992 for realization of the said amount of

penalty along with interest thereon, inter alia, by attachment and sale of movable and immovable properties.

83. In terms of the provisions of rule 6 of the Adjudication Rules, a copy of this order is being sent to the Noticees and also to the Securities and Exchange Board of India.

Place: Mumbai	**BARNALI MUKHERJEE**
Date: August 11, 2023	**ADJUDICATING OFFICER**