



भारतीय प्रतिभूति  
और विनियम बोर्ड  
Securities and Exchange  
Board of India

**CHIEF GENERAL MANAGER &  
ADJUDICATING OFFICER**

**SPAD / DIGITALLY SIGNED E-MAIL**

**SEBI/EAD/BM/DS/46319/2022**

**August 31, 2022**

**RISHABH MAHENDRA SHAH**

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दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर. एस.), 26449000 / 40459000 फैक्स : 2644 9019 से 2644 9022 वेब : [www.sebi.gov.in](http://www.sebi.gov.in)

SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

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Continuation :

भारतीय प्रतिभूति  
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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
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Board of India

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Show Cause Notice in the matter of Mangalam Industrial Finance Limited

|| Page 3 of 50



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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| <b>VIDHI ZAVERI</b><br>PAN: AAPPZ8294C<br>H. NO.-C-17 MAHIM FLATSVEJALPUR, AHMEDABTAL-AHMEDABAD,<br>GUJARAT, 380051<br>EMAIL: <a href="mailto:NILESHSHAH28@YAHOO.IN">NILESHSHAH28@YAHOO.IN</a>                                                |
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अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
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EMAIL: [RDBHATIYA011@GMAIL.COM](mailto:RDBHATIYA011@GMAIL.COM)

**Notice under Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of Mangalam Industrial Finance Limited**

- 1) Securities and Exchange Board of India (hereinafter referred to as “SEBI”) conducted investigation in the matter of Mangalam Industrial Finance Limited, (hereinafter referred to as “Mangalam” / “MIFL” / “Company”) during the period beginning March 25, 2014 till August 31, 2016 (hereinafter referred to as “investigation period” / “IP”), for the alleged violation of provisions of regulations 3 (a), (b), (c), (d) and regulations 4(1), 4(2)(a) and 4(2)(g) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as “PFUTP Regulations”) read with Section 12A (a), (b) and (c) of SEBI Act, 1992.
- 2) The undersigned has been appointed as the Adjudicating Officer vide Order dated May 04, 2022 (copy of the Order communicating Appointment enclosed as **Annexure-1**) under Section 15-I of SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as “SEBI Adjudication Rules”) to enquire into and adjudge under the provisions of Section 15HA of SEBI Act, 1992, the alleged violations of provisions of PFUTP Regulations read with Section 12A (a), (b) and (c) of SEBI Act, 1992 against the following entities.

**Table – 1 – List of Noticees**

| Noticee No. | Noticee Name          |
|-------------|-----------------------|
| 1           | Rishabh Mahendra Shah |



Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

|    |                                       |
|----|---------------------------------------|
| 2  | Guide Dealcom LLP                     |
| 3  | Alert Commdeal Pvt Ltd                |
| 4  | Suparas Impex Pvt Ltd                 |
| 5  | Northstar Dealcomm Pvt Ltd            |
| 6  | Nexcare Agency Pvt Ltd                |
| 7  | Eversafe Highrise Pvt Ltd             |
| 8  | Pradeep Kumar Daga                    |
| 9  | Santi Kumar Mondal                    |
| 10 | Dharmendra Kumar Jain                 |
| 11 | Shri Prakash Kabra                    |
| 12 | Mohan Mukhiya                         |
| 13 | Kumar Share Brokers Ltd               |
| 14 | Stallone Commercial Pvt Ltd           |
| 15 | Sandeep Kumar Jain                    |
| 16 | Rajendra Kumar Jain                   |
| 17 | Saiganga Packaging Limited            |
| 18 | Oleander Manufacturers And Credit Ltd |
| 19 | Brahma Colonizers Private Limited     |
| 20 | Subhadraben Rameshchandra Shah        |
| 21 | Vivek Shiva Ram Kale                  |
| 22 | Dipaliben Yash Bhatt                  |
| 23 | Niraj Ashokbhai Parmar                |
| 24 | Ketan Pravinbhai Panchal              |
| 25 | Jayshriben U Patel                    |
| 26 | Prakash Vijaykumar Shah               |
| 27 | Arjun Hirji Thakker                   |
| 28 | Vidhi Zaveri                          |
| 29 | Mushabber Imranali Ahmadi             |
| 30 | Rameshbhai Dhadumal Bhatiya           |

The above entities are hereinafter referred with their name or Noticee No. and collectively as “**Noticees**”.

- 3) MIFL was listed at BSE on March 21, 2014. The details of management of the company during the investigation period is given as under:

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

Table – 2 – Details of Management of the Company

| S. No. | DIN      | Name                           | Designation                           | Date of Appointment | Status as on 07.01.2021 |
|--------|----------|--------------------------------|---------------------------------------|---------------------|-------------------------|
| 1      | 00080515 | Noticee 8 (Pradeep Kumar Daga) | Chairman & Managing Director/Promoter | 24-09-2014          | Active                  |
| 2      | 00080647 | Vinita Daga                    | Non-executive Director                | 01-10-2014          | Resigned (06-02-2016)   |
| 3      | 00087387 | Tapas Mondal                   | Whole –time Director                  | 30-12-2005          | Resigned (08-07-2015)   |
| 4      | 00140430 | Arun Chakraborty               | Independent – Non Executive Director  | 22-12-2004          | Active                  |
| 5      | 00152267 | Rathindra Nath Ghosh           | Independent – Non Executive Director  | 30-12-2005          | Active                  |
| 6      | 00165816 | Sudarson Kayori                | Independent – Non Executive Director  | 22-12-2004          | Active                  |

4) After listing, price of Mangalam scrip moved from Rs 32.05 on March 25, 2014 to Rs 287.80 on January 27, 2015.

5) The following table shows the financial results of the company:

Table – 3 – Summary of Financial Results of the Company

(₹ in crore)

| Particulars       | FY 13-14      | FY 14-15    | FY15-16     |
|-------------------|---------------|-------------|-------------|
| Net Sales         | 0.16          | 0.20        | 2.07        |
| Other Income      | 0             | 0           | 0           |
| Total Income      | 0.16          | 0.20        | 2.07        |
| <b>Net Profit</b> | <b>(0.08)</b> | <b>0.06</b> | <b>0.24</b> |

6) It can be seen from the above table that the company has made a net loss of Rs 0.08 crores for the year ended on March 31, 2014 and a net profit of Rs 0.24 crores for the year ended on March 31, 2016. Investigation observed that there was no significant impact of corporate announcements on price movement (copy of corporate announcements enclosed as **Annexure – 2**)

Price-Volume Data

7) The price volume chart for the Investigation Period March 25, 2014 – August 31, 2016 is given below.

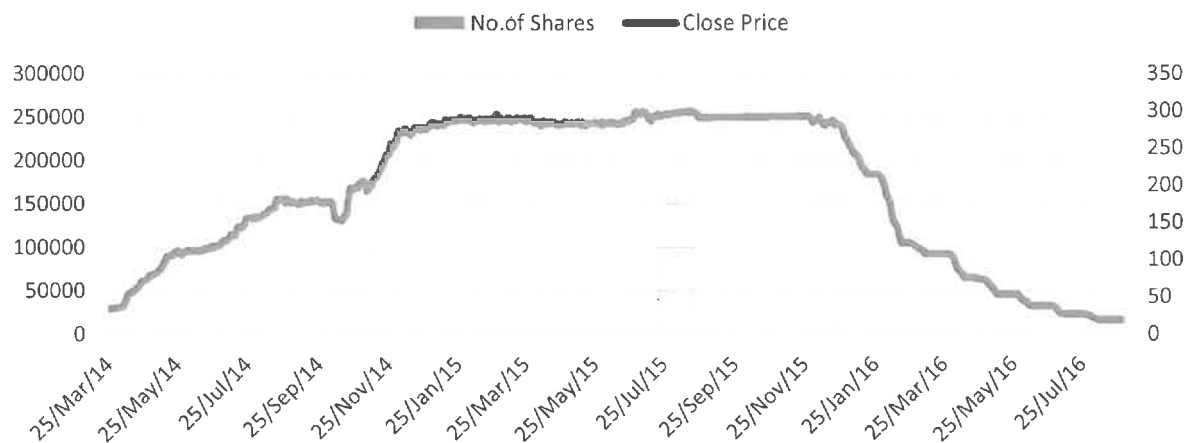
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अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

## PV Chart



During the investigation period the price of the scrip witnessed a patch of substantial rise, followed by stable price and thereafter steep fall. Hence, the Investigation Period was divided into three patches as given below:

- Patch-1:** March 25, 2014 to January 27, 2015 – Price movement from Rs 32.05 to Rs 287.80
- Patch-2:** January 28, 2015 to August 26, 2015- Price movement from Rs 285.00 to Rs 291.50

Scrip was suspended from August 27, 2015 to November 30, 2015 and the same was revoked on December 1, 2015.

- Patch-3:** December 1, 2015 to August 31, 2016 - Price movement from Rs 291.50 to Rs 18.15

Price-Volume movement for the three patches is shown in the table below.



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड**  
**Securities and Exchange  
Board of India**

**Table – 4 – Price Volume Movement**

| Particulars    | Patch 1 (March 25, 2014 to January 27, 2015) |                  | Patch 2 (January 28, 2015 to August 26, 2015) |                  | Patch 3 (December 1, 2015 to August 31, 2016) |                  |
|----------------|----------------------------------------------|------------------|-----------------------------------------------|------------------|-----------------------------------------------|------------------|
|                | Price                                        | Date             | Price (Rs)                                    | Date             | Price (Rs)                                    | Date             |
| Open           | 32.05                                        | March 25, 2014   | 285.00                                        | January 28, 2015 | 291.50                                        | December 1, 2015 |
| High           | 343.00                                       | January 27, 2015 | 303.00                                        | July 2, 2015     | 297.30                                        | December 1, 2015 |
| Low            | 32.05                                        | March 25, 2014   | 275.00                                        | June 24, 2015    | 18.15                                         | August 31, 2016  |
| Close          | 287.80                                       | January 27, 2015 | 291.50                                        | August 26, 2015  | 18.15                                         | August 31, 2016  |
| Average Volume | 1272                                         |                  | 39216                                         |                  | 5185                                          |                  |
| Total Volume   | 236587                                       |                  | 5647136                                       |                  | 700057                                        |                  |

- It was observed that the price of the scrip moved from Rs 32.05 (March 25, 2014) to Rs 287.80 (January 27, 2015) touching a high of Rs 343.00 (January 27, 2015) during Patch 1. Further, the average volume during the said patch was 1272 shares indicating that the scrip was very thinly traded.
- During Patch 2 (January 28, 2015 to August 26, 2015) the price remained within a narrow range as seen from the above table moving from Rs 285.00 (January 28, 2015) to Rs 291.50 (August 26, 2015) touching a high of Rs 303.00 (July 2, 2015). Further, during the said patch the average trading volume increased substantially to 39216 shares which is about 30 times greater than the average volume during Patch 1.



Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

- Further, the scrip was suspended from August 27, 2015 to November 30, 2015 and the suspension was revoked on December 1, 2015.
- During Patch 3 (December 1, 2015 to August 31, 2016) the price of the scrip moved from 291.50 (December 1, 2015) to Rs 18.15 (August 31, 2016). Further, the average trading volume of the scrip during the abovementioned patch was 5185 shares which was substantially lower than the average volume during Patch 2.

8) Major Clients – Details of top 10 buy clients and sell clients concentration on BSE during the Investigation period is tabulated as below:

Table – 4

| Buy Client Name                       | Total          | %age of Trd Vol | Sell Client Name                           | Total          | %age of Trd Vol |
|---------------------------------------|----------------|-----------------|--------------------------------------------|----------------|-----------------|
| Noticee 1 (Rishabh Mahendra Shah)     | 812259         | 12.34%          | Noticee 2 (Guide Dealcom LLP)              | 664400         | 10.09%          |
| Dharmendra Kumar Jain                 | 252190         | 3.83%           | Dharmendra Kumar Jain                      | 252255         | 3.83%           |
| Shri Prakash Kabra                    | 240631         | 3.65%           | Noticee 3 (Alert Commdeal Private Limited) | 245320         | 3.73%           |
| Mohan Mukhiya                         | 205156         | 3.12%           | Shri Prakash Kabra                         | 237273         | 3.60%           |
| Kinjal Kanaiyalal Mehta               | 197348         | 3.00%           | Mohan Mukhiya                              | 204525         | 3.11%           |
| Stallone Commercial Pvt Ltd           | 183588         | 2.79%           | Stallone Commercial Pvt Ltd                | 183131         | 2.78%           |
| Oleander Manufacturers And Credit Ltd | 180139         | 2.74%           | Oleander Manufacturers And Credit Ltd      | 180039         | 2.73%           |
| Rajendra Kumar Jain                   | 173841         | 2.64%           | Rajendra Kumar Jain                        | 172473         | 2.62%           |
| Saiganga Packaging Limited            | 168922         | 2.57%           | Saiganga Packaging Limited                 | 168922         | 2.57%           |
| Mushabber Imranali Ahmadi             | 168591         | 2.56%           | Mushabber Imranali Ahmadi                  | 168591         | 2.56%           |
| <b>Top 10 Buy Clients</b>             | <b>2582665</b> | <b>39.23</b>    | <b>Top 10 Sell Clients</b>                 | <b>2476929</b> | <b>37.62</b>    |
| <b>Remaining Clients</b>              | <b>4001115</b> | <b>60.77</b>    | <b>Remaining Clients</b>                   | <b>4106851</b> | <b>62.38</b>    |
| <b>Total Traded Volume</b>            | <b>6583780</b> | <b>100.00</b>   | <b>Total Traded Volume</b>                 | <b>6583780</b> | <b>100.00</b>   |

9) Top 10 buyers contributed 39.23% to market volume. Noticee 1 (Rishabh Mahendra Shah) was the top buyer with 12.34% contribution to market volume.





अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

Top 10 sellers contributed 37.62% to market volume. Noticee 2 (Guide Dealcom LLP) was the top seller with 10.09% contribution to market volume.

10) Noticee 1 (Rishabh Mahendra Shah) vide email dated May 21, 2021 and statement recorded dated March 04, 2022 (copies of both documents enclosed as **Annexure – 3**) made following claims :

- a) *A deal/arrangement was made between Mangalam promoter and MD – Noticee 8 (Pradeep Kumar Daga) and Noticee 1 (Rishabh Mahendra Shah) whereby Noticee 1 and his associates (referred as Group B) would buy shares of Mangalam from entities connected to Noticee 8 (referred to as Group C) and these trades would be funded by another group of entities connected to Noticee 8 ( referred as Group D);(Details of members of Groups A, B, C and D and their connections with each other and Mangalam have been described in the forthcoming paragraphs)*
- b) *Noticee 1 (Rishabh Mahendra Shah) would use the shares bought from Group C to raise funds for Mangalam promoters (Noticee 8 (Pradeep Kumar Daga)) by pledging the shares with brokers;*
- c) *However, raising of funds by pledging of Mangalam shares could not be materialized due to suspension of trading in the scrip of Mangalam from August 27, 2015 and subsequent fall in price of Mangalam shares after revocation of suspension on December 01, 2015;*
- d) *Thereafter, a draft debt settlement agreement was made between Noticee 1 (Rishabh Mahendra Shah) and Group D entities to settle the issue legally by transferring the shares (bought from group C) to Group D in lieu of funds received from Group D;*



Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

e) *However, due to disagreement between Noticee 1 (Rishabh Mahendra Shah) and Noticee 8 (Pradeep Kumar Daga), these agreements could not be materialized and Noticee 1 made only partial transfers of Mangalam Shares to Group D entities.*

11) Based on investigation, it was alleged that -

- a) During Patch-1 (period- March 25, 2014 to January 27, 2015; price- open Rs. 32.05, high- Rs. 343.00 and close- Rs. 287.80), price of the scrip on BSE was manipulated by connected entities (referred to as Group A) having relation/connection with Mangalam.
- b) Subsequently, there was deal/understanding between Mangalam promoter and MD – Noticee 8 (Pradeep Kumar Daga) and Noticee 1 (Rishabh Mahendra Shah) (classified under Group B) whereby Noticee 1 would buy shares of Mangalam from entities connected to Noticee 8 (classified under Group C) and these trades would be funded by another group of entities connected to Noticee 8 (classified under Group D entities).
- c) Noticee 1 would use the shares bought from group C to raise funds (create limits) for Mangalam promoters (Noticee 8) by pledging the shares with brokers.
- d) Although last part of this deal i.e. raising of funds by pledging of shares could not be materialized due to ban of trading in the scrip of Mangalam and subsequent fall in price of Mangalam shares after relisting, first part of deal i.e. buying and selling of shares between related entities (between Group C and Group B entities) has allegedly contributed to volume manipulation in the scrip of Mangalam during the period July 21, 2015 to August 26, 2015. This has been brought out in details in later paras.

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

12) The above activities of Groups A, B, C and D are summarised below:

- Group A – Group A entities contributed LTP during Patch-01 and connected to each other as well as Mangalam.
- Group B – Group B entities bought Mangalam shares from Group C entities during Patch-02. Purchase of Mangalam shares by Group B entities funded by Group D entities.
- Group C – Group C entities related to promoter/directors of Mangalam were top net sellers during Patch -02. .
- Group D - Group D entities related to promoter/directors of Mangalam funded Group B entities during Patch-02 to buy shares sold by Group C entities.

13) The details of the group along with their connection among the group and with Mangalam and its promoter, Noticee 8 are as given below:

**a) Group A:**

Table - 5

| S. No. | Name                               | PAN        | Basis of connection as Group                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------|------------------------------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Greatscope Traders Private Limited | AAFCG2861H | <p>(1) Common telephone number (8335847406) with Flyjoy Distributors Pvt Ltd and Shobha Singh.</p> <p>(2) The entity has Bank transaction with Sankatmochak Tie up Pvt Ltd on February 10, 2015 and February 26, 2015.</p> <p>(3) The entity has off-market transaction with Santokhi Merchandise Pvt Ltd on July 14, 2016 in the scrip of Visagar Polytex Ltd.</p> <p>(4) Off-market transaction with Mangalam on January 27, 2017 for 20,000 shares of Pincon Lifestyle Limited for a total consideration amount of Rs 61.80 lakhs paid by Mangalam to Greatscope on March 17, 2017. Same is reflected in the bank statements of Mangalam and Greatscope. These 20,000 shares were subsequently sold to Flyjoy Distributors Private Limited on March 20, 2017 at BSE on market for total value of Rs. 20.65 lakhs.</p> |





अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|    |                                      |            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----|--------------------------------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                      |            | (5) Manish Saraswat, employee of IIFL was common introducer in KYC for Noticee 3 (Alert Commdeal Pvt Ltd) , Greatscope Traders Pvt Ltd and Jwala Marketing Pvt Ltd for their broker IIFL.                                                                                                                                                                                                                                                                                                                                                                                |
| 2. | Flyjoy Distributors Private Limited  | AACCF2181J | (1) Common telephone number (8335847406) with Greatscope Traders Pvt Ltd and Shobha Singh.<br><br>(2) Asha Sitani , a sub-broker of Ashika Stock Broking was common introducer for Flyjoy Distributors Pvt Ltd, Geeta Mishra, Santosh Das and Guide Dealcomm LLP for their broker Ashika Stock Broking                                                                                                                                                                                                                                                                   |
| 3. | Shobha Singh                         | EVSPS0424K | Common telephone number (8335847406) with Flyjoy Distributors Pvt Ltd and Greatscope Traders Pvt Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 4. | Jwala Marketing Private Limited      | AABCF8655N | (1) Common telephone number (9163395429) with Flowtop Distributors Private Limited and Santosh Das<br><br>(2) Jwala Marketing Private Limited has common email id ( <a href="mailto:Narayani.mkk@gmail.com">Narayani.mkk@gmail.com</a> ) with Khemi Agencies Pvt Ltd.<br><br>(3) The entity has Bank transaction with Sankatmochak Tie up Pvt Ltd on February 10, 2015.<br><br>(4) Manish Saraswat, employee of IIFL was common introducer in KYC for Noticee 3 (Alert Commdeal Pvt Ltd) , Greatscope Traders Pvt Ltd and Jwala Marketing Pvt Ltd for their broker IIFL. |
| 5. | Flowtop Distributors Private Limited | AABCF8846P | Common telephone number (9163395429) with Jwala Marketing Pvt Ltd and Santosh Das                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 6. | Santosh Das                          | ATCPD3481F | (1) Common telephone number (9163395429) with Jwala Marketing Pvt Ltd and Flowtop Distributors Pvt Ltd.<br><br>(2) Asha Sitani , a sub-broker of Ashika Stock Broking was common introducer for Flyjoy Distributors Pvt Ltd, Geeta Mishra, Santosh Das and Guide Dealcomm LLP for their broker Ashika Stock Broking                                                                                                                                                                                                                                                      |
| 7. | Khemi Agencies Pvt Ltd               | AADCK4007B | (1) Common telephone number (9674817505) with Sankatmochak Pvt Ltd, Santokhi Merchandise Pvt Ltd, Sankatharn Merchants Pvt Ltd and Geeta Mishra.<br><br>(2) Khemi Agencies Pvt Ltd has common email id ( <a href="mailto:Narayani.mkk@gmail.com">Narayani.mkk@gmail.com</a> ) with Jwala Marketing private Limited.                                                                                                                                                                                                                                                      |

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अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|     |                                      |             |                                                                                                                                                                                                                                                                                                                                                                          |
|-----|--------------------------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8.  | Santokhi Merchandise Private Limited | AAMCS047 1N | Common telephone number (9674817505) with Khemi Agencies Pvt Ltd, Sankatmochak Private Limited, Sankatharn Merchants Pvt Ltd and Geeta Mishra                                                                                                                                                                                                                            |
| 9.  | Sankatmochak Tie Up Pvt Ltd          | AARCS104 7F | (1) Common telephone number (9674817505) with Khemi Agencies Pvt Ltd, Santokhi Merchandise Pvt Ltd, Sankatharn Merchants Pvt Ltd and Geeta Mishra.<br>(2) The entity has Bank transaction with Jwala Marketing Pvt Ltd on February 10, 2015.<br>(3) The entity has Bank transaction with Greatscope Traders Pvt Ltd on February 10, 2015 and February 26, 2015.          |
| 10. | Sankatharn Merchants Private Limited | AARCS105 6N | Common telephone number (9674817505) with Khemi Agencies Pvt Ltd, Santokhi Merchandise Pvt Ltd, Sankatmochak Tie Up Pvt Ltd and Geeta Mishra                                                                                                                                                                                                                             |
| 11. | Geeta Mishra                         | BSAPM809 5C | (1) Common telephone number (9674817505) with Khemi Agencies Pvt Ltd, Santokhi Merchandise Pvt Ltd, Sankatharn Merchants Pvt Ltd and Sankatmochak tie Up Pvt Ltd.<br>(2) Asha Sitani, a sub-broker of Ashika Stock Broking was common introducer for Flyjoy Distributors Pvt Ltd, Geeta Mishra, Santosh Das and Guide Dealcomm LLP for their broker Ashika Stock Broking |
| 12. | Deepak K Saraf                       | AKWPS942 5P | Has off-market transaction with Sankatmochak tie up pvt Ltd in the scrip of Pasupati Fincap on 20/02/2013 and 26/02/2013)                                                                                                                                                                                                                                                |
| 13. | Dharmendra Jain                      | ADBPJ4242 K | (1) Dharmendra Jain has bank transaction as on 07/02/2015 with Geeta Mishra.<br>(2) Dharmendra Jain, Dharmendra Jain Huf, Anant Jain, Kavita Jain, Mohan Mukhiya, Sogarth Mukhiya and Sandeep Jain are connected through common mobile numbers/email id.                                                                                                                 |





अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|     |                     |             |                                                                                                                                                                                                                                                                         |
|-----|---------------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14. | Kavita Jain         | ABUPJ3478 L | (1) Dharmendra Jain has bank transaction as on 07/02/2015 with Geeta Mishra (S no. 11).<br><br>(2) Dharmendra Jain, Dharmendra Jain Huf, Anant Jain, Kavita Jain, Mohan Mukhiya, Sogarth Mukhiya and Sandeep Jain are connected through common mobile numbers/email id. |
| 15. | Anant Jain          | BAVPJ3631 C | (1) Dharmendra Jain has bank transaction as on 07/02/2015 with Geeta Mishra.<br><br>(2) Dharmendra Jain, Dharmendra Jain Huf, Anant Jain, Kavita Jain, Mohan Mukhiya, Sogarth Mukhiya and Sandeep Jain are connected through common mobile numbers/email id.            |
| 16. | Sogarth Mukhiya     | BYOPM017 9H | (1) Dharmendra Jain has bank transaction as on 07/02/2015 with Geeta Mishra.<br><br>(2) Dharmendra Jain, Dharmendra Jain Huf, Anant Jain, Kavita Jain, Mohan Mukhiya, Sogarth Mukhiya and Sandeep Jain are connected through common mobile numbers/email id.            |
| 17. | Mohan Mukhiya       | CAFPM905 1G | (1) Dharmendra Jain has bank transaction as on 07/02/2015 with Geeta Mishra.<br><br>(2) Dharmendra Jain, Dharmendra Jain Huf, Anant Jain, Kavita Jain, Mohan Mukhiya, Sogarth Mukhiya and Sandeep Jain are connected through common mobile numbers/email id.            |
| 18. | Dharmendra Jain Huf | AAGHD255 2J | (1) Dharmendra Jain has bank transaction as on 07/02/2015 with Geeta Mishra.<br><br>(2) Dharmendra Jain, Dharmendra Jain Huf, Anant Jain, Kavita Jain, Mohan Mukhiya, Sogarth Mukhiya and Sandeep Jain are connected through common mobile numbers/email id.            |
| 19. | Sandeep Kumar Jain  | ACSPJ9399 K | (1) Dharmendra Jain has bank transaction as on 07/02/2015 with Geeta Mishra.<br><br>(2) Dharmendra Jain, Dharmendra Jain Huf, Anant Jain, Kavita Jain, Mohan Mukhiya, Sogarth Mukhiya and Sandeep Jain are connected through common mobile numbers/email id.            |



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अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

**b) Group B:**

**Table - 6**

| S.N<br>o. | Name                                       | PAN            | Basis of connection as Group                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------|--------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.        | Noticee 1<br>(Rishabh<br>Mahendra<br>Shah) | AUIPS6336<br>B | <p>(1) Noticee 1 (Rishabh Mahendra Shah) and Kinjal K Mehta have common mobile no. 9702500022. Also, Kinjal K Mehta is wife of Noticee 1 (Rishabh Mahendra Shah).</p> <p>(2) Rishabh Shah transferred money to Kinjal Mehta and Kiran Narayan Karkera who in turn paid it to broker to buy shares from Group C. Kinjal Mehta and Kiran Narayan Karkera then transferred these shares to Rishabh Shah.</p> <p>(3) Group D entities related to Mangalam promoters/directors transferred Rs 32.35 crores to Noticee 1 (Rishabh Mahendra Shah) and his propertiership firm Shree Gaja Enterprises to buy shares sold by Group C (another group of entities related to Mangalam promoters/directors).</p> <p>(4) Noticee 1 (Rishabh Mahendra Shah) along with Kinjal Mehta and Kiran Narayan Karkera bought 10,20,941 shares from Group C. Noticee 1 (Rishabh Mahendra Shah) then transferred 4,09,400 shares out of 10,20,941 shares through off-market to Group D.</p> |
| 2.        | Kinjal K<br>Mehta                          | APVPM474<br>2D | <p>1) Noticee 1 (Rishabh Mahendra Shah) and Kinjal K Mehta have common mobile no. 9702500022. Also, Kinjal K Mehta is wife of Noticee 1 (Rishabh Mahendra Shah).</p> <p>2) Rishabh Shah transferred money to Kinjal Mehta and Kiran Narayan Karkera who in turn paid it to their broker – Arcadia Shares &amp; Stock brokers to buy shares of Group C. Kinjal Mehta and Kiran Narayan Karkera then transferred these shares bought to Rishabh Shah.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 3.        | Kiran<br>Narayan<br>Karkera                | AHOPK803<br>1C | Rishabh Shah transferred money to Kinjal Mehta and Kiran Narayan Karkera who in turn paid it to their broker – Arcadia Shares & Stock brokers to buy shares of Group C. Kinjal Mehta and Kiran Narayan Karkera then transferred these shares bought to Rishabh Shah.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

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अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

**c) Group C:**

Table – 7

| S.N<br>o. | Name                                     | PAN            | Connection with each other as well as Mangalam                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------|------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1)        | Noticee 2<br>(Guide Dealcom<br>LLP)      | AANFG56<br>84R | <p>Guide Dealcomm Pvt Ltd which later converted to LLP on 24 Sept 2014 has common address with Noticee 7 (Eversafe Highrise Pvt Ltd) , Nightangle Marcom Pvt Ltd and Response Properties Pvt Ltd. Pradeep Daga (Promoter and MD of Mangalam) is director in Response Properties Pvt Ltd since 26 May 2006.</p> <p>Vinod Dugar- Partner of Noticee 2 (Guide Dealcom LLP) is co-director along with Puspendu Banerjee and Avinash Sharma in Empire Vanijya Pvt Ltd from 23 March 2012 till date. Puspendu Banerjee was director of Noticee 6 (Nexcare Agency Pvt Ltd) from 24 Sept 2007 to 15 Dec 2015 and Avinash Sharma was director of Noticee 6 (Nexcare Agency Pvt Ltd) from 01 Jan 2011 to 15 Dec 2015.</p> <p>Nexcare has common address with JAP Merchant where Pradeep Daga (MD and promoter of Mangalam) was director from 27 Dec 2011 to 09 March 2015. Further, Pradeep Daga held 18,63,100 shares of JAP Merchants Ltd as on 31.03.2020</p> <p>Asha Sitani , a sub-broker of Ashika stock brokers was common introducer in KYC for Flyjoy Distributors Pvt Ltd, Geeta Mishra, Santosh Das and Guide Dealcomm LLP for their broker Ashika Stock Broking</p> |
| 2)        | Noticee 3<br>(Alert Commdeal<br>Pvt Ltd) | AAHCA21<br>83J | <p>Navin Sharma and Kailash Sharma (directors of Alert Commdeal) during 01 April 2013 to 08 December 2017 were also directors in Response Energy Limited. Response Energy Limited has same address as Mangalam and other companies of promoter of Mangalam such as Response Commodities LLP and Response Securities Pvt Ltd.</p> <p>Manish Saraswat, employee of IIFL was common introducer in KYC for Noticee 3 (Alert Commdeal Pvt Ltd) , Greatscope Traders Pvt Ltd and Jwala Marketing Pvt Ltd for their broker IIFL.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 3)        | Noticee 4<br>(Suparas)                   | AAMCS22<br>97L | <p>Noticee 4 (Suparas Impex Pvt Ltd) has common address with Bivoltine Mercantiles Pvt Ltd and Noticee 5 (Northstar Dealcomm Pvt Ltd) . Noticee 5 (Northstar</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |



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अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

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|----|------------------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | Impex Pvt Ltd)               |             | <p>Dealcomm Pvt Ltd) has common address with Allied Trexim Pvt Ltd with whom Mangalam has frequent bank transfers.</p> <p>Tapas Roy was director of Noticee 5 (Northstar Dealcomm Pvt Ltd) from 02 Nov 2007 till date and his company Plenty Niryat Pvt Ltd (UCC of Tapas Roy is given in the name of Plenty Niryat Pvt Ltd by broker of Tapas Roy) has common address with Noticee 4 (Suparas Impex Pvt Ltd)</p>                                                                                                                                                                                                                                                                                                                                                                                      |
| 4) | Bivoltine Mercantile Pvt Ltd | AABCB13 12N | <p>Bivoltine Mercantiles Pvt Ltd has common address with Noticee 4 (Suparas Impex Pvt Ltd) and Noticee 5 (Northstar Dealcomm Pvt Ltd) . Noticee 5 (Northstar Dealcomm Pvt Ltd) has common address with Allied Trexim Pvt Ltd with whom Mangalam has frequent bank transfers.</p> <p>Tapas Roy was director of Noticee 5 (Northstar Dealcomm Pvt Ltd) from 02 Nov 2007 till date.</p> <p>Plenty Niryat Pvt Ltd in which Tapas Roy is director from 24 March 1994 till date has common address with Bivoltine Mercantiles Pvt Ltd.</p> <p>Mahendra Gulgulia director of Bivoltine Mercantiles since 15 Nov 2014 was also director of Guide Dealcomm Pvt Ltd from 13 Aug 2008 to 15 Nov 2013.</p>                                                                                                         |
| 5) | Nightangle Marcom Pvt Ltd    | AADCN86 12R | <p>Nightangle Marcom Pvt Ltd. has common address with Noticee 7 (Eversafe Highrise Pvt Ltd) and Guide Dealcomm Pvt Ltd/LLP. Noticee 7 (Eversafe Highrise Pvt Ltd) has common address with Response Properties Pvt Ltd where Pradeep Daga (Promoter and MD of Mangalam) is director since 26 May 2006.</p> <p>Subrata Banerjee –director of Nightangle Marcom Pvt Ltd from 28 Oct 2014 to 01 Feb 2019 was also director of Noticee 7 (Eversafe Highrise Pvt Ltd) during the same period i.e. 28 Oct 2014 to 01 Feb 2019. He was also director of Noticee 6 (Nexcare Agency Pvt Ltd) from 01 February 2019 to 25 March 2021 and director in JAP Merchants Ltd from 02 March 2015 to 09 July 2021 where Pradeep Daga was also a director in past (2011-15) and hold 18.63 lakh shares of the company.</p> |

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|    |                              |                |                                                                                                                                                                                                                                                                                                                                                                                   |
|----|------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6) | Tapas Roy                    | AABCP67<br>76C | Tapas Roy was director of Noticee 5 (Northstar Dealcomm Pvt Ltd) from 02 Nov 2007 till date. Noticee 5 (Northstar Dealcomm Pvt Ltd) has common address with Allied Trexim Pvt Ltd with whom Mangalam has frequent bank transfers.<br><br>Plenty Niryat Pvt Ltd in which Tapas Roy is director from 24 March 1994 till date has common address with Bivoltine Mercantiles Pvt Ltd. |
| 7) | Frontier Vanijya Private Ltd | AAACF65<br>66H | Frontier Vanijya Pvt Ltd has common address with Daga Mercantiles Pvt Ltd where Pradeep Daga was director from 11 Dec 2014 to 07 July 2015.<br><br>Bimal Mundhra – director of Fronier Vanijya during 01 Feb 2005 to 25 March 2021 was also director of Noticee 4 (Suparas Impex Pvt Ltd) from 13 Aug 2008 till date.                                                             |

**d) Group D:**

Table - 8

| S.N o. | Name                                   | PAN            | Connection with Group C entities/Mangalam promoters/directors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------|----------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1)     | Noticee 5 (Northstar Dealcomm Pvt Ltd) | AACCN62<br>28J | Noticee 5 (Northstar Dealcomm Pvt Ltd) has common address with Allied Trexim Pvt Ltd with whom Mangalam has frequent bank transfers.<br><br>Tapas Roy was director of Noticee 5 (Northstar Dealcomm Pvt Ltd) from 02 Nov 2007 till date.                                                                                                                                                                                                                                                                                                                                                                                          |
| 2)     | Noticee 6 (Nexcare Agency Pvt Ltd)     | AACCN59<br>44P | Nexcare has common address with JAP Merchant where Pradeep Daga (MD and promoter of Mangalam) was director from 27 Dec 2011 to 09 March 2015. Further, Pradeep Daga held 18,63,100 shares of JAP Merchants Ltd as on 31.03.2020.<br><br>Puspendu Banerjee was director of Noticee 6 (Nexcare Agency Pvt Ltd) from 24 Sept 2007 to 15 Dec 2015 and Avinash Sharma was director of Noticee 6 (Nexcare Agency Pvt Ltd) from 01 Jan 2011 to 15 Dec 2015. Vinod Dugar- Partner of Noticee 2 (Guide Dealcom LLP) is co-director along with Puspendu Banerjee and Avinash Sharma in Empire Vanijya Pvt Ltd from 23 March 2012 till date. |
| 3)     | Noticee 7 (Eversafe)                   | AACCE92<br>44M | Noticee 7 (Eversafe Highrise Pvt Ltd) has common address with Response Properties Pvt Ltd where                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

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अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

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|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Highrise Pvt Ltd) | Pradeep Daga (Promoter and MD of Mangalam) is director since 26 May 2006.                                                                                                                                                                                                                                                                                                                                                                                                             |
|                   | Noticee 7 (Eversafe Highrise Pvt Ltd) has common address with Nightangle Marcom Pvt Ltd and Guide Dealcomm Pvt Ltd/LLP.                                                                                                                                                                                                                                                                                                                                                               |
|                   | Subrata Banerjee –director of Noticee 7 (Eversafe Highrise Pvt Ltd) from 28 Oct 2014 to 01 Feb 2019 was also director of Nightangle Marcom Pvt Ltd during the same period i.e. 28 Oct 2014 to 01 Feb 2019. He was also director of Noticee 6 (Nexcare Agency Pvt Ltd) from 01 February 2019 to 25 March 2021 and director in JAP Merchants Ltd from 02 March 2015 to 09 July 2021 where Pradeep Daga was also a director in past (2011-15) and hold 18.63 lakh shares of the company. |

(Copies of documents referred to in Tables 5, 6, 7 and 8 have been enclosed as **Annexure – 4**)

Price Manipulation

14) Positive LTP Contribution by Group A Entities – LTP contribution by Group A entities is depicted in table below –

Table - 9

| Sl. No. | Buyer Name                           | Net LTP                        |                         |                           | LTP > 0           |            |              | LTP < 0           |            |              | LTP = 0    |              | % of Pos. LTP to Total Mkt. Pos. LTP |
|---------|--------------------------------------|--------------------------------|-------------------------|---------------------------|-------------------|------------|--------------|-------------------|------------|--------------|------------|--------------|--------------------------------------|
|         |                                      | LTP impact (all trades) in Rs. | QTY traded (all trades) | No of trades (all trades) | LTP impact in Rs. | QTY traded | No of trades | LTP impact in Rs. | QTY traded | No of trades | QTY traded | No of trades |                                      |
| 1       | Shobha Singh                         | -171.3                         | 43786                   | 1416                      | 226.75            | 7701       | 267          | -398.05           | 8112       | 368          | 27973      | 781          | 20.92%                               |
| 2       | Sankatmochak Tie Up Pvt Ltd          | 34.2                           | 11901                   | 285                       | 77                | 2131       | 73           | -42.8             | 1948       | 43           | 7822       | 169          | 7.11%                                |
| 3       | Deepak Kumar Saraf                   | -7.3                           | 23929                   | 524                       | 56.9              | 3102       | 88           | -64.2             | 3213       | 117          | 17614      | 319          | 5.25%                                |
| 4       | Flowtop Distributors Private Limited | 4.25                           | 7768                    | 202                       | 43.6              | 1243       | 48           | -39.35            | 1423       | 45           | 5102       | 109          | 4.02%                                |
| 5       | Jwala Marketing                      | 18.9                           | 2341                    | 83                        | 25                | 478        | 25           | -6.1              | 134        | 6            | 1729       | 52           | 2.31%                                |



Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

| Sl. No. | Buyer Name                           | Net LTP                        |                         |                           | LTP > 0           |              |              | LTP < 0           |              |              | LTP = 0       |              | % of Pos. LTP to Total Mkt. Pos. LTP |
|---------|--------------------------------------|--------------------------------|-------------------------|---------------------------|-------------------|--------------|--------------|-------------------|--------------|--------------|---------------|--------------|--------------------------------------|
|         |                                      | LTP impact (all trades) in Rs. | QTY traded (all trades) | No of trades (all trades) | LTP impact in Rs. | QTY traded   | No of trades | LTP impact in Rs. | QTY traded   | No of trades | QTY traded    | No of trades |                                      |
|         | Private Limited                      |                                |                         |                           |                   |              |              |                   |              |              |               |              |                                      |
| 6       | Geeta Mishra                         | 15.05                          | 919                     | 29                        | 19.05             | 406          | 16           | -4                | 90           | 2            | 423           | 11           | 1.76%                                |
| 7       | Santokhi Merchandise Private Limited | 4.15                           | 964                     | 42                        | 10.9              | 240          | 19           | -6.75             | 119          | 4            | 605           | 19           | 1.01%                                |
| 8       | Khemi Agencies Private Ltd           | -2.9                           | 2462                    | 39                        | 6.5               | 322          | 8            | -9.4              | 225          | 4            | 1915          | 27           | 0.60%                                |
| 9       | Dharmendra Kumar Jain                | 3                              | 1500                    | 7                         | 3                 | 519          | 2            | 0                 | 0            | 0            | 981           | 5            | 0.28%                                |
| 10      | Sankatharn Merchants Pvt Ltd         | 0.9                            | 300                     | 4                         | 1                 | 59           | 1            | -0.1              | 100          | 1            | 141           | 2            | 0.09%                                |
|         | <b>Total (A)</b>                     | <b>-101.05</b>                 | <b>95870</b>            | <b>2631</b>               | <b>469.70</b>     | <b>16201</b> | <b>547</b>   | <b>-570.75</b>    | <b>15364</b> | <b>590</b>   | <b>64305</b>  | <b>1494</b>  | <b>43.34%</b>                        |
|         | <b>Total Market</b>                  | <b>258.55</b>                  | <b>236587</b>           | <b>3681</b>               | <b>1083.65</b>    | <b>59450</b> | <b>975</b>   | <b>-825.10</b>    | <b>47991</b> | <b>702</b>   | <b>129097</b> | <b>2003</b>  | <b>100.00%</b>                       |

- a) Group A entities with Sl. No. 2, 4, 5, 6, 7, 9 and 10 contributed Rs. 80.45 to net LTP and Rs.179.55 to positive LTP in 184 positive LTP trades (16.57% of total market positive LTP) from the buy side.
- b) Counterparties to their positive LTP trades were analyzed and it was observed that in 154 out of 184 positive LTP trades, the counterparties were Group A entities and through trades among themselves they contributed 13.93% to market positive LTP (Rs 151 out of total Rs 1083.65 market positive LTP).
- c) In remaining 30 positive LTP trades with non-Group entities, they contributed Rs. 28.55 to positive LTP (2.63% of total market positive LTP). In 6 out of 30 trades with non-Group entities, they placed buy order first and contributed Rs. 6.45 to positive LTP (0.59% of total market positive LTP).
- d) Thus, 7 Group A entities through manipulative trade effectively contributed 14.52% (13.93% + 0.59%) to market positive LTP during Patch 01. Detailed trading pattern of all 7 Group A entities is shown below.

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Continuation :

भारतीय प्रतिभूति  
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Securities and Exchange  
Board of India

e) Trading pattern of Sankatmochak Tie Up Pvt Ltd

- i) Sankatmochak Tie Up Pvt Ltd through 73 positive LTP trades contributed Rs 77 to positive LTP i.e.7.11% of the market positive LTP.
- ii) In 64 out of 73 positive LTP trades, the counterparties were Group A entities and through trades among the group Sankatmochak Tie Up Pvt Ltd contributed 6.35% to market positive LTP (Rs 68.9 out of total Rs 1083.65 market positive LTP).
- iii) In remaining 9 positive LTP trades with non-Group entities Sankatmochak Tie Up Pvt Ltd placed by order first in 2 instances and contributed Rs 1.45 to positive LTP (0.13% of total market positive LTP).
- iv) Thus Sankatmochak Tie Up Pvt Ltd through alleged manipulative trades effectively contributed 6.48% (6.35% + 0.13%) to market positive LTP during Patch 01.

f) Trading pattern of Flowtop Distributors Private Limited

- i) Flowtop Distributors Private Limited through 48 positive LTP trades contributed Rs 43.6 to positive LTP i.e.4.02% of the market positive LTP.
- ii) In 44 out of 48 positive LTP trades, the counterparties were Group A entities and through trades among the Group Flowtop Distributors Private Limited contributed 3.70% to market positive LTP (Rs 40.15 out of total Rs 1083.65 market positive LTP).
- iii) In remaining 4 positive LTP trades with non-Group entities, Flowtop Distributors Private Limited placed buy order first in 1 instances and contributed Rs 1 to positive LTP (0.09% of total market positive LTP).
- iv) Thus Flowtop Distributors Private Limited through alleged manipulative trade effectively contributed 3.79% (3.70% + 0.09%) to market positive LTP during Patch 01.





अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
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Board of India**

g) Trading pattern of Jwala Marketing Private Limited

- i) Jwala Marketing Private Limited through 25 positive LTP trades contributed Rs 25 to positive LTP i.e. 2.31% of the market positive LTP.
- ii) In all 25 positive LTP trades, the counterparties were Group A entities.
- iii) Thus Jwala Marketing Private Limited through alleged manipulative trades contributed 2.31% to market positive LTP during Patch 01.

h) Trading pattern of Geeta Mishra

- i) Geeta Mishra through 16 positive LTP trades contributed Rs 19.05 to positive LTP i.e. 1.76% of the market positive LTP.
- ii) In 8 out of 16 positive LTP trades, the counterparties were Group A entities and through trades among the group Geeta Mishra contributed 0.65% to market positive LTP (Rs 7.05 out of total Rs 1083.65 market positive LTP).
- iii) In remaining 8 positive LTP trades with non-Group entities Geeta Mishra placed by order first in 3 instances and contributed Rs 4 to positive LTP (0.37% of total market positive LTP).
- iv) Thus Geeta Mishra through alleged manipulative trades effectively contributed 1.02% (0.65% + 0.37%) to market positive LTP during Patch 01.

i) Trading pattern of Santokhi Merchandise Private Limited

- i) Santokhi Merchandise Private Limited through 19 positive LTP trades contributed Rs 10.9 to positive LTP i.e. 1.01% of the market positive LTP.
- ii) In 10 out of 19 positive LTP trades, the counterparties were Group A entities and through trades among the group Santokhi Merchandise Private Limited contributed 0.54% to market positive LTP (Rs 5.9 out of total Rs 1083.65 market positive LTP).
- iii) In all the remaining 9 trades with non-Group entities, Santokhi Merchandise Private Limited placed order to match the existing sell orders.





अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

iv) Thus Santokhi Merchandise Private Limited through alleged manipulative trade contributed 0.54% to market positive LTP during Patch 01.

j) Trading pattern of Dharmendra Kumar Jain

- i) Dharmendra Kumar Jain through 2 positive LTP trades contributed Rs 3 to positive LTP i.e. 0.28% of the market positive LTP.
- ii) In all 2 positive LTP trades, the counterparties were Group A entities.
- iii) Thus Dharmendra Kumar Jain contributed only 0.28% to market positive LTP during Patch 01.

k) Trading pattern of Sankatharn Merchants Pvt Ltd

- i) Sankatharn Merchants Pvt Ltd through 1 positive LTP trades contributed Rs 1 to positive LTP i.e. 0.09% of the market positive LTP.
- ii) In its trade the counterparty was Group A entities.
- iii) Thus Sankatharn Merchants Pvt Ltd contributed only 0.09% to market positive LTP during Patch 01.

- l) In view of the above, it was alleged that following entities of Group A namely Sankatmochak Tie up Pvt Ltd, Jwala Marketing Private Limited, Geeta Mishra, Flowtop Distributors Private Limited, Santokhi Merchandise Private Limited, Dharmendra Kumar Jain and Sankatharn Merchants Pvt Ltd as a buyer contributed 14.52% to total market positive LTP (13.93% LTP by trading among the group members + 0.59% by placing buy order first) during Patch 01 and manipulated the price of the scrip upwards as buyers during Patch 01. Therefore, the aforementioned entities violated Section 12A(a),(b),(c) of SEBI Act, 1992 and Regulation 3(a), (b), (c), (d) and Regulation 4(1), 4(2)(a),(b),(e) of SEBI (PFUTP) Regulations, 2003.





अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

m) However, As per MCA records, Sankatmochak Tie up Pvt Ltd, Jwala Marketing Private Limited, Flowtop Distributors Private Limited, Santokhi Merchandise Private Limited, Sankatharn Merchants Pvt Ltd have been struck off. Remaining entities viz. Geeta Mishra (0.65% market positive LTP among group + 0.37% by placing order first) and Dharmendra Kumar Jain (0.28% market positive LTP among group) contributed 1.02% and 0.28% of market positive LTP, respectively.

15) Price manipulation by Noticee 9 - It was observed from the trade log of Mangalam at BSE (copy enclosed as **Annexure – 5**) that Noticee 9 (Santi Kumar Mondal) contributed more than 5% market positive LTP. His trading analysis is given below

a) Noticee 9 has done 3 trades during IP details of which is shown below:

Table – 10 - LTP Analysis - Patch -1 Analysis (March 25, 2014 to January 27, 2015) -

Price Rise

| S No | Date       | LTP contribution | Counterparty Name         | Order LM time   | CP_Order LM time | Order LM rate | CP_Order LM rate |
|------|------------|------------------|---------------------------|-----------------|------------------|---------------|------------------|
| 1    | 24/11/2014 | 3                | SHOBHA SINGH              | 09:44:32.876558 | 09:28:59.937588  | 230           | 230              |
| 2    | 03/12/2014 | 5                | SHOBHA SINGH              | 11:03:51.667651 | 09:37:11.908623  | 265           | 265              |
| 3    | 27/01/2015 | 57               | DIPTIBEN MUKESHBHAI PATEL | 10:29:44.740282 | 10:03:59.864314  | 343           | 343              |

Table - 11

| 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 |
|------------|------------------------|------------------------------------------------------------------|--------|----------------------------------------------------------------------|--------|-----------------------------------------------------------------------|--------|---------------------------------------|------------------------------------------------|-----------------------------------------------------------|
|            |                        | Positive LTP                                                     | No. of | Positive LTP                                                         | No. of | Positive LTP                                                          | No. of |                                       |                                                |                                                           |



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Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|                                      |      | contribution | trades | contribution | trades | contribution | trades |      |      | orders (1-10 shares) |
|--------------------------------------|------|--------------|--------|--------------|--------|--------------|--------|------|------|----------------------|
| Noticee 9 (Santi Kumar Mondal)       | 3    | 65           | 3      | 0            | 0      | 0            | 0      | 65   | 6.00 | 100%                 |
| Sankatmochak Tie Up Pvt Ltd          | 34.2 | 11901        | 285    | 77           | 2131   | 73           | -42.8  | 1948 | 43   | 7822                 |
| Flowtop Distributors Private Limited | 4.25 | 7768         | 202    | 43.6         | 1243   | 48           | -39.35 | 1423 | 45   | 5102                 |
| Jwala Marketing Private Limited      | 18.9 | 2341         | 83     | 25           | 478    | 25           | -6.1   | 134  | 6    | 1729                 |
| Santokhi Merchandise Private Limited | 4.15 | 964          | 42     | 10.9         | 240    | 19           | -6.75  | 119  | 4    | 605                  |
| Sankatharn Merchants Pvt Ltd         | 0.9  | 300          | 4      | 1            | 59     | 1            | -0.1   | 100  | 1    | 141                  |

16) From the above, it was observed that, Noticee 9 has contributed Rs 65 to net LTP and positive LTP in the said scrip by his trades which is substantial 6.00% of total positive LTP during Patch 01 (March 25, 2014 to January 27, 2015), when price of Mangalam shares rose from Rs 32.05 to Rs 287.80.

17) Further, it was observed that Noticee 9 traded 3 times during the said period and during each instance he put single order (i.e. placed order to buy only one Mangalam share). In one of his trade on January 27, 2015, he placed order to buy at Rs 343 which was Rs 57 higher than last traded price in the same scrip.

18) It was also observed from the trade log that Noticee 9 contribution to NHP was Rs. 58 through his 2 trades which amounts to 18.65% of market NHP contribution by him during Patch -1.

19) From above, it is observed that Noticee 9 as a buyer contributed significant net LTP and positive LTP of Rs 65 (6.00% of total market positive LTP) and Rs. 58 of NHP (18.65% of Market NHP) through small orders (1 shares each). Placing orders



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अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

of miniscule quantity by a buyer at price higher than LTP without logic indicates manipulative and fraudulent trade practices. Thus, Noticee 9 (Santi Kumar Mondal) is alleged to have violated Regulation 3(a), (b), (c), (d) and Regulation 4(1), 4(2)(a), (e) of SEBI (PFUTP) Regulations, 2003 read with Section 12A(a), (b), (c) of SEBI Act, 1992.

Volume Manipulation

20)Circular trades: Circular trades are manipulative and fictitious trades and create an artificial volume for the scrip in the market. On analyzing circular trades during IP, it was observed that total 147 entities have done circular trading (copy of trade log enclosed as **Annexure – 5** and details of Circular trades enclosed as **Annexure – 6**). Analysis of these 147 entities was done further and these entities were divided into three groups G.1, G.2 and G.3 based on trading amongst themselves. There were 38 entities in Group G.1, 23 entities in Group G.2 and 86 entities in Group G.3.

Table 12-Details of circular trade done by Group G.1

| S.N. | Entity PAN | Entity Name                 | Sum of circular quantity for entity | Entity circular qty as % of total market volume for the days | Entity circular trade qty among group |
|------|------------|-----------------------------|-------------------------------------|--------------------------------------------------------------|---------------------------------------|
| 1    | ADBPJ4242K | DHARMENDRA KUMAR JAIN       | 89204                               | 3.45%                                                        | 12.08%                                |
| 2    | ABPPK6093D | SHRI PRAKASH KABRA          | 81749                               | 3.17%                                                        | 11.07%                                |
| 3    | CAFPM9051G | MOHAN MUKHIYA               | 68566                               | 2.65%                                                        | 9.29%                                 |
| 4    | AAACK0784G | KUMAR SHARE BROKERS LTD     | 66904                               | 2.59%                                                        | 9.06%                                 |
| 5    | AAPCS2555Q | STALLONE COMMERCIAL PVT LTD | 61025                               | 2.36%                                                        | 8.27%                                 |
| 6    | ACSPJ9399K | SANDEEP KUMAR JAIN          | 56563                               | 2.19%                                                        | 7.66%                                 |
| 7    | AAUPJ7028D | RAJENDRA KUMAR JAIN         | 53559                               | 2.07%                                                        | 7.25%                                 |
| 8    | AADCE2356D | SAIGANGA PACKAGING LIMITED  | 50669                               | 1.96%                                                        | 6.86%                                 |

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Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
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Board of India**

|              |            |                                             |               |               |                |
|--------------|------------|---------------------------------------------|---------------|---------------|----------------|
| 9            | AAACO3452D | OLEANDER<br>MANUFACTURERS AND<br>CREDIT LTD | 36339         | 1.41%         | 4.92%          |
| 10           | AAACB6502F | BRAHMA COLONIZERS<br>PRIVATE LIMITED        | 26685         | 1.03%         | 3.61%          |
| 11           | AAECT3129N | THAR COMMODITIES PVT LTD                    | 20235         | 0.78%         | 2.74%          |
| 12           | AAHHS2721R | SHYAM GUPTA HUF                             | 19198         | 0.74%         | 2.60%          |
| 13           | BYOPM0179H | SOGARTH MUKHIYA                             | 18181         | 0.70%         | 2.46%          |
| 14           | AABCU4205H | UTMOST COMMERCIAL<br>PRIVATE LIMITED        | 12939         | 0.50%         | 1.75%          |
| 15           | ABRPG5291P | VIPIN GUPTA                                 | 11778         | 0.46%         | 1.60%          |
| 16           | ACSPV9589K | ASHOK KUMAR<br>VISHWAKARMA                  | 11313         | 0.44%         | 1.53%          |
| 17           | ADOPV2125J | RITA VISHWAKARMA                            | 10490         | 0.41%         | 1.42%          |
| 18           | DVWPS6605H | GOPAL SINGH                                 | 9812          | 0.38%         | 1.33%          |
| 19           | ABUPJ3478L | KAVITA JAIN                                 | 9618          | 0.37%         | 1.30%          |
| 20           | AAACG2906L | GOGIA CAPITAL SERVICES<br>LIMITED           | 7500          | 0.29%         | 1.02%          |
| 21           | BHQPD9800B | BACHCHU DAS                                 | 3556          | 0.14%         | 0.48%          |
| 22           | EVSPS0424K | SHOBHA SINGH                                | 1799          | 0.07%         | 0.24%          |
| 23           | BORPS4132R | ANIRBAN SAMAJPATI                           | 1500          | 0.06%         | 0.20%          |
| 24           | AMQPM9660A | MANOJ KUMAR MAHESHWARI                      | 1400          | 0.05%         | 0.19%          |
| 25           | AVHPD4299A | ASHA DEVI                                   | 1183          | 0.05%         | 0.16%          |
| 26           | AKWPS9425P | DEEPAK KUMAR SARAF                          | 1090          | 0.04%         | 0.15%          |
| 27           | BRPPR0179A | SANDHYA ROY                                 | 1090          | 0.04%         | 0.15%          |
| 28           | AAHO8426Q  | OM PRAKASH GODARA HUF                       | 1020          | 0.04%         | 0.14%          |
| 29           | BEHPR1486K | SANCHITA RAMPURIA                           | 925           | 0.04%         | 0.13%          |
| 30           | AARCS1047F | SANKATMOCHAK TIE UP PVT<br>LTD              | 865           | 0.03%         | 0.12%          |
| 31           | AJOPL4009K | ROSHAN LAL                                  | 481           | 0.02%         | 0.07%          |
| 32           | AGRPJ6319G | NEELAM JAIN                                 | 462           | 0.02%         | 0.06%          |
| 33           | AFPPS1598K | SOM DUTT SHARMA                             | 400           | 0.02%         | 0.05%          |
| 34           | AADCK4007B | KHEMI AGENCIES PRIVATE<br>LTD               | 68            | 0.00%         | 0.01%          |
| 35           | ANAPM5660P | PRASHANT MORE                               | 50            | 0.00%         | 0.01%          |
| 36           | AJCPL6797Q | AMAN LAKHOTIA                               | 10            | 0.00%         | 0.00%          |
| 37           | BDCPD4604D | SWARUP DUTTA                                | 10            | 0.00%         | 0.00%          |
| 38           | BQPPS2417B | RANJEET KUMAR SINGH                         | 10            | 0.00%         | 0.00%          |
| <b>Total</b> |            |                                             | <b>738246</b> | <b>28.59%</b> | <b>100.00%</b> |

Group G.1 included entities who contributed LTP during Patch -01.



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Table 13: Details of Circular trade done by Group G.2

| S No. | Row Labels | Entity Name                    | Sum of circular_quantity | Entity circular qty as % of total market volum for the days | Entity circular trade qty among group |
|-------|------------|--------------------------------|--------------------------|-------------------------------------------------------------|---------------------------------------|
| 1.    | GKCP54278A | SUBHADRABEN RAMESHCHANDRA SHAH | 34574                    | 1.64%                                                       | 7.23%                                 |
| 2.    | DWIPK5478R | VIVEK SHIVA RAM KALE           | 33952                    | 1.61%                                                       | 7.10%                                 |
| 3.    | BBWPB1748J | DIPALIBEN YASH BHATT           | 33078                    | 1.56%                                                       | 6.92%                                 |
| 4.    | CPUPP4465B | NIRAJ ASHOKBHAI PARMAR         | 32601                    | 1.54%                                                       | 6.82%                                 |
| 5.    | CBRPP1212R | KETAN PRAVINBHAI PANCHAL       | 31245                    | 1.48%                                                       | 6.54%                                 |
| 6.    | ANIPP1660Q | JAYSHRIBEN U PATEL             | 27651                    | 1.31%                                                       | 5.78%                                 |
| 7.    | FQRPS3820Q | PRAKASH VIJAYKUMAR SHAH        | 27115                    | 1.28%                                                       | 5.67%                                 |
| 8.    | AXSPT5584H | ARJUN HIRJI THAKKER            | 26893                    | 1.27%                                                       | 5.63%                                 |
| 9.    | AAPPZ8294C | VIDHI ZAVERI                   | 24497                    | 1.16%                                                       | 5.12%                                 |
| 10.   | BQBPA5642J | MUSHABBER IMRANALI AHMADI      | 22208                    | 1.05%                                                       | 4.65%                                 |
| 11.   | AOIPB6201J | RAMESHBHAI DHADUMAL BHATIYA    | 21385                    | 1.01%                                                       | 4.47%                                 |
| 12.   | CDRPD3445A | UPENDRA HIRALAL DALAL          | 19238                    | 0.91%                                                       | 4.02%                                 |
| 13.   | AGWPP2575R | UPENDRA PRAVINBHAI PATEL       | 18792                    | 0.89%                                                       | 3.93%                                 |
| 14.   | GCBPS8185P | SATISH MANUBHAI SHAH           | 18558                    | 0.88%                                                       | 3.88%                                 |
| 15.   | ALPPC8196B | MANJULABEN A CHAVDA            | 15470                    | 0.73%                                                       | 3.24%                                 |
| 16.   | AHNPB2876M | YASH JAYESHKUMAR BHATT         | 14900                    | 0.70%                                                       | 3.12%                                 |
| 17.   | ANJPM4154H | JAYESH RAMESHBHAI MAHANT       | 14802                    | 0.70%                                                       | 3.10%                                 |
| 18.   | CCXPD6515N | SHIVJIBHAI NARAYANBHAI DABHI   | 13628                    | 0.64%                                                       | 2.85%                                 |
| 19.   | ATJPT1108Q | DHIRAJBHAI BALADEVJI THAKOR    | 13034                    | 0.62%                                                       | 2.73%                                 |
| 20.   | AVFPP1142G | HARIBHAI MANGALDAS PRAJAPATI   | 11694                    | 0.55%                                                       | 2.45%                                 |



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| 21.          | CAIPP8480M | NILESHKUMAR<br>RAMUBHAI PATEL    | 9251          | 0.44%         | 1.94%          |
| 22.          | AGXPP5209R | VIJAY<br>GHANSHYAMBHAI<br>PUJARA | 8641          | 0.41%         | 1.81%          |
| 23.          | FMFPS6084E | JAYESH CHINUBHAI<br>SHAH         | 4859          | 0.23%         | 1.02%          |
| <b>Total</b> |            |                                  | <b>478066</b> | <b>22.61%</b> | <b>100.00%</b> |

Table 14: Details of circular trade done by Group G.3

| S.N. | Entity PAN | Entity Name                         | Sum of<br>circular<br>quantity for<br>entity | Entity<br>circular<br>qty as %<br>of total<br>market<br>volum for<br>the days | Entity<br>circular<br>trade qty<br>among<br>group |
|------|------------|-------------------------------------|----------------------------------------------|-------------------------------------------------------------------------------|---------------------------------------------------|
| 1    | CPJPM5110H | KIRTIKUMAR MAFATLAL<br>MAKVANA      | 17756                                        | 0.67                                                                          | 4.43                                              |
| 2    | FJWPS8397Q | SEJAL SAURABHBHAI SHAH              | 12007                                        | 0.45                                                                          | 3.00                                              |
| 3    | BHDPR9867H | BACHUBHAI RAVAL                     | 11378                                        | 0.43                                                                          | 2.84                                              |
| 4    | AVVPT2881L | DILUJI SOMAJI THAKOR                | 10257                                        | 0.39                                                                          | 2.56                                              |
| 5    | BVBPR7773J | SANJAYKUMAR BACHUBHAI<br>RAVAL      | 9912                                         | 0.37                                                                          | 2.47                                              |
| 6    | BVCPR9905D | CHANDUBHAI GANABHAI<br>RAVAL        | 9264                                         | 0.35                                                                          | 2.31                                              |
| 7    | BDZPA6518A | MOHD SHARIF MOHD<br>MUSTKEEM ANSARI | 8771                                         | 0.33                                                                          | 2.19                                              |
| 8    | AVQPT5220Q | RAMESHJI PRAHALADJI<br>THAKOR       | 8476                                         | 0.32                                                                          | 2.12                                              |
| 9    | AZMPB1715G | NAWABKHAN IMAMKHAN<br>BALOCH        | 7645                                         | 0.29                                                                          | 1.91                                              |
| 10   | AMOPD9205A | BALBHDRASINH HIMATSINH<br>DABHI     | 7506                                         | 0.28                                                                          | 1.87                                              |
| 11   | BYPPD3281C | ASHABEN NARANBHAI DAVE              | 7506                                         | 0.28                                                                          | 1.87                                              |
| 12   | ARSPJ4951A | SUKHDEVBHAI SHANKARBHAI<br>JOSHI    | 7501                                         | 0.28                                                                          | 1.87                                              |
| 13   | CLHPM6706M | RITABEN CHHAGANBHAI<br>MARVALI      | 7266                                         | 0.27                                                                          | 1.81                                              |
| 14   | AVHPD1316J | DARJI MAYURI ASHOKBHAI              | 7264                                         | 0.27                                                                          | 1.81                                              |
| 15   | CPMPP1489P | BHARATKUMAR KANTILAL<br>PATNI       | 7014                                         | 0.26                                                                          | 1.75                                              |
| 16   | COYPP1786E | JIVANJI SHAKUJI PARMAR              | 7006                                         | 0.26                                                                          | 1.75                                              |
| 17   | BVPPR3566K | AMBABEN JAVABHAI RAWAL              | 6998                                         | 0.26                                                                          | 1.75                                              |
| 18   | AVEPT1584B | MUKESHKUMAR FULAJI<br>THAKOR        | 6995                                         | 0.26                                                                          | 1.75                                              |



Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|    |            |                               |      |      |      |
|----|------------|-------------------------------|------|------|------|
| 19 | BVLPR2976M | HANSABEN ATULBHAI RAVAL       | 6509 | 0.24 | 1.62 |
| 20 | AZAPM5295J | BIPINKUMAR LAXHANBHAI MARWADI | 6505 | 0.24 | 1.62 |
| 21 | BUKPR5274G | MAHESHBHAI BABUBHAI RAVAL     | 6461 | 0.24 | 1.61 |
| 22 | BVUPD4317H | PRAGNA RAMESHBHAI DANGI       | 6244 | 0.23 | 1.56 |
| 23 | AVHPD1314L | MALATIBEN ASHOKBHAI DARJI     | 6242 | 0.23 | 1.56 |
| 24 | BVLPR2975J | DAHAYABHAI HARCHANDBHAI RAVAL | 5961 | 0.22 | 1.49 |
| 25 | BVLPR2557N | LAXMIBEN CHANDUBHAI RAVAL     | 5858 | 0.22 | 1.46 |
| 26 | BAMPK6709D | SANDIP KISHOR BHAI            | 5710 | 0.21 | 1.43 |
| 27 | AVEPT1501C | NAGESH FULAJI THAKOR          | 5579 | 0.21 | 1.39 |
| 28 | BAXPB1018B | ARVINDBHAI MOHANBHAI BAGADA   | 5368 | 0.20 | 1.34 |
| 29 | AJBPA9837E | REKHA HITENDRAKUMAR JALOS     | 5266 | 0.20 | 1.31 |
| 30 | BUUPR4102H | LILABEN BABULAL RAVAL         | 4998 | 0.19 | 1.25 |
| 31 | AZGPS3670P | BHUPENDRA CHINUBHAI SHAH      | 4758 | 0.18 | 1.19 |
| 32 | BNTPR0837H | BAKULBHAI DAHAYABHAI RAVAL    | 4727 | 0.18 | 1.18 |
| 33 | BVLPR2977L | VINUBEN BAKULBHAI RAVAL       | 4724 | 0.18 | 1.18 |
| 34 | AYLPR5222Q | PRABHUBHAI KANTIBHAI RAVAL    | 4514 | 0.17 | 1.13 |
| 35 | BTZPR7570R | GANPATSINH MAVSINH RATHOD     | 4514 | 0.17 | 1.13 |
| 36 | ELXPS8526K | GITABEN BANKIMBHAI SHAH       | 4501 | 0.17 | 1.12 |
| 37 | AZLPJ1362L | VARSHABEN BHARATKUMAR JOSHI   | 4500 | 0.17 | 1.12 |
| 38 | DWQPS4742N | HARISHBHAI CHIMANBHAI SHUKLA  | 4493 | 0.17 | 1.12 |
| 39 | CSBPK9440F | SURENDRABHAI HIRALAL KALAL    | 4382 | 0.16 | 1.09 |
| 40 | AURPV3617K | SONALBEN HARISHBHAI VYAS      | 4351 | 0.16 | 1.09 |
| 41 | FMGPS2137K | HINABEN JAYESHKUMAR SOLANKI   | 4242 | 0.16 | 1.06 |
| 42 | AVAPV0989N | SHANTABEN HARISHBHAI VYAS     | 4238 | 0.16 | 1.06 |
| 43 | AWLPK2492D | SANJAYBHAI HIRALAL KALAL      | 4238 | 0.16 | 1.06 |
| 44 | CPAPP9756D | BHARATIBEN AMARATBHAI PATNI   | 4238 | 0.16 | 1.06 |
| 45 | AGEPV5853C | PRAVINBHAI HARISHBHAI VYAS    | 4008 | 0.15 | 1.00 |
| 46 | BGRPS4680Q | SHAH BAKIMCAND DAYALAL        | 4008 | 0.15 | 1.00 |
| 47 | BTWPR5473E | JORUBHAI JAVABHAI RAVAL       | 4008 | 0.15 | 1.00 |
| 48 | AWHPT4601K | RAMILA MANUJI THAKOR          | 4002 | 0.15 | 1.00 |



Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड**  
**Securities and Exchange  
Board of India**

|    |            |                                  |      |      |      |
|----|------------|----------------------------------|------|------|------|
| 49 | DFXPS6156A | SADDAMHUSAIN KAMRUDDIN SHAIKH    | 3961 | 0.15 | 0.99 |
| 50 | BFDPM5399M | MILI TEJAS MEHTA                 | 3851 | 0.14 | 0.96 |
| 51 | COYPP1868M | VINUBEN JIVANJI PARMAR           | 3851 | 0.14 | 0.96 |
| 52 | BLCPR6361K | VISHNUBHAI GANDABHAI RAVAL       | 3764 | 0.14 | 0.94 |
| 53 | CKWPM9588B | HARSHIDABEN PRAKASBHAI MUDETHIA  | 3764 | 0.14 | 0.94 |
| 54 | BUAPR3258N | DHARMENDRA ABHESINH RAJPUT       | 3750 | 0.14 | 0.94 |
| 55 | BVBPR7772K | VIJAY BACHUBHAI RAVAL            | 3571 | 0.13 | 0.89 |
| 56 | DDRPS4977M | KAMRUDDIN MOHMADHANIF SHAIKH     | 3506 | 0.13 | 0.88 |
| 57 | AVBPT0158L | MANUJI BHAVANJI THAKOR           | 3352 | 0.13 | 0.84 |
| 58 | BNTPR0836G | ATULBHAI DAHAYABHAI RAVAL        | 3130 | 0.12 | 0.78 |
| 59 | BQRPB2458R | JAVEDKHAN IMAMKHAN BALOCH        | 2912 | 0.11 | 0.73 |
| 60 | CUOPS1911E | FAGUN CHANDRAKANT SONI           | 2912 | 0.11 | 0.73 |
| 61 | BYLPD5537K | JAIMIK RAMESHBHAI DANGI          | 2812 | 0.11 | 0.70 |
| 62 | BJHPD6342R | LILABEN RAMESHBHAI DANGI         | 2727 | 0.10 | 0.68 |
| 63 | BMBPP4254R | KINTANKUMAR GOVINDLAL PRAJAPATI  | 2727 | 0.10 | 0.68 |
| 64 | CLKPM2727B | CHUNILAL NATHALAL MUDETHIYA      | 2727 | 0.10 | 0.68 |
| 65 | AWHPT4602L | KALIBEN KALAJI THAKOR            | 2624 | 0.10 | 0.66 |
| 66 | EKPPS5764E | SALMABANU KAMRUDIN SHEKH         | 2624 | 0.10 | 0.66 |
| 67 | BMYP3868P  | MANAN CHANDRAKANTBHAI SONI       | 2508 | 0.09 | 0.63 |
| 68 | EGNPS1650F | REKHABEN HARISHBHAI SHUKLA       | 2508 | 0.09 | 0.63 |
| 69 | CLGPM8075C | MEHULKUMAR CHUNILAL MUDETHIYA    | 2507 | 0.09 | 0.63 |
| 70 | CKWPM9591G | DHANIBEN CHUNILAL MUDETHIYA      | 2500 | 0.09 | 0.62 |
| 71 | FJWPS8403K | SAURABH MAHENDRABHAI SHAH        | 2500 | 0.09 | 0.62 |
| 72 | BVLPR2974K | CHAMPABEN DAHAYABHAI RAVAL       | 2238 | 0.08 | 0.56 |
| 73 | BYAPM3945F | MANUBHAI NAROTAMBHAI MISTRI      | 2004 | 0.08 | 0.50 |
| 74 | DAHPS3416Q | PRAGHNABEN BHUPENDRAKUMAR SHAH   | 2004 | 0.08 | 0.50 |
| 75 | AVGPT6676C | KALAJI AMBARAM THAKOR            | 2000 | 0.08 | 0.50 |
| 76 | ATBPV3938Q | SEJAL KARSANBHAI VAGHELA         | 1960 | 0.07 | 0.49 |
| 77 | BDZPA6516Q | MOHD TASLIM MOHD MUSTKEEM ANSARI | 1960 | 0.07 | 0.49 |
| 78 | BKCPP8177L | MAHENDRABHAI PRAJAPATI           | 1960 | 0.07 | 0.49 |

85

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

|              |            |                                 |               |              |               |
|--------------|------------|---------------------------------|---------------|--------------|---------------|
| 79           | BYNPD6660B | RUPESHKUMAR<br>MAHESHBHAI DANGI | 1758          | 0.07         | 0.44          |
| 80           | BIPPS9910R | NIPUR BHUPENDRAKUMAR<br>SHAH    | 1611          | 0.06         | 0.40          |
| 81           | ARPPR0302L | TARUNKUMAR LAXMANBHAI<br>RAJPUT | 1476          | 0.06         | 0.37          |
| 82           | BBMPC5100R | NAGASIH CHHATRASINH<br>CHAVADA  | 852           | 0.03         | 0.21          |
| 83           | BDZPP8969C | RITESHKUMAR BABUBHAI<br>PATEL   | 7             | 0.00         | 0.00          |
| <b>Total</b> |            |                                 | <b>400587</b> | <b>15.07</b> | <b>100.00</b> |

21) From tables above, it was alleged that 21 entities (highlighted in bold in the above tables) indulged in circular trades which were alleged to be manipulative and fictitious trades and created an artificial volume for the scrip in the market during IP by contributing  $\geq 1\%$  of market volume individually and contributing more than 10% of market volume as a group on respective group trading days. Hence, 21 entities, i.e. Noticees 10 to 30, as given below, are alleged to have violated provisions of Reg. 3(a), 3(b), 3(c) and 3(d) and 4(1), 4(2)(a) and 4(2)(g) of SEBI (PFUTP) Regulations, 2003 read with Sec. 12A(a), 12A(b), 12A(c) of SEBI Act, 1992.

Table - 15

| Noticee | Row Labels | Entity Name                 | Sum of circular quantity | Entity circular qty as % of total market volum for the days | Entity circular trade qty among group |
|---------|------------|-----------------------------|--------------------------|-------------------------------------------------------------|---------------------------------------|
| 10      | ADBPJ4242K | DHARMENDRA KUMAR JAIN       | 89204                    | 3.45%                                                       | 12.08%                                |
| 11      | ABPPK6093D | SHRI PRAKASH KABRA          | 81749                    | 3.17%                                                       | 11.07%                                |
| 12      | CAFPM9051G | MOHAN MUKHIYA               | 68566                    | 2.65%                                                       | 9.29%                                 |
| 13      | AAACK0784G | KUMAR SHARE BROKERS LTD     | 66904                    | 2.59%                                                       | 9.06%                                 |
| 14      | AAPCS2555Q | STALLONE COMMERCIAL PVT LTD | 61025                    | 2.36%                                                       | 8.27%                                 |
| 15      | ACSPJ9399K | SANDEEP KUMAR JAIN          | 56563                    | 2.19%                                                       | 7.66%                                 |
| 16      | AAUPJ7028D | RAJENDRA KUMAR JAIN         | 53559                    | 2.07%                                                       | 7.25%                                 |



Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

| Noticee | Row Labels | Entity Name                           | Sum of circular quantity | Entity circular qty as % of total market volum for the days | Entity circular trade qty among group |
|---------|------------|---------------------------------------|--------------------------|-------------------------------------------------------------|---------------------------------------|
| 17      | AADCE2356D | SAIGANGA PACKAGING LIMITED            | 50669                    | 1.96%                                                       | 6.86%                                 |
| 18      | AAACO3452D | OLEANDER MANUFACTURERS AND CREDIT LTD | 36339                    | 1.41%                                                       | 4.92%                                 |
| 19      | AAACB6502F | BRAHMA COLONIZERS PRIVATE LIMITED     | 26685                    | 1.03%                                                       | 3.61%                                 |
| 20      | GKCPS4278A | SUBHADRABEN RAMESHCHANDRA SHAH        | 34574                    | 1.64%                                                       | 7.23%                                 |
| 21      | DWIPK5478R | VIVEK SHIVA RAM KALE                  | 33952                    | 1.61%                                                       | 7.10%                                 |
| 22      | BBWPB1748J | DIPALIBEN YASH BHATT                  | 33078                    | 1.56%                                                       | 6.92%                                 |
| 23      | CPUPP4465B | NIRAJ ASHOKBHAI PARMAR                | 32601                    | 1.54%                                                       | 6.82%                                 |
| 24      | CBRPP1212R | KETAN PRAVINBHAI PANCHAL              | 31245                    | 1.48%                                                       | 6.54%                                 |
| 25      | ANIPP1660Q | JAYSHRIBEN U PATEL                    | 27651                    | 1.31%                                                       | 5.78%                                 |
| 26      | FQRPS3820Q | PRAKASH VIJAYKUMAR SHAH               | 27115                    | 1.28%                                                       | 5.67%                                 |
| 27      | AXSPT5584H | ARJUN HIRJI THAKKER                   | 26893                    | 1.27%                                                       | 5.63%                                 |
| 28      | AAPPZ8294C | VIDHI ZAVERI                          | 24497                    | 1.16%                                                       | 5.12%                                 |
| 29      | BQBPA5642J | MUSHABBER IMRANALI AHMADI             | 22208                    | 1.05%                                                       | 4.65%                                 |
| 30      | AOIPB6201J | RAMESHBHAI DHADUMAL BHATIYA           | 21385                    | 1.01%                                                       | 4.47%                                 |

- a) Trading among Group B and Group C entities - From the trading details (trade log enclosed as **Annexure – 5**), following was observed that trades between Group B and Group C accounted for 18.15% of total market volume in the Mangalam scrip during Patch-2, i.e. from January 28, 2015 to August 26, 2015. Majority of trades between Group B and Group C entities happened between July 21, 2015 and August 26, 2015, i.e. the time when Group B received funds from group D. Through trades amongst themselves, Group B and Group C entities contributed 24.93% of the trading volume between this period (July 21,

01



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

2015 to August 26, 2015). During this period daily average shares traded in the scrip of Mangalam was 1,50,643 per day, which is nearly 29 times higher as compared to its earlier daily trading of 5,225 shares per day from March 25, 2014 (i.e. day of listing) till July 20, 2015.

- b) Out of the above 7 Group C connected entities, it was observed that 3 group entities viz. Guide Dealcom LLP (Noticee 2), Alert Commdeal Private Limited (Noticee 3) and Suparas Impex Private Limited (Noticee 4) were net sellers and 4 group entities viz. Bivoltine Merchantile Pvt Ltd, Nightangle Marcom Pvt Ltd, Tapas Roy and Frontier Vanijya Pvt Ltd have done trading on both buy and sell side. Trading details of 3 net sellers is as below:

**Table - 16**

| Selling Client         | TRADE_DATE | Traded Qty | Market Volume for the day | % to Market trades for the day | Trade Rate (VWAP) | Trade Value (Rs) |
|------------------------|------------|------------|---------------------------|--------------------------------|-------------------|------------------|
| ALERT COMMDEAL PVT LTD | 20/07/2015 | 15000      | 96950                     | 15.47%                         | 294               | 4410000          |
| ALERT COMMDEAL PVT LTD | 21/07/2015 | 10000      | 107150                    | 9.33%                          | 296.95            | 2969500          |
| ALERT COMMDEAL PVT LTD | 22/07/2015 | 8000       | 110768                    | 7.22%                          | 297               | 2376000          |
| ALERT COMMDEAL PVT LTD | 24/07/2015 | 19000      | 181164                    | 10.49%                         | 296.5             | 5633500          |
| ALERT COMMDEAL PVT LTD | 27/07/2015 | 8665       | 149793                    | 5.78%                          | 295.7885          | 2563007.5        |
| ALERT COMMDEAL PVT LTD | 28/07/2015 | 10000      | 111749                    | 8.95%                          | 295               | 2950000          |
| ALERT COMMDEAL PVT LTD | 29/07/2015 | 14105      | 162080                    | 8.70%                          | 297               | 4189185          |
| ALERT COMMDEAL PVT LTD | 30/07/2015 | 12000      | 183316                    | 6.55%                          | 296.8             | 3561600          |
| ALERT COMMDEAL PVT LTD | 31/07/2015 | 15000      | 215328                    | 6.97%                          | 296.5             | 4447500          |
| ALERT COMMDEAL PVT LTD | 03/08/2015 | 20000      | 265426                    | 7.54%                          | 296.95            | 5939000          |
| ALERT COMMDEAL PVT LTD | 04/08/2015 | 9000       | 181925                    | 4.95%                          | 297.5             | 2677500          |
| ALERT COMMDEAL PVT LTD | 05/08/2015 | 10000      | 195959                    | 5.10%                          | 298.4             | 2984000          |
| ALERT COMMDEAL PVT LTD | 06/08/2015 | 10500      | 161322                    | 6.51%                          | 298.1286          | 3130350          |
| ALERT COMMDEAL PVT LTD | 07/08/2015 | 10000      | 201296                    | 4.97%                          | 298.9             | 2989000          |
| ALERT COMMDEAL PVT LTD | 10/08/2015 | 5000       | 157416                    | 3.18%                          | 299.2             | 1496000          |
| ALERT COMMDEAL PVT LTD | 11/08/2015 | 5000       | 169122                    | 2.96%                          | 298.9             | 1494500          |
| ALERT COMMDEAL PVT LTD | 12/08/2015 | 10000      | 146065                    | 6.85%                          | 299.4             | 2994000          |
| ALERT COMMDEAL PVT LTD | 13/08/2015 | 10000      | 168555                    | 5.93%                          | 299.5             | 2995000          |
| ALERT COMMDEAL PVT LTD | 14/08/2015 | 11000      | 162975                    | 6.75%                          | 299.6636          | 3296300          |
| ALERT COMMDEAL PVT LTD | 18/08/2015 | 9750       | 153233                    | 6.36%                          | 300.5462          | 2930325          |
| ALERT COMMDEAL PVT LTD | 19/08/2015 | 8100       | 150592                    | 5.38%                          | 300.3765          | 2433050          |
| ALERT COMMDEAL PVT LTD | 20/08/2015 | 5000       | 148386                    | 3.37%                          | 300.2             | 1501000          |
| ALERT COMMDEAL PVT LTD | 04/12/2015 | 5200       | 50819                     | 10.23%                         | 288.4038          | 1499700          |
| ALERT COMMDEAL PVT LTD | 18/12/2015 | 3000       | 41550                     | 7.22%                          | 284.5             | 853500           |
| ALERT COMMDEAL PVT LTD | 22/12/2015 | 2000       | 53186                     | 3.76%                          | 288.7             | 577400           |



Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

| Selling Client        | TRADE DATE | Traded Qty    | Market Volume for the day | % to Market trades for the day | Trade Rate (VWAP) | Trade Value (Rs)  |
|-----------------------|------------|---------------|---------------------------|--------------------------------|-------------------|-------------------|
| <b>Total</b>          |            | <b>245320</b> | <b>3726125</b>            | <b>6.58%</b>                   |                   | <b>72890917.5</b> |
| GUIDE DEALCOMM LLP    | 01/07/2015 | 171           | 51320                     | 0.33%                          | 300               | 51300             |
| GUIDE DEALCOMM LLP    | 20/07/2015 | 15000         | 96950                     | 15.47%                         | 294               | 4410000           |
| GUIDE DEALCOMM LLP    | 21/07/2015 | 20000         | 107150                    | 18.67%                         | 296.5             | 5930000           |
| GUIDE DEALCOMM LLP    | 22/07/2015 | 17000         | 110768                    | 15.35%                         | 296.9982          | 5048970           |
| GUIDE DEALCOMM LLP    | 24/07/2015 | 30000         | 181164                    | 16.56%                         | 296               | 8880000           |
| GUIDE DEALCOMM LLP    | 27/07/2015 | 31389         | 149793                    | 20.95%                         | 296.5221          | 9307533           |
| GUIDE DEALCOMM LLP    | 28/07/2015 | 20840         | 111749                    | 18.65%                         | 296.5202          | 6179480           |
| GUIDE DEALCOMM LLP    | 29/07/2015 | 35000         | 162080                    | 21.59%                         | 296.5714          | 10380000          |
| GUIDE DEALCOMM LLP    | 30/07/2015 | 30000         | 183316                    | 16.37%                         | 297               | 8910000           |
| GUIDE DEALCOMM LLP    | 31/07/2015 | 31000         | 215328                    | 14.40%                         | 296.8387          | 9202000           |
| GUIDE DEALCOMM LLP    | 03/08/2015 | 45000         | 265426                    | 16.95%                         | 297.5             | 13387500          |
| GUIDE DEALCOMM LLP    | 04/08/2015 | 30000         | 181925                    | 16.49%                         | 297.7             | 8931000           |
| GUIDE DEALCOMM LLP    | 05/08/2015 | 39000         | 195959                    | 19.90%                         | 298.9             | 11657100          |
| GUIDE DEALCOMM LLP    | 06/08/2015 | 35000         | 161322                    | 21.70%                         | 298               | 10430000          |
| GUIDE DEALCOMM LLP    | 07/08/2015 | 30000         | 201296                    | 14.90%                         | 298.8             | 8964000           |
| GUIDE DEALCOMM LLP    | 10/08/2015 | 25000         | 157416                    | 15.88%                         | 299               | 7475000           |
| GUIDE DEALCOMM LLP    | 11/08/2015 | 40000         | 169122                    | 23.65%                         | 299.19            | 11967600          |
| GUIDE DEALCOMM LLP    | 12/08/2015 | 20000         | 146065                    | 13.69%                         | 299.025           | 5980500           |
| GUIDE DEALCOMM LLP    | 13/08/2015 | 35000         | 168555                    | 20.76%                         | 299.1909          | 10471680          |
| GUIDE DEALCOMM LLP    | 14/08/2015 | 30000         | 162975                    | 18.41%                         | 299.35            | 8980500           |
| GUIDE DEALCOMM LLP    | 18/08/2015 | 30000         | 153233                    | 19.58%                         | 300.5             | 9015000           |
| GUIDE DEALCOMM LLP    | 19/08/2015 | 25000         | 150592                    | 16.60%                         | 300.256           | 7506400           |
| GUIDE DEALCOMM LLP    | 20/08/2015 | 25000         | 148386                    | 16.85%                         | 300.56            | 7514000           |
| GUIDE DEALCOMM LLP    | 21/08/2015 | 25000         | 142993                    | 17.48%                         | 298.9             | 7472500           |
| <b>Total</b>          |            | <b>664400</b> | <b>3774883</b>            | <b>17.60%</b>                  |                   | <b>198052063</b>  |
| SUPARAS IMPEX PVT LTD | 30/07/2015 | 25000         | 183316                    | 13.64%                         | 296.7             | 7417500           |
| SUPARAS IMPEX PVT LTD | 31/07/2015 | 10000         | 215328                    | 4.64%                          | 296.7             | 2967000           |
| SUPARAS IMPEX PVT LTD | 03/08/2015 | 20500         | 265426                    | 7.72%                          | 297.0341          | 6089200           |
| SUPARAS IMPEX PVT LTD | 04/08/2015 | 8000          | 181925                    | 4.40%                          | 297.9             | 2383200           |
| SUPARAS IMPEX PVT LTD | 05/08/2015 | 9597          | 195959                    | 4.90%                          | 298.6             | 2865664.2         |
| SUPARAS IMPEX PVT LTD | 06/08/2015 | 7700          | 161322                    | 4.77%                          | 298.2             | 2296140           |
| SUPARAS IMPEX PVT LTD | 07/08/2015 | 8200          | 201296                    | 4.07%                          | 298.8049          | 2450200           |
| SUPARAS IMPEX PVT LTD | 10/08/2015 | 3401          | 157416                    | 2.16%                          | 299.4             | 1018259.4         |
| SUPARAS IMPEX PVT LTD | 11/08/2015 | 4700          | 169122                    | 2.78%                          | 299.7             | 1408590           |
| SUPARAS IMPEX PVT LTD | 12/08/2015 | 5000          | 146065                    | 3.42%                          | 299.5             | 1497500           |
| SUPARAS IMPEX PVT LTD | 13/08/2015 | 5000          | 168555                    | 2.97%                          | 299.3             | 1496500           |
| SUPARAS IMPEX PVT LTD | 14/08/2015 | 7325          | 162975                    | 4.49%                          | 299.8             | 2196035           |
| SUPARAS IMPEX PVT LTD | 18/08/2015 | 5000          | 153233                    | 3.26%                          | 300.2             | 1501000           |
| SUPARAS IMPEX PVT LTD | 19/08/2015 | 5000          | 150592                    | 3.32%                          | 300.4             | 1502000           |
| SUPARAS IMPEX PVT LTD | 20/08/2015 | 5000          | 148386                    | 3.37%                          | 300.1             | 1500500           |
| <b>Total</b>          |            | <b>129423</b> | <b>2660916</b>            | <b>4.86%</b>                   |                   | <b>38589288.6</b> |

81

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
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- c) From the table above, it was observed that total selling by Noticees 2, 3 and 4 (Group C entities) viz. Guide Dealcom LLP, Alert Commdeal Private Limited and Suparas Impex Private Limited accounted for 6.58%, 17.60% and 4.86% of the trading volumes on the days the said three entities had respectively traded.
- d) From the trade log, it was also observed that 7 Group C entities were net sellers during Patch-02 contributing 18.15% of the market volume during Patch-02. Noticees 2, 3 and 4 were also major sellers to Group B entities during the IP, constituting total of 965657 shares, i.e. 94.18% of the shares traded between Group B and Group C and individually contributed 59.38%, 22.31% and 12.49% of the total trades between Group B and Group C respectively.

Funding by Group D Entities to Group B Entities

22) It was observed that major counter parties to Group C entities were Noticee 1 (Rishabh Mahendra Shah), Kinjal Kanaiyalal Mehta, Kiran Narayan Karkera ("Group B"). Accordingly, their ledgers and bank statements were checked for possible funding from sellers.

23) On analysis of Bank statements of Noticee 1 (Rishabh Mahendra Shah), Kinjal Kanaiyalal Mehta, Kiran Narayan Karkera and Shree Gaja Associates (Proprietary firm of Noticee 1 (Rishabh Mahendra Shah), it was observed that entire amount of approximately Rs 30 crores was funded by another group of companies viz. Noticee 5 (Northstar Dealcomm Pvt Ltd), Noticee 6 (Nexcare Agency Pvt Ltd) and Noticee 7 (Eversafe Highrise Pvt Ltd) (hereinafter referred to as "Group D"). Details of these fund transfers and relevant banks statements are placed at **Annexure 7**. As can be seen from the connections details given at paragraph 13 above, these





अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

Group D entities are allegedly connected to net sellers referred to as Group C and Noticee 8 (Pradeep Kumar Daga) (Promoter and MD of Mangalam).

24) Noticee 5 (Northstar Dealcomm Pvt Ltd) , Noticee 6 (Nexcare Agency Pvt Ltd) and Noticee 7 (Eversafe Highrise Pvt Ltd) (Group D) together transferred Rs 32,35,00,000 to Noticee 1 (Rishabh Mahendra Shah) and Shree Gaja Enterprise (Group B entities) between July 17, 2015 to August 19, 2015 – the period when most of trades happened between Group B and Group C entities. Noticee 1 (Rishabh Mahendra Shah) further transferred some of these funds (Rs 7.04 crores) to Kinjal Mehta and Kiran Karkera (Group B entities) for trading from their respective accounts.

25) Details of Bank accounts involved in the said transfers are mentioned below:

Table - 17

| S No. | Entity Name                                                             | Bank Name            | Account Number  | Sender/Receiver |
|-------|-------------------------------------------------------------------------|----------------------|-----------------|-----------------|
| 1     | Noticee 7 (Eversafe Highrise Pvt Ltd)                                   | HDFC                 | 00082340017620  | Sender          |
| 2     | Noticee 6 (Nexcare Agency Pvt Ltd)                                      | HDFC                 | 00082340016032  | Sender          |
| 3     | Noticee 5 (Northstar Dealcomm Pvt Ltd)                                  | HDFC                 | 00082340016056  | Sender          |
| 4     | Noticee 1 (Rishabh Mahendra Shah)                                       | Bank of Baroda       | 33960100004941  | Receiver        |
| 5     | Shree Gaja Enterprises (Proprietor – Noticee 1 (Rishabh Mahendra Shah)) | IndusInd Bank        | 200999297911    | Receiver        |
| 6     | Noticee 1 (Rishabh Mahendra Shah)                                       | Bank of Baroda       | 33960200000256  | Receiver        |
| 7     | Kinjal Mehta                                                            | Bank of Baroda       | 33960100004713  | Receiver        |
| 8     | Kiran Karkera                                                           | IndusInd bank        | 100031798498    | Receiver        |
| 9     | Kiran Karkera                                                           | Indian Overseas Bank | 016201000056804 | Receiver        |

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Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

26) On analyzing the Bank statements, ledger account maintained with brokers and trading details of Noticee 1 (Rishabh Mahendra Shah), Kinjal Mehta and Kiran Karkera, it was observed that Group B entities have used the funds provided by Group D to buy the shares sold by group C. Same is brought out in table below:

**Table - 18**

| S No. | Transfer of funds from Group D to group B |             | Transfer of funds from Group B Bank account to brokers ledger |             | Trading of Group B    |                  |
|-------|-------------------------------------------|-------------|---------------------------------------------------------------|-------------|-----------------------|------------------|
|       | Date                                      | Amount (Rs) | Date                                                          | Amount(Rs)  | Date                  | Trade Value (Rs) |
| 1)    | 17 <sup>th</sup> July                     | 2,00,00,000 | 21 <sup>st</sup> July                                         | 12000000    | 21 <sup>st</sup> July | 13339500         |
| 2)    | 22 <sup>nd</sup> July                     | 1,50,00,000 | 22 <sup>nd</sup> July                                         | 14760000    | 22 <sup>nd</sup> July | 14515545         |
| 3)    | 23 <sup>rd</sup> July                     | 2,00,00,000 | 24 <sup>th</sup> July---                                      | 18500000    | 24 <sup>th</sup> July | 18493750         |
| 4)    | 27 <sup>th</sup> July                     | 1,50,00,000 | 27 <sup>th</sup> July                                         | 14500000    | 27 <sup>th</sup> July | 9601136          |
| 5)    | 28 <sup>th</sup> July                     | 2,45,00,000 | 28 <sup>th</sup> July                                         | 10000000    | 28 <sup>th</sup> July | 9129480          |
| 6)    | 29 <sup>th</sup> July                     | 2,00,00,000 | 29 <sup>th</sup> July                                         | 14400000    | 29 <sup>th</sup> July | 14567700         |
| 7)    | 30 <sup>th</sup> July                     | 1,50,00,000 | 30 <sup>th</sup> July                                         | 19800000    | 30 <sup>th</sup> July | 19889100         |
| 8)    | 01 <sup>st</sup> Aug                      | 2,50,00,000 | 31 <sup>st</sup> July                                         | 1,40,00,000 | 31 <sup>st</sup> July | 16616500         |
| 9)    | 3 <sup>rd</sup> Aug                       | 1,45,00,000 | 3 <sup>rd</sup> Aug                                           | 2,39,90,000 | 3 <sup>rd</sup> Aug   | 25385652         |
| 10)   | 4 <sup>th</sup> Aug                       | 1,80,00,000 | 4 <sup>th</sup> Aug                                           | 1,35,00,000 | 4 <sup>th</sup> Aug   | 13991700         |
| 11)   | 5 <sup>th</sup> Aug                       | 1,70,00,000 | 5 <sup>th</sup> Aug                                           | 17500000    | 5 <sup>th</sup> Aug   | 17342534         |
| 12)   | 6 <sup>th</sup> Aug                       | 1,50,00,000 | 6 <sup>th</sup> Aug                                           | 16500000    | 6 <sup>th</sup> Aug   | 15826680         |
| 13)   | 7 <sup>th</sup> Aug                       | 1,50,00,000 | 7 <sup>th</sup> Aug                                           | 14475000    | 7 <sup>th</sup> Aug   | 14165600         |
| 14)   | 10 <sup>th</sup> Aug                      | 1,10,00,000 | 10 <sup>th</sup> Aug                                          | 10000000    | 10 <sup>th</sup> Aug  | 9989259          |
| 15)   | 11 <sup>th</sup> Aug                      | 1,15,00,000 | 11 <sup>th</sup> Aug                                          | 15700000    | 11 <sup>th</sup> Aug  | 14946797         |
| 16)   | 12 <sup>th</sup> Aug                      | 1,50,00,000 | 12 <sup>th</sup> Aug                                          | 11550000    | 12 <sup>th</sup> Aug  | 10472000         |
| 17)   | 13 <sup>th</sup> Aug                      | 1,50,00,000 | 13 <sup>th</sup> Aug                                          | 14750000    | 13 <sup>th</sup> Aug  | 14006060         |
| 18)   | 14 <sup>th</sup> Aug                      | 1,40,00,000 | 14 <sup>th</sup> Aug                                          | 14800000    | 14 <sup>th</sup> Aug  | 14472835         |
| 19)   | 18 <sup>th</sup> Aug                      | 1,20,00,000 | 17 <sup>th</sup> Aug                                          | 17500000    | 18 <sup>th</sup> Aug  | 13442118         |
| 20)   | 19 <sup>th</sup> Aug                      | 1,10,00,000 | 19 <sup>th</sup> Aug                                          | 12300000    | 19 <sup>th</sup> Aug  | 11441450         |
| 21)   |                                           |             | 20 <sup>th</sup> Aug                                          | 10700000    | 20 <sup>th</sup> Aug  | 10515500         |
| 22)   |                                           |             |                                                               |             | 4 <sup>th</sup> Dec   | 1790100          |
| 23)   |                                           |             |                                                               |             | 18 <sup>th</sup> Dec  | 853500           |

*ds*

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

|     |       |              |  |              |          |              |
|-----|-------|--------------|--|--------------|----------|--------------|
| 24) |       |              |  |              | 22nd Dec | 577400       |
| 25) | Total | 32,35,00,000 |  | 31,12,25,000 |          | 30,53,71,896 |

27)As can be seen from above, Group D entities transferred Rs 32.35 crores to Group B entities, who then transferred Rs 31.12 crores immediately to trading account maintained with their respective brokers. The trade between Group B and Group C amounting for Rs 30.53 crores took immediately after the transfer of said amount to respective trading account of Group B entities. From the above, it has been alleged that Group D entities funded Group B entities to buy the shares sold by connected Group C entities. Connection between Group C and Group D entities is already given at paragraph 13 above.

28)It was observed that Noticee 1 (Rishabh Mahendra Shah) had played a major role in exit to net sellers, hence Noticee 1 was requested to provide his clarifications. Vide letter dated May 21, 2021 and subsequent statement recorded on March 3, 2022, Noticee 1 (Rishabh Mahendra Shah) had, inter-alia, submitted that:

- Modus operandi was/as agreed or as decided, Mr. Noticee 8 (Pradeep Kumar Daga) (promoter of Mangalam) will arrange to transfer the money in his account, by which he will buy the shares of the same amount and then pledge it to raise funds from several brokers. For conducting this activity, he was promised compensation of Rs. 3 crores (commission).*
- He started suspecting the intentions of promoters and others when Mangalam shares were suspended from August 27, 2015 and after revocation of suspension on December 1, 2015, price of Mangalam shares started falling with continuous lower circuit. At this time promoters and others did not support the fall of share prices.*
- Since he had received remittances from Noticee 5 (Northstar Dealcomm Pvt Ltd) , Noticee 6 (Nexcare Agency Pvt Ltd) and Noticee 7 (Eversafe Highrise*

*01*



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

*Pvt Ltd) , he had to settle the remittances in a legal way to protect himself from any legal liabilities which was their (Promoters) concern too.*

- d) Accordingly, debt settlement agreement was made during February, 2016 and he transferred certain number of securities through off market to Noticee 5 (Northstar Dealcomm Pvt Ltd), Noticee 6 (Nexcare Agency Pvt Ltd) and Noticee 7 (Eversafe Highrise Pvt Ltd) . (Group D). However, due to disputes, the arrangement was not completed and false case was registered against him.*
- e) Kinjal Kanaiyalal Metha is his wife and Kiran Narayan Karkera is his friend, they don't know anything and were not part of any dealing in shares of Mangalam.*
- f) Vide aforesaid letter dated May 21, 2021, email dated March 4, 2022 and multiple emails, he has provided supporting documents to substantiate his claims.*

29)Vide email dated March 22, 2021 and May 22, 2021, Group D entities viz. Noticee 5 (Northstar Dealcomm Pvt Ltd), Noticee 6 (Nexcare Agency Pvt Ltd) and Noticee 7 (Eversafe Highrise Pvt Ltd) were asked about funding to Noticee 1 (Rishabh Mahendra Shah). Noticee 5 (Northstar Dealcomm Pvt Ltd) vide email dated July 13, 2021, Noticee 7 (Eversafe Highrise Pvt Ltd) vide email dated July 14, 2021 and Noticee 6 (Nexcare Agency Pvt Ltd) vide email dated July 15, 2021 stated that they have some business transaction with Noticee 1 (Rishabh Mahendra Shah) and did not have relation/connection with any other entities mentioned in Group B/Group C/Group D or Mangalam promoters and directors. Vide email dated July 19, 2021, information was sought on the nature of business transaction of Group D entities with Noticee 1 (Rishabh Mahendra Shah). Group D entities vide email dated July 30, 2021 inter-alia submitted that they have provided loan to Noticee 1 (Rishabh Mahendra Shah).

*91*



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

30) Vide email September 08, 2021 comments were sought from Noticee 8 (Pradeep Kumar Daga) regarding his relation/connection with Group B, Group C and Group D entities and deal/arrangement with Noticee 1 (Rishabh Mahendra Shah). Noticee 8 (Pradeep Kumar Daga) vide email dated September 13, 2021 denied knowing Noticee 1 (Rishabh Mahendra Shah) or other Group C and Group D entities.

31) From the above, following was observed:

- a) After alleged price manipulation by Group A entities and Noticee 9, and creation of artificial volume through circular trades by Noticees 10 to 30 during patch 1, it was observed that group of seven allegedly connected entities (Group C) viz. Noticee 2 (Guide Dealcom LLP), Noticee 3 (Alert Commdeal Private Limited), Noticee 4 (Suparas Impex Private Limited), Bivoltine Merchantile Pvt Ltd, Nightangle Marcom Pvt Ltd, Tapas Roy and Frontier Vanijya Pvt Ltd sold 11,75,341 shares during Patch 2 (January 28, 2015 to August 26, 2015).
- b) Out of 11,75,341 shares sold by these seven Group C entities, a total of 11,42,947 shares (i.e. 97.24%) were purchased by connected entities viz. Noticee 1 (Rishabh Mahendra Shah), Kinjal Kanaiyalal Mehta, Kiran Narayan Karkera, Nightangle Marcom Private Limited, Tapas Roy, Bivoltine Merchants Pvt Ltd and Frontier Vanijya Private Ltd by creating artificial/fictitious volume and gave a misleading appearance of trading in the scrip of Mangalam.
- c) Out of 11,75,341 shares sold by these seven Group C entities, a total of 10,25,321 shares (i.e. 87.24%) were purchased by three entities viz. Noticee 1 (Rishabh Mahendra Shah), Kinjal Kanaiyalal Mehta, Kiran Narayan Karkera (Group B). These trades between Group B and Group C constituted 18.15% of total market volume during Patch -02.

01

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

- d) Majority of trades between Group B and Group C entities happened between July 21, 2015 to August 26, 2015. During this period daily average shares traded in the scrip of Mangalam was 1,50,643/day i.e. nearly 29 times higher than its earlier daily trading of 5,225 shares/day from March 25, 2014(i.e. day of listing) till July 20, 2015. Through trades amongst themselves, group B and Group C entities contributed 24.93% of the trading volume between this period (July 21, 2015 to August 26, 2015).
- e) 7 Group C entities were net sellers during Patch-02 contributing 18.15% of the market volume during Patch-02. Noticees 2, 3 and 4 were also major sellers to Group B entities during the IP, constituting total of 965657 shares, i.e. 94.18% of the shares traded between Group B and Group C and individually contributed 59.38%, 22.31% and 12.49% of the total trades between Group B and Group C respectively.
- f) Other group of three connected entities viz. Noticee 5 (Northstar Dealcomm Pvt Ltd), Noticee 6 (Nexcare Agency Pvt Ltd) and Noticee 7 (Eversafe Highrise Pvt Ltd) (Group D) funded the purchase of shares by Group B from Group C.
- g) During February, 2016 to March, 2016, a total of 4,09,400 shares were transferred through off market by Group B entity viz. Noticee 1 (Rishabh Mahendra Shah) to Group D entities viz. Noticee 5 (Northstar Dealcomm Pvt Ltd) , Noticee 6 (Nexcare Agency Pvt Ltd) and Noticee 7 (Eversafe Highrise Pvt Ltd) .
- h) Group B entity viz. Noticee 1 (Rishabh Mahendra Shah) has submitted that promoter of Mangalam viz. Noticee 8 (Pradeep Kumar Daga) had arranged a deal/arrangement with him whereby Noticee 1 (Rishabh Mahendra Shah)



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

would buy shares of Mangalam from Group C entities funded by Group D entities. He would use those shares bought from Group C for raising funds for Mangalam promoters by pledging them with brokers.

- i) To support his claim, Noticee 1 (Rishabh Mahendra Shah) vide email dated May 21, 2021 and statement recorded dated March 04, 2022 provided following documents:
- i) Email dated January 29, 2016 sent to Noticee 1 (Rishabh Mahendra Shah) about agreements between (1) Northstar and Shree Gaja Enterprises and (2) Eversafe and Rishabh Shah.
  - ii) Email dated February 11, 2016, February 12, 2016 and February 15, 2016 sent by Anjan Sirohia to Noticee 1 (Rishabh Mahendra Shah) with subject –Eversafe client master, All agreement pl check and client master (of Northstar, Nexcare )
  - iii) E-mail from Noticee 5 (Northstar Dealcomm Pvt Ltd) dated February 05, 2016 and February 09, 2016 to Noticee 1 (Rishabh Mahendra Shah) about receipt of shares according to debt settlement agreement.
  - iv) E-mail from Noticee 6 (Nexcare Agency Pvt Ltd) dated February 15, 2016 to Noticee 1 (Rishabh Mahendra Shah) about receipt of shares according to debt settlement agreement.
  - v) Call Recording by Noticee 1 (Rishabh Mahendra Shah) with Noticee 8 (Pradeep Kumar Daga) and Anjan Sirohia.
  - vi) Whatsapp Chat with Anjan Sirohia with calculations of shares as attachment.
  - vii) E-mail dated December 09, 2015, in which Noticee 1 (Rishabh Mahendra Shah) wrote to Globe Capital about raising 2 cr limit in MIFL which was then

*or*

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

forwarded by Vishal Dedhia to Pradeep Daga with Anjan Sirohia in CC on December 15, 2015.

j) Admittedly, Noticee 1 was operating accounts of Kinjal K Mehta and Kiran Narayan Karkera.

32) Noticee 1 (Rishabh Mahendra Shah) vide letter dated May 21, 2021 has provided certain numbers of Noticee 8 (Pradeep Kumar Daga) viz. 9830011101, 8017491973, 9830211101 and 3322315687. From UCC, it was observed that 9830011101 is linked with Noticee 8 (Pradeep Kumar Daga), Response Securities, Response Commodities and Apnapan Distributors and other connected entities accounts. Response Securities Pvt Ltd and Responce Commodities LLP were remaining two promoters of Mangalam along with Noticee 8 (Pradeep Kumar Daga) during IP.

33) Hence, it was alleged that

- a) Noticees 1 and 8 were the key persons responsible for the devising the scheme to manipulate price of the scrip of Mangalam, to provide exit to promoters through their manipulative, fraudulent and unfair trade practices ;
- b) Noticees 1, 2, 3 and 4, being part of Group B and C entities, contributed to 18.15% of total market volume during Patch 2, wherein Noticee 1 was being funded by Noticees 5, 6 and 7 for buying shares from Noticees 2-4, who were net sellers contributing 17.10% of the market volume during Patch-02 and also were major sellers to Noticee 1 (Rishabh Mahendra Shah) (Group B entities) constituting total of 94.18% of the trades between Group B and Group C. Noticees 2, 3 and 4 individually contributed 59.38%, 22.31% and 12.49% of the total trades between Group B and Group C respectively.

91



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

34) Therefore, it is alleged that Noticees 1 to 8 have violated provisions of Regulation 3(a), (b), (c), (d) and Regulation 4(1), 4(2)(a), 4(2)(g) of SEBI (PFUTP) Regulations, 2003 read with Section 12A(a), (b), (c) of SEBI Act, 1992.

35) The aforesaid provisions are reproduced hereunder.

**SEBI PFUTP Regulations, 2003**

**3. Prohibition of certain dealings in securities**

*No person shall directly or indirectly—*

- (a) buy, sell or otherwise deal in securities in a fraudulent manner;*
- (b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;*
- (c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;*
- (d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.*

**4. Prohibition of manipulative, fraudulent and unfair trade practices**

- 1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practice in securities.*
- 2) Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely:—*

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

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

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

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

**SEBI Act, 1992**

***Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.***

**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;

36) The aforesaid alleged violations, if established, make the Noticees liable for monetary penalty under Section 15HA of SEBI Act, 1992, the text of which has been reproduced hereunder.

**SEBI Act, 1992**

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India

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.

- 37) In view of the above, Noticees are, therefore, called upon to show cause as to why an enquiry should not be held against them in terms of Rule 4 of SEBI Adjudication Rules read with Section 15-I of SEBI Act, 1992 and penalty, if any, be not imposed under Section 15HA of SEBI Act, 1992 for the alleged violations of the aforementioned provisions.
- 38) Noticees shall submit the reply to the Show Cause Notice supported by such documentary evidence, which they may like to adduce in support of the reply within twenty-one (21) days from the date of receipt of this notice by them. Further, a soft copy of the reply may also be sent via email at barnalim@sebi.gov.in and dhavals@sebi.gov.in. In case no reply is received from Noticees within the prescribed time mentioned above, it would be presumed that Noticees have no submissions to make and the matter shall be proceeded with on the basis of material/ facts on record. A copy of PAN Card, contact details (contact person, phone number, email details, fax etc.) of Noticees may also be submitted along with the reply.
- 39) Noticees may note that if there is any change in its addresses during the period of the current Adjudication proceedings, it is required to inform the same to the undersigned, immediately.

DS

Show Cause Notice in the matter of Mangalam Industrial Finance Limited



अनुवर्ती :  
Continuation :

**भारतीय प्रतिभूति  
और विनिमय बोर्ड  
Securities and Exchange  
Board of India**

40) Noticees may also note that a settlement mechanism is provided under the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018. If they wish to avail the benefit of the settlement process, they may apply for the same in the manner provided in the said regulations under intimation to the undersigned.

**BARNALI MUKHERJEE  
ADJUDICATING OFFICER**

**Encl:- One CD containing following Annexures**

| Annexures    | Particulars                                                                                                                     |
|--------------|---------------------------------------------------------------------------------------------------------------------------------|
| Annexure – 1 | Copy of the Order communicating Appointment of Adjudicating Officer                                                             |
| Annexure – 2 | Copy of Corporate Announcements                                                                                                 |
| Annexure – 3 | Documents provided by Noticee 1 vide his email dated May 21, 2021 and statement recorded dated March 04, 2022.                  |
| Annexure – 4 | Basis of Connections and Bank Statements of Noticee 1, 5, 6, 7 and off-market details of Noticee 1 as provided by CDSL and NSDL |
| Annexure – 5 | Copy of trade log of Mangalam scrip on BSE                                                                                      |
| Annexure - 6 | Details of Circular trades                                                                                                      |
| Annexure - 7 | Details of Fund transfer between Noticees 1, 5, 6 and 7                                                                         |