

**BEFORE THE ADJUDICATING OFFICER SECURITIES AND EXCHANGE BOARD
OF INDIA [ADJUDICATION ORDER NO. Order/MC/DS/2020-2021/ 9499-9500]**

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

In respect of –

1. **Umesh Goyal (PAN:AHLPG2813R)** having address at - 1776-A, Gali no. 132, Shanti Nagar, Tri Nagar, Delhi – 110035.
2. **Ashu Goyal (PAN:ALWPG0662R)** having address at - 1776-A, Gali no. 132, Shanti Nagar, Tri Nagar, Delhi – 110035.

In the matter of PMC Fincorp Limited.

BACKGROUND

1. Securities and Exchange Board of India (hereinafter be referred to as, “**SEBI**”) initiated adjudication proceedings under Section 15HA of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**'), against **Umesh Goyal (Umesh / Noticee 1)** and **Ashu Goyal (Ashu / Noticee 2)** for the alleged violations of Section 12A(a),(b),(c) of SEBI Act, 1992 read with Regulation 3(a),(b),(c),(d) and Regulations 4(1), 4(2) (a), (e) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as '**PFUTP Regulations**') pursuant to investigation in the scrip of PMC Fincorp Limited (hereinafter referred to as '**PMC / Scrip / Company**') for the period March 29, 2012 to March 31, 2015 (**IP/investigation period**). All the Noticees are collectively referred as '**Noticees / You**'.

APPOINTMENT OF ADJUDICATING OFFICER

- SEBI appointed the undersigned as Adjudicating Officer (hereinafter referred to as “AO”) vide order dated June 26, 2020 to inquire into and adjudge under section 15HA of the SEBI Act, the aforesaid alleged violations against the Noticee. The appointment of the AO was communicated vide order dated June 30, 2020.

SHOW CAUSE NOTICE, REPLY AND HEARING

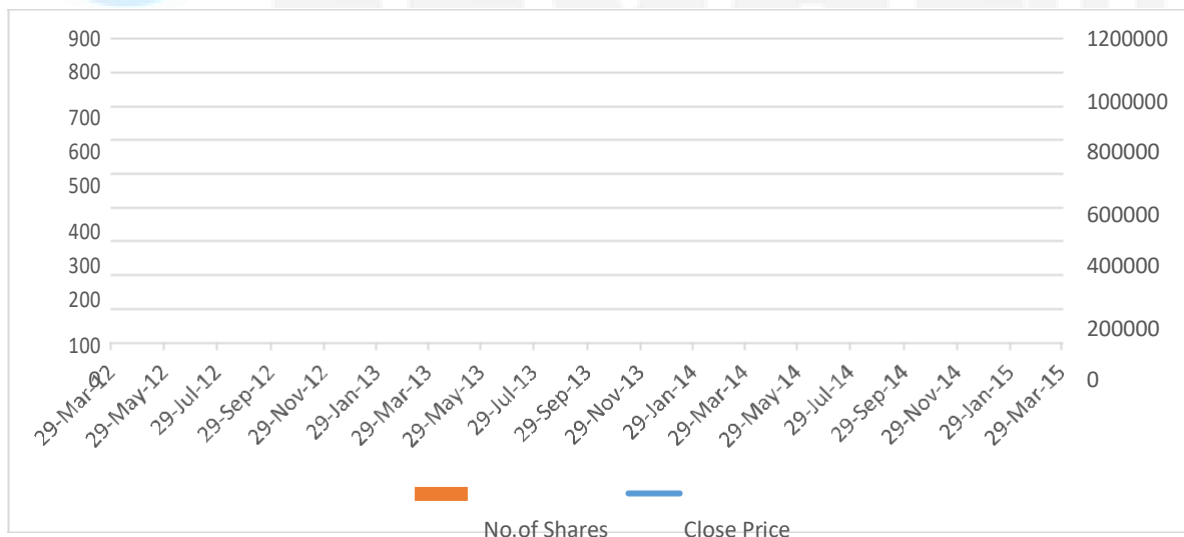
- Show Cause Notice No. EAD5/MC/DPS/11978/2020 dated July 21, 2020 (hereinafter be referred to as, the “SCN”) was served upon the Noticee under Rule 4(1) of the Adjudication Rules to show cause as to why an inquiry should not be held and penalty be not imposed against her under Section 15HA of SEBI Act, 1992, for the alleged violations of Section 12A(a),(b),(c) of SEBI Act, 1992 read with Regulation 3(a),(b),(c),(d) and Regulations 4(1), 4(2) (a), (e) of PFUTP Regulations.
- The allegations levelled against the Noticee in the SCN are summarized as below:
- SEBI conducted an investigation in the scrip of PMC Fincorp Limited for the period March 29, 2012 to March 31, 2015 (**IP/investigation period**). During IP, price of the scrip on BSE moved from Rs. 315 to Rs. 41.90 reaching a high of Rs. 880 and a low of Rs. 34.85. The closing market price of the scrip at BSE as on January 22, 2020 was Rs. 0.39. The IP was divided into 5 patches as as given below:

Period	Duration		Opening Price/ vol on 1st day of period(Rs.)	Closing Price/ Vol on last day of period(Rs.)	Low Price/Vol during the Period(Rs.)	High Price/Vol during the Period(Rs.)	Avg no of shares traded daily during the period
Pre- Investig ation	13/03/2012 28/03/2012 (*)	Price (in Rs.)	355	307.95	300.50 (28/03/2012)	424 (16/03/2012)	56064
		Volume	11275	109795	11275 (13/03/2012)	109795 (28/03/2012)	
IP	Patch 1 29/03/2012- 06/02/2013	Price (in Rs.)	315	499.65	313.50 (29/03/2012)	585 (28/01/2013)	40619
		Volume	67975	59563	2810 (18/05/2012)	138987 (01/01/2013)	

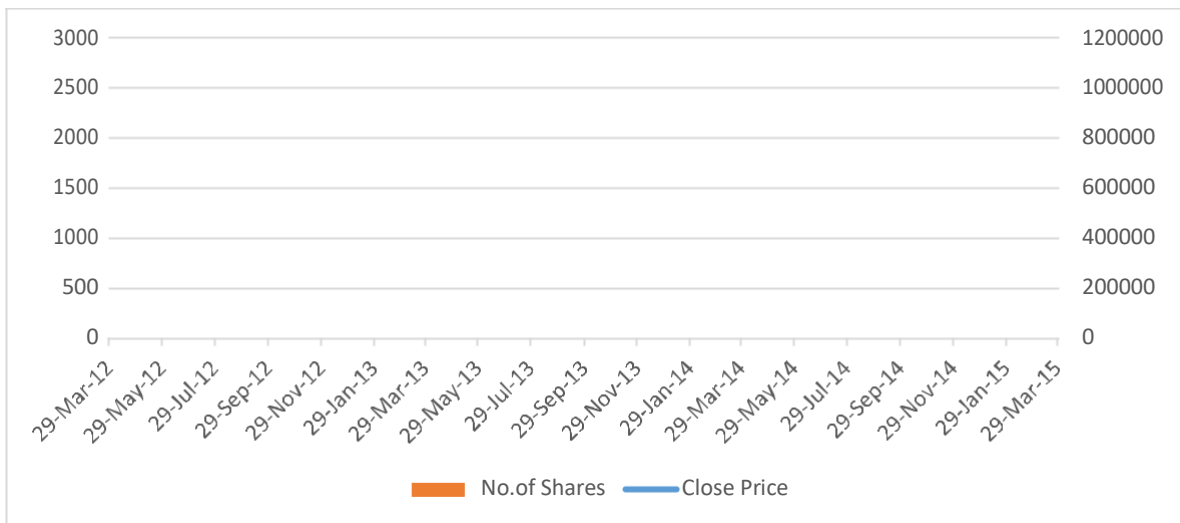
Period	Duration		Opening Price/ vol on 1st day of period(Rs.)	Closing Price/ Vol on last day of period(Rs.)	Low Price/Vol during the Period(Rs.)	High Price/Vol during the Period(Rs.)	Avg no of shares traded daily during the period
		Sub division of equity shares of the company in the ratio 1:2 w.e.f. 07/02/2013					
	Patch 2 07/02/2013 – 19/03/2013	Price (in Rs.)	244	103.15	101 (18/03/2013)	269 (08/02/2013)	161854
		Volume	32331	1505	12543 (20/02/2013)	468416 (14/03/2013)	
	Patch 3 20/03/2013- 12/03/2014	Price (in Rs.)	103	807.75	99.55 (20/03/2013)	848.90 (10/03/2014)	25353
		Volume	453379	29393	1 (02/04/2013)	524490 (21/03/2013)	
		Issue of bonus shares in the ratio 8:10 w.e.f. 13/03/2014					
	Patch 4 13/03/2014 - 21/10/2014	Price (in Rs.)	430	838.90	425 (13/03/2014)	880 (11/06/2014)	28388
		Volume	24266	25756	882 (30/06/2014)	186959 (26/03/2014)	
		Sub division of equity shares of the company in the ratio 1:5 w.e.f. 22/10/2014					
	Patch 5 22/10/2014 - 31/03/2015	Price (in Rs.)	170	41.90	34.85 (02/02/2015)	244.70 (27/10/2014)	141716
		Volume	110367	511983	765 (12/01/2015)	1064414 (30/03/2015)	
Post- Investig ation	01/04/2015 - 30/06/2015	Price (in Rs.)	41.05	6.48	5.93 (29/06/2015)	43 (01/04/2015)	421830
		Volume	899783	481419	14996 (12/06/2015)	2027173 (16/04/2015)	

*The scrip got listed on BSE on March 12, 2012

6. The price volume chart during the IP is as follows:-



7. The adjusted price volume chart during the IP is as under:-



I. Patch 1 - Price Rise – 29/03/2012 to 06/02/2013:

8. During this period, the price of the scrip opened at Rs.315, reached a high of Rs.585 and closed at Rs.499.65 i.e., a rise of 58.61%. Buy LTP analysis of the 30 connected entities during this period is tabulated below –

Sr. No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
1	Seabird Vincon Pvt Ltd	307.75	1407307	17488	663.65	100267	960	-355.90	82729	536	1224311	15992	14.69
2	Economy Suppliers Pvt Ltd	233.90	1323665	13195	480.35	91559	733	-246.45	66319	360	1165787	12102	10.64
3	Embassy Sales Private Limited	127.05	915079	11639	620.95	71541	776	-493.90	47543	492	795995	10371	13.75
4	Seabird Retails Pvt Ltd	103.70	1126453	15525	683.80	84712	965	-580.10	90119	744	951622	13816	15.14
5	Seabird Distributors Pvt Ltd	72.55	956200	14105	432.50	45371	618	-359.95	61232	507	849597	12980	9.58
6	Mindex Capital Market Private Limited (Formerly known as MKN Equity Brokers Pvt. Ltd.)	0.40	536	10	0.40	61	1	0	0	0	475	9	0.01
7	Suresh Kumar Aggarwal	0	8	1	0	0	0	0	0	0	8	1	0
8	Krishan Kumar Aggarwal	0	9	2	0	0	0	0	0	0	9	2	0
9	Nitin Aggarwal HUF	0	8	1	0	0	0	0	0	0	8	1	0
10	Nitin Aggarwal	0	8	2	0	0	0	0	0	0	8	2	0
11	Manoj Kumar Aggarwal	0	7	1	0	0	0	0	0	0	7	1	0
12	Kusum Lata Aggarwal	0	8	1	0	0	0	0	0	0	8	1	0
13	Suchita Aggarwal	0	7	1	0	0	0	0	0	0	7	1	0
14	Meena Aggarwal	0	9	1	0	0	0	0	0	0	9	1	0
15	Dhirendra Kumar Gupta	0	2	1	0	0	0	0	0	0	2	1	0

Sr. No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
16	Kiran Aggarwal	0	8	1	0	0	0	0	0	0	8	1	0
17	Dhirendra Kumar Gupta and Sons HUF	-1.95	2002	8	0	0	0	-1.95	500	1	1502	7	0
18	M K N Commodity Brokers Private Limited	-4.30	181857	4242	201.50	12093	281	-205.80	30211	329	139553	3632	4.46
19	Anita Gupta	-4.50	5525	35	1	25	1	-5.50	3015	12	2485	22	0.02
20	Sulekha Gupta	-4.75	1900	19	0.50	5	1	-5.25	1001	6	894	12	0.01
21	Mohan Lal Jain HUF	-5.40	2000	1	0	0	0	-5.40	2000	1	0	0	0
22	Radhu Developers Pvt Ltd	-6.90	60700	218	1.80	3698	4	-8.70	4985	25	52017	189	0.04
23	S K Aggarwal HUF	-12.60	15783	201	3.45	580	10	-16.05	1973	22	13230	169	0.08
24	K K Aggarwal HUF	-12.75	5339	64	1.50	71	2	-14.25	1605	12	3663	50	0.03
25	J M S Financial Services Ltd.	-13.85	206459	4634	161.60	9217	242	-175.45	26353	275	170889	4117	3.58
26	Rakesh Kumar Gupta	-14.05	26610	213	13.65	1286	16	-27.70	9579	39	15745	158	0.30
27	Umesh Goyal	-32.70	11293	260	13.35	985	22	-46.05	1160	24	9148	214	0.30
28	Golden Chariot Recreations Private Limited	-35.25	667616	3416	151.50	50186	219	-186.75	99630	358	517800	2839	3.35
29	Mudit Jain HUF	-49.95	34213	342	6.60	2312	20	-56.55	6006	68	25895	254	0.14
30	M K Aggarwal HUF	-51.35	14345	223	7.50	510	12	-58.85	2600	35	11235	176	0.17
Total of connected entities having Net +ve LTP contribution		845.35	5729240	71962	2881.65	393511	4053	-2036.30	347942	2639	4987787	65270	63.81
Total of connected entities		595.05	6964956	85850	3445.60	474479	4883	-2850.55	538560	3846	5951917	77121	76.29
Total of Mkt		178	8773718	99367	4516.20	709694	6019	-4338.20	760944	5329	7303080	88019	100

9. The connected entities contributed Rs. 3445.60 (76.29% of the market +ve LTP) to the market +ve LTP.

10. The connected entities listed at Sr. No. 1 to 6, having net +ve LTP contribution, contributed Rs. 2881.65 (63.81% of the market +ve LTP) to the market +ve LTP. It was also observed that the net LTP contribution by entities listed at Sr. No. 1 to 6 was Rs. 845.35 whereas the net LTP contribution of the market was Rs. 178.

11. From trading analysis, it was observed that the following 26 entities had traded among themselves and the details are as follows -

Sr. No.	Buyer → Seller ↓	+LTP in Rs.					Total +LTP in Rs.
		Economy Suppliers Pvt Ltd	Embassy Sales Pvt Ltd	Seabird Retails Pvt Ltd	Seabird Vincon Pvt Ltd	Seabird Distributors Pvt Ltd	
1	J M S Financial Services Ltd.	77.45	131.50	126.65	73.50	63	472.10

Sr. No.	Buyer → Seller ↓	+LTP in Rs.					Total +LTP in Rs.
		Economy Suppliers Pvt Ltd	Embassy Sales Pvt Ltd	Seabird Retails Pvt Ltd	Seabird Vincon Pvt Ltd	Seabird Distributors Pvt Ltd	
2	M K N Commodity Brokers Pvt Ltd	46.50	85.30	81.35	69.65	48.50	331.30
3	Anoop Jain	22.15	26.65	29.80	26.25	12.50	117.35
4	Anoop Jain HUF	13.05	21.55	19.75	9.70	7.95	72
5	Embassy Sales Private Limited	7.95	5.25	29.45	16.50	12.85	72
6	Rakesh Kumar Gupta	2.05	8.80	10.55	16.50	2.40	40.30
7	Mohan Lal Jain	2.80	9	3.45	5.90	9.70	30.85
8	Seabird Retails Private Limited	6.20	10.65	4.55	2.75	4.70	28.85
9	Seabird Distributors Private Limited	4.65	7.40	3.70	2.15	1.95	19.85
10	S K Aggarwal HUF	6.50	3.75	0.50	4.15	2.45	17.35
11	Seabird Vincon Private Limited	3.30	5.50	5.60	0.70	2.20	17.30
12	Centillion Capital Private Limited (Formerly Known As Pelf Finstock Ltd)	1.60	5.50	3.70	1.75	2.30	14.85
13	Economy Suppliers Private Limited	0.90	1.50	3.15	4.15	3.70	13.40
14	M K Aggarwal HUF	1.35	1.30	6.10	2.85	1.25	12.85
15	Raghav Bahl	1.80	0.25	2.05	7.25	0.75	12.10
16	Mudit Jain HUF	-	3.15	0.85	4.35	1.50	9.85
17	Umesh Goyal	0.60	4.65	1.10	0.25	1.25	7.85
18	Ritu Kapur	0.75	0.50	0.30	0.80	0.05	2.40
19	K K Securities Ltd	-	-	0.50	0.50	-	1
20	Dhirendra Kumar Gupta & Sons HUF	-	-	-	0.95	-	0.95
21	Anita Gupta	-	-	-	0.50	-	0.50
22	Mindex Capital Market Private Limited (Formerly known as MKN Equity Brokers Pvt. Ltd.)	0.35	-	-	-	-	0.35
23	Sulekha Gupta	0.05	0.30	-	-	-	0.35
24	Parmod Aggarwal	-	-	0.05	-	0.25	0.30
25	K K Aggarwal HUF	-	0.15	-	-	0.10	0.25
26	Pardeep Aggarwal	-	-	-	-	0.05	0.05
Total		200	332.65	333.15	251.10	179.40	1296.30

12. From the table above, it was observed that Noticee 1 along with 25 entities traded among themselves and contributed Rs. 1296.30 (1867 trades) to the market +ve LTP, which is 28.70% of the market +ve LTP.

13. Entities at Sr. No. 1 to 26 (Sellers) namely Mindex, JMS, KKSL, Centillion, Anoop HUF, S K HUF, Economy, Embassy, Parmod, Anoop, Dhirendra, M K N Commodity, Mohan, K K HUF, Mudit HUF, M K HUF, Raghav, Seabird Retails, Seabird Vincon, Seabird Distributors, Anita, Noticee 1, Ritu, Sulekha, Pardeep and Rakesh, had aided other five connected entities (buyers) namely Economy,

Embassy, Seabird Vincon, Seabird Retails and Seabird Distributors, by selling shares to them to increase the price of the scrip.

14. In view of the significant +ve LTP contribution by the entities by trading among themselves it was alleged that the Noticee 1 along with the aforesaid 25 entities i.e. Mindex, JMS, KKSL, Centillion, Anoop HUF, S K HUF, Economy, Embassy, Parmod, Anoop, Dharendra, M K N Commodity, Mohan, K K HUF, Mudit HUF, M K HUF, Raghav, Seabird Retails, Seabird Vincon, Seabird Distributors, Anita, Ritu, Sulekha, Pardeep and Rakesh created misleading appearance of trading and manipulated the price of the scrip by contributing to the price rise and thereby violated Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of SEBI (PFUTP) Regulations, 2003.

II. Patch 2 - Price Fall - 07/02/2013 to 19/03/2013:

15. During this period, the price of the scrip opened at Rs. 244, reached a low of Rs.101 and closed at Rs.103.15 i.e., a fall of 57.72%. Sell LTP analysis of the 19 connected entities during this period was tabulated below –

Sr. No.	Seller Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of -ve LTP to Total Market -ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
1	Golden Chariot Recreations Private Limited	-34.45	1081995	6322	37.85	36374	104	-72.30	29084	149	1016537	6069	8.44
2	Seabird Vincon Pvt Ltd	-15.15	39843	380	11.90	1710	15	-27.05	4077	44	34056	321	3.16
3	M K N Commodity Brokers Private Limited	-14.90	46572	367	31.00	4103	51	-45.90	4089	57	38380	259	5.36
4	Seabird Distributors Pvt Ltd	-13.05	36670	280	9.85	489	14	-22.90	5254	36	30927	230	2.67
5	Embassy Sales Pvt Ltd	-12.75	52040	508	13.65	5380	25	-26.40	2212	45	44448	438	3.08
6	Mudit Jain HUF	-11.40	58254	470	1.60	1282	6	-13	8888	27	48084	437	1.51
7	Seabird Retails Pvt Ltd	-2.40	64848	598	18.20	5574	27	-20.60	4607	50	54667	521	2.40
8	K K Aggarwal HUF	0	575	7	0	0	0	0	0	0	575	7	0
9	M K Aggarwal HUF	0	875	10	0	0	0	0	0	0	875	10	0
10	Dilip Kumar Agarwal	0	9000	51	0	0	0	0	0	0	9000	51	0
11	Anita Gupta	0	500	2	0	0	0	0	0	0	500	2	0
12	Dhirendra Kumar Gupta	0	500	2	0	0	0	0	0	0	500	2	0
13	Rakesh Kumar Gupta	0	3500	26	0	0	0	0	0	0	3500	26	0
14	Anoop Jain HUF	0.20	8100	179	0.20	174	3	0	0	0	7926	176	0

Sr. No.	Seller Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of -ve LTP to Total Market -ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
15	S K Aggarwal HUF	1	875	12	2	17	1	-1	50	1	808	10	0.12
16	Ashu Goyal	1.50	5475	68	2.55	500	3	-1.05	500	2	4475	63	0.12
17	Economy Suppliers Pvt Ltd	1.55	49477	475	14.25	1737	17	-12.70	3743	31	43997	427	1.48
18	J M S Financial Services Ltd.	2.15	64639	1410	209.05	9901	342	-206.90	5677	271	49061	797	24.14
19	Raghav Bahl	11.35	95000	791	13.75	11002	36	-2.40	731	9	83267	746	0.28
Total of connected entities having Net -ve LTP contribution		-104.10	1380222	8925	124.05	54912	242	-228.15	58211	408	1267099	8275	26.62
Total of connected entities		-86.35	1618738	11958	365.85	78243	644	-452.20	68912	722	1471583	10592	52.76
Total of Mkt		-141.50	4693765	27925	715.45	254244	1266	-856.95	272957	1602	4166564	25057	100

16. The connected entities contributed Rs. 452.20 (52.76% of the market -ve LTP) to the market -ve LTP.

17. The connected entities listed at Sr. No. 1 to 7, having net -ve LTP contribution, contributed Rs. 228.15 (26.62% of the market -ve LTP) to the market -ve LTP.

18. From trading analysis, it was observed that the following 15 entities had traded among themselves and the details are as follows -

Sr. No.	Seller → Buyer ↓	-LTP in Rs.							Total -LTP in Rs.
		Embassy Sales Pvt Ltd	Golden Chariot Recreations Pvt Ltd	M K N Commodity Brokers Pvt Ltd	Seabird Retails Pvt Ltd	Seabird Vincon Pvt Ltd	Seabird Distributors Pvt Ltd	Mudit Jain HUF	
1	J M S Financial Services Ltd.	-5	-1.50	-	-4.10	-0.20	-1.20	-0.05	-12.05
2	Economy Suppliers Private Limited	-5.40	-5.45	-2.20	-5.35	-3.25	-0.75	-0.10	-22.50
3	Embassy Sales Private Limited	-	-5.35	-17.90	-3.80	-3.60	-	-0.80	-31.45
4	M K N Commodity Brokers Pvt Ltd	-	-7.75	-	-0.25	-5.60	-	-	-13.60
5	K K Aggarwal HUF	-	-	-	-	-	-3.50	-	-3.50
6	Mudit Jain HUF	-	-	-	-0.15	-1.30	-3.10	-	-4.55
7	M K Aggarwal HUF	-0.65	-	-	-	-	-	-	-0.65
8	Seabird Retails Private Limited	-7.30	-7	-7.80	-2.10	-7.10	-3.75	-3.10	-38.15
9	Seabird Vincon Private Limited	-	-8.30	-3.05	-	-2.65	-1.75	-1.55	-17.30
10	Seabird Distributors Pvt Ltd	-4.60	-11.60	-1.60	-0.15	-1.75	-1.50	-0.10	-21.30
11	Shankar Somani	-	-0.05	-	-	-	-	-	-0.05
12	Ashu Goyal	-	-1	-	-	-	-	-	-1
13	Satish Singhal	-	-2	-	-	-	-	-	-2
14	Rakesh Kumar Gupta	-	-1.50	-	-	-	-	-	-1.50
Total		-22.95	-51.50	-32.55	-15.90	-25.45	-15.55	-5.70	-169.60

19. From the table above, it was observed that Noticee 2 along with 14 entities traded among themselves and contributed Rs. 169.60 (301 trades) to the market -ve LTP, which is 19.79% of the market -ve LTP.
20. Entities at Sr. No. 1 to 14 (Buyers) namely JMS, Economy, Embassy, M K N Commodity, K K HUF, Mudit HUF, M K HUF, Seabird Retails, Seabird Vincon, Seabird Distributors, Shankar, Noticee 2, Satish and Rakesh, had aided other seven connected entities (sellers) namely Embassy, Golden, M K N Commodity, Seabird Retails, Seabird Vincon, Seabird Distributors and Mudit HUF, by buying shares to manipulate the price of the scrip.
21. Also, the aforesaid seven connected entities (sellers) namely Embassy, Golden, M K N Commodity, Seabird Retails, Seabird Vincon, Seabird Distributors and Mudit HUF, having net -ve LTP contribution, contributed Rs. 228.15 (26.62% of the market -ve LTP) to the market -ve LTP.
22. In view of the significant -ve LTP contribution by the entities by trading among themselves it was alleged that Noticee 2 along with aforesaid 14 entities i.e. JMS, Economy, Embassy, M K N Commodity, K K HUF, Mudit HUF, M K HUF, Seabird Retails, Seabird Vincon, Seabird Distributors, Shankar, Satish, Rakesh and Golden, created misleading appearance of trading and manipulated the price of the scrip by contributing to the price fall and have violated Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of SEBI (PFUTP) Regulations, 2003.

III. Patch 3 - Price Rise - 20/03/2013 to 12/03/2014:

23. During this period, the price of the scrip opened at Rs. 103, reached a high of Rs.848.90 and closed at Rs. 807.75 i.e., a rise of 684.22%. Buy LTP analysis of the 40 connected entities during this period is tabulated below –

Sr. No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
1	Seabird Vincon Pvt Ltd	152.05	495123	6486	382.05	37697	330	-230	32595	245	424831	5911	4.94
2	Famous Investment Consultants Pvt Ltd	114.70	223861	2575	215.35	15716	164	-100.65	4649	94	203496	2317	2.78
3	Economy Suppliers Pvt Ltd	107.25	393055	4558	342.35	30780	283	-235.10	22355	226	339920	4049	4.43
4	Nishant Inbuild Limited	94.65	127180	1693	173.40	9180	110	-78.75	4153	89	113847	1494	2.24
5	Embassy Sales Private Limited	93.20	311330	4711	595.10	27272	309	-501.90	22282	283	261776	4119	7.69
6	Shivdarshan Sales Pvt Ltd	85.60	129836	1809	155.80	7990	126	-70.20	3526	62	118320	1621	2.01
7	Rolex Vini may Pvt Ltd	82	162310	1924	149.25	10103	102	-67.25	5123	62	147084	1760	1.93
8	Seabird Distributors Pvt Ltd	65.35	317244	3764	220.05	22624	222	-154.70	23849	191	270771	3351	2.84
9	Seabird Retails Pvt Ltd	61.20	358503	4484	363.95	21772	277	-302.75	16016	257	320715	3950	4.70
10	Vimgi Investment Pvt Ltd	12	20000	213	19.45	975	12	-7.45	800	7	18225	194	0.25
11	Radhu Developers Pvt Ltd.	9.75	2002	12	15.75	2	2	-6	200	1	1800	9	0.20
12	Sunil Kumar Gupta HUF	0	10000	5	0	0	0	0	0	0	10000	5	0
13	Darshana Devi	0	10000	17	0	0	0	0	0	0	10000	17	0
14	Mayank Aggarwal	0	3000	1	0	0	0	0	0	0	3000	1	0
15	Nimish Aggarwal	0	3000	1	0	0	0	0	0	0	3000	1	0
16	Nupur Aggarwal	0	3000	2	0	0	0	0	0	0	3000	2	0
17	Sakshi Aggarwal	0	3000	4	0	0	0	0	0	0	3000	4	0
18	Satish Singhal	0	15000	3	0	0	0	0	0	0	15000	3	0
19	Meena Singhal	-0.05	10000	6	0	0	0	-0.05	4888	1	5112	5	0
20	Shankar Somani	-0.15	25000	17	0.10	5250	2	-0.25	13885	4	5865	11	0
21	Aarzo Aggarwal	-0.25	3000	1	0	0	0	-0.25	3000	1	0	0	0
22	Himanshu Aggarwal	-0.75	3000	4	0	0	0	-0.75	500	1	2500	3	0
23	Veena Jain	-1.60	17036	128	6.10	688	6	-7.70	408	8	15940	114	0.08
24	Laxmi Narain Kesarwani	-2.05	8000	77	7	530	5	-9.05	210	2	7260	70	0.09
25	Anju Gupta	-2.75	56200	12	0	0	0	-2.75	36000	2	20200	10	0
26	Amitkumar Radheshyam Gupta	-3.05	558	34	4	140	4	-7.05	23	3	395	27	0.05
27	Sunil Kumar Gupta	-4.25	4700	2	0	0	0	-4.25	5	1	4695	1	0
28	K K Securities Ltd	-6	3000	6	1.40	1000	2	-7.40	500	1	1500	3	0.02
29	Umesh Goyal HUF	-6.20	850	22	0.30	20	1	-6.50	220	2	610	19	0
30	Mindex Capital Market Private Limited (Formerly known as MKN Equity Brokers Pvt. Ltd.)	-7.15	14751	292	6.10	909	5	-13.25	593	12	13249	275	0.08
31	Ashu Goyal	-7.45	5546	199	6.65	596	8	-14.10	240	13	4710	178	0.09
32	Vivek Kesarwani	-9.80	8000	69	0.05	100	1	-9.85	270	2	7630	66	0
33	S K Aggarwal HUF	-12.35	30255	406	19.35	754	11	-31.70	2125	31	27376	364	0.25
34	M K N Commodity Brokers Private Limited	-13.40	38390	796	74.60	2873	52	-88	3559	68	31958	676	0.96
35	Nitin Aggarwal HUF	-15.55	6888	77	14.50	301	6	-30.05	918	23	5669	48	0.19
36	Mudit Jain HUF	-30.55	21500	200	21.80	440	7	-52.35	4805	15	16255	178	0.28
37	Prakash Ferrous Industries Private Limited	-38.55	138161	607	28.15	6243	20	-66.70	20423	37	111495	550	0.36
38	K K Aggarwal HUF	-49.45	23204	341	19.15	675	13	-68.60	1783	25	20746	303	0.25
39	M K Aggarwal HUF	-57.80	37531	484	17.50	1010	13	-75.30	4598	49	31923	422	0.23
40	J M S Financial Services Ltd.	-87.25	58957	1482	83.80	3137	65	-171.05	4446	119	51374	1298	1.08

Sr. No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
Total of connected entities having Net +ve LTP contribution		877.75	2540444	32229	2632.50	184111	1937	-1754.75	135548	1517	2220785	28775	34.03
Total of connected entities		521.35	3101971	37524	2943.05	208777	2158	-2421.7	238947	1937	2654247	33429	38.02
Total of Mkt		704.75	6186257	62187	7735.85	397456	4203	-7031.10	464560	3885	5324241	54099	100

24. The connected entities contributed Rs. 2943.05 (38.02% of the market +ve LTP) to the market +ve LTP.

25. The connected entities listed at Sr. No. 1 to 11, having net +ve LTP contribution, contributed Rs. 2632.50 (34.03% of the market +ve LTP) to the market +ve LTP. It was also observed that the net LTP contribution by entities from Sr. No. 1 to 11 was Rs. 877.75 whereas the net LTP contribution of the market was Rs. 704.75.

26. From trading analysis, it was observed that the following 34 entities had traded among themselves and the details are as follows -

Sr. No.	Buyer → Seller ↓	+LTP in Rs.											Total +LTP in Rs.	
		Nishant Inbuild Ltd	Vimgi Investment Pvt Ltd.	Famous Investment Consultants Pvt Ltd.	Economy Suppliers Pvt Ltd.	Embassy Sales Pvt Ltd.	Radhu Developers Pvt Ltd.	Rolex Vinima y Private Limited	Seabird Retails Pvt Ltd.	Seabird Vincon Pvt Ltd.	Seabird Distributors Pvt Ltd.	Shivdarshan Sales Pvt Ltd		
1	Mindex Capital Market Private Limited (Formerly known as MKN Equity Brokers Pvt. Ltd.)	-	-	0.05	0.05	-	-	-	-	-	-	1	-	1.10
2	J M S Financial Services Ltd.	9.55	-	2.35	18.75	26.65	-	-	18.40	19.55	13.30	20.25	128.80	
3	K K Securities Ltd	-	-	-	-	-	-	0.05	-	-	-	-	0.05	
4	Nishant Inbuild Ltd	-	-	-	6.50	0.50	-	-	-	-	-	-	7	
5	Centillion Capital Private Limited (Formerly known as Pelf Finstock Limited)	2.25	-	13.40	1.15	4.65	-	6.30	8.55	11.80	4.15	4.45	56.70	
6	S K Aggarwal HUF	7.20	-	-	-	6.05	-	-	5.80	2.10	0.10	4.30	25.55	
7	Famous Investment Consultants Pvt Ltd	-	-	-	-	3.05	-	-	13.05	-	0.05	-	16.15	
8	SS Corporate Securities Limited	-	1.70	0.85	-	2.25	-	0.65	-	-	0.05	23.70	29.20	
9	Economy Suppliers Private Limited	1.60	-	2	1.10	5.30	-	1	4.75	6.80	2.70	-	25.25	
10	Embassy Sales Pvt Ltd	1	-	2.30	-	-	3	-	4.50	5.35	0.50	2	18.65	
11	Accolade Holdings Private Limited	-	-	-	-	1	-	-	-	-	-	-	1	
12	Golden Chariot Recreations Pvt Ltd	-	-	-	0.05	0.05	-	-	0.25	-	0.10	-	0.45	

Sr. No.	Buyer → Seller ↓	+LTP in Rs.											Total +LTP in Rs.	
		Nishant Inbuild Ltd	Vimgi Investment Pvt Ltd	Famous Investment Consultants Pvt Ltd.	Economy Suppliers Pvt Ltd.	Embassy Sales Pvt Ltd.	Radhu Developers Pvt Ltd.	Rolex Vinimaya Private Limited	Seabird Retails Pvt Ltd.	Seabird Vincon Pvt Ltd.	Seabird Distributors Pvt Ltd.	Shivdarshan Sales Pvt Ltd		
13	Parnami Capital Services Limited	-	-	-	0.05	-	-	-	-	-	-	-	-	0.05
14	Radhu Developers Pvt Ltd.	-	8	3	-	-	-	-	2	-	-	-	-	13
15	Parveen Aggarwal HUF	-	-	-	-	-	-	-	0.20	-	-	-	-	0.20
16	Prakash Ferrous Industries Pvt Ltd	-	-	2.80	9.75	17.40	-	9.80	18.05	14.05	9.15	1.60	82.60	
17	Rolex Vinimaya Pvt Ltd	-	-	-	-	18.20	-	-	3.20	-	-	-	21.40	
18	M K N Commodity Brokers Pvt Ltd	8.15	-	0.05	19.05	24.80	-	4	25.80	22.45	10.65	5.75	120.70	
19	Nitin Aggarwal HUF	-	-	-	-	-	-	11.90	-	-	-	2	13.90	
20	K K Aggarwal HUF	0.45	-	3.35	2.90	1.05	-	2.65	-	3.90	-	0.25	14.55	
21	Mudit Jain HUF	-	-	7.70	-	-	-	-	18.05	-	-	-	25.75	
22	M K Aggarwal HUF	0.65	-	2	4.10	0.55	-	4.25	2.30	3.90	2.95	0.40	21.10	
23	Sanjay Bansal & Sons HUF	-	-	-	-	-	-	-	1	3.50	-	-	4.50	
24	Raghav Bahl	-	-	9.50	3.55	2.10	-	9.55	5.25	7.40	3.05	0.05	40.45	
25	Seabird Retails Pvt Ltd	6	-	1	2.55	17.90	-	-	5.15	4.25	1.15	-	38	
26	Seabird Vincon Pvt Ltd	0.10	-	-	5.05	8.05	-	-	3.55	7	4.95	0.05	28.75	
27	Seabird Distributors Private Limited	-	-	-	5.15	8.90	-	-	4.55	5.85	0.05	-	24.50	
28	Savita Aggarwal	-	-	-	-	-	-	-	-	-	-	0.05	0.05	
29	Santosh Aggarwal	-	-	-	-	-	-	-	1	-	1	-	2	
30	Shivdarshan Sales Private Limited	-	-	-	-	1	-	-	-	-	-	-	1	
31	Laxmi Narain Kesarwani	-	-	-	-	-	-	-	-	-	0.05	-	0.05	
32	Dilip Kumar Agarwal	-	-	-	-	-	-	-	-	1	-	-	1	
33	Ashu Goyal	8.70	-	-	0.45	-	-	-	1	1.50	0.85	0.30	12.80	
Total		45.65	9.70	50.35	80.20	149.45	3	50.15	146.40	120.40	55.80	65.15	776.25	

27. From the table above, it was observed that Noticee 2 along with 33 entities traded among themselves and contributed Rs. 776.25 (633 trades) to the market +ve LTP, which is 10.58% of the market +ve LTP.

28. Entities at Sr. No. 1 to 33 (sellers) namely Mindex Capital Market Private Limited (Formerly known as MKN Equity Brokers Pvt. Ltd.), JMS, KKSL, Nishant, Centillion, S K HUF, Famous, SSCSL, Economy, Embassy, Accolade, Golden, Parnami, Radhu, Parveen, PFIPL, Rolex, M K N Commodity, Nitin HUF, K K HUF, Mudit HUF, M K HUF, Sanjay, Raghav, Seabird Retails, Seabird Vincon, Seabird Distributors, Savita, Santosh, Shivdarshan, Laxmi, Dilip, and Noticee 2, were alleged to have aided other 11 connected entities (buyers) namely Nishant, Vimgi, Famous, Economy, Embassy, Radhu, Rolex, Seabird Retails, Seabird Vincon, Seabird Distributors and Shivdarshan, by selling shares to increase the price of the scrip.

29. Also, 11 connected entities (buyers) namely Nishant, Vimgi, Famous, Economy, Embassy, Radhu, Rolex, Seabird Retails, Seabird Vincon, Seabird Distributors and Shivdarshan, having net +ve LTP contribution, contributed Rs. 2632.50 (34.03% of the market +ve LTP) to the market +ve LTP.

30. In view of the significant +ve LTP contribution by the entities by trading among themselves it was alleged that the Noticee 2 along with the aforesaid 33 entities i.e. Mindex Capital Market Private Limited (Formerly known as MKN Equity Brokers Pvt. Ltd.), JMS, KKSL, Nishant, Centillion, S K HUF, Famous, SSCSL, Economy, Embassy, Accolade, Golden, Parnami, Radhu, Parveen, PFIPL, Rolex, M K N Commodity, Nitin HUF, K K HUF, Mudit HUF, M K HUF, Sanjay, Raghav, Seabird Retails, Seabird Vincon, Seabird Distributors, Savita, Santosh, Shivdarshan, Laxmi, Dilip and Vimgi, created misleading appearance of trading and manipulated the price of the scrip by contributing to the price rise and have violated Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of SEBI (PFUTP) Regulations, 2003.

IV. Patch 4 - Price Rise - 13/03/2014 to 21/10/2014:

31. During this period, the price of the scrip opened at Rs.430, reached a high of Rs. 880 and closed at Rs. 838.90 i.e., a rise of 95.09%. Buy LTP analysis of the 20 connected entities during this period is tabulated below –

Sr. No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
1	Rolex Vinimay Pvt Ltd	345.55	722974	8640	541.05	70902	334	-195.50	22240	161	629832	8145	8.99
2	Famous Investment Consultants Private Limited	208.05	820428	7532	487.95	80842	355	-279.90	30200	233	709386	6944	8.11
3	Shivdarshan Sales Pvt Ltd	122.80	782113	7655	566.55	61989	351	-443.75	42024	267	678100	7037	9.42
4	Economy Suppliers Pvt Ltd	37.10	194174	2272	209.20	19282	108	-172.10	6146	95	168746	2069	3.48
5	Nisha Amitkumar Gupta	37.05	130	22	37.05	44	4	0	0	0	86	18	0.62
6	Seabird Vincon Pvt Ltd	14.85	169912	1578	148.75	18164	106	-133.90	7067	75	144681	1397	2.47
7	Embassy Sales Private Limited	12	155060	2484	271.20	11978	138	-259.20	5858	132	137224	2214	4.51
8	Vivek Kesarwani	5.85	29420	162	6.50	1427	4	-0.65	300	2	27693	156	0.11
9	Laxmi Narain Kesarwani	5.45	43400	241	5.45	2757	13	0	0	0	40643	228	0.09

Sr. No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
10	Nitin Aggarwal HUF	3.55	4000	53	3.60	523	6	-0.05	125	1	3352	46	0.06
11	S K Aggarwal HUF	0	1500	15	0	0	0	0	0	0	1500	15	0
12	M K Aggarwal HUF	0	2104	17	0.05	140	1	-0.05	10	1	1954	15	0
13	Ashu Goyal	0	400	13	0	0	0	0	0	0	400	13	0
14	M K N Commodity Brokers Private Limited	-0.05	963	35	1	3	1	-1.05	60	2	900	32	0.02
15	Amitkumar Radheshyam Gupta	-3	56	17	2	12	1	-5	4	1	40	15	0.03
16	Mindex Capital Market Private Limited (Formerly known as MKN Equity Brokers Pvt. Ltd.)	-10	1150	7	0.05	50	1	-10.05	500	2	600	4	0
17	J M S Financial Services Ltd.	-11.65	6152	178	15.15	200	11	-26.80	445	8	5507	159	0.25
18	Seabird Distributors Pvt Ltd	-29.90	290895	2442	148.80	22069	148	-178.70	9420	122	259406	2172	2.47
19	Seabird Retails Pvt Ltd	-142	254687	2062	155.40	21597	136	-297.40	13779	143	219311	1783	2.58
20	Nishant Inbuild Limited	-174.95	166251	1026	187.75	23435	97	-362.70	14900	173	127916	756	3.12
Total of connected entities having Net +ve LTP contribution		792.25	2921611	30639	2277.30	267908	1419	-1485.05	113960	966	2539743	28254	37.85
Total of connected entities		420.70	3645769	36451	2787.50	335414	1815	-2366.80	153078	1418	3157277	33218	46.33
Total of Mkt		408.90	4173061	44330	6016.60	389754	2815	-5607.70	190800	2167	3592507	39348	100

32. The connected entities contributed Rs. 2787.50 (46.33% of the market +ve LTP) to the market +ve LTP.

33. The connected entities listed at Sr. No. 1 to 10, having net +ve LTP contribution, contributed Rs. 2277.30 (37.85% of the market +ve LTP) to the market +ve LTP. It was also observed that the net LTP contribution by entities from Sr. No. 1 to 10 was Rs. 792.25 whereas the net LTP contribution of the market was Rs. 408.90.

34. From trading analysis, it was observed that the following 33 entities had traded among themselves and the details are as follows -

Sr. No.	Buyer → Seller ↓	+LTP in Rs.								Total +LTP in Rs.
		Famous Investment Consultants Pvt Ltd	Economy Suppliers Private Limited	Embassy Sales Private Limited	Rolex Vinimay Private Limited	Seabird Vincon Private Limited	Shivdarshan Sales Private Limited	Laxmi Narain Kesarwani	Nisha Amitkumar Gupta	
1	J M S Financial Services Ltd.	28	-	7.05	23	4	29.85	-	-	91.90
2	Nishant Inbuild Limited	7	2.10	22	9.50	-	17.25	-	-	57.85
3	Prabudh Securities Private Limited	1	-	-	-	-	-	-	-	1
4	Vimgi Investment Private Limited.	-	-	4	0.05	-	1	-	-	5.05
5	S K Aggarwal HUF	-	-	-	0.05	-	1	-	-	1.05
6	Famous Investment Consultants Pvt Ltd	-	-	10.25	1	0.30	-	-	-	11.55
7	SS Corporate Securities Limited	0.05	-	-	-	-	4.05	0.25	-	4.35
8	Economy Suppliers Private Limited	1.05	-	5	6	-	0.15	-	-	12.20
9	Embassy Sales Pvt Ltd	9	3.50	-	0.50	3	16.85	-	-	32.85
10	Gulshan Investment Company Limited	0.10	2	-	2.10	0.05	2.10	-	-	6.35
11	Parnami Capital Services Limited	-	-	0.05	2.05	-	1.10	-	-	3.20
12	Rolex Vinimay Pvt Ltd	-	4.50	-	-	-	5.50	-	-	10
13	M K N Commodity Brokers Pvt Ltd	9.20	1.05	6.95	1.20	-	22.95	-	20.10	61.45
14	M K Aggarwal HUF	-	3.75	-	-	-	10	-	-	13.75
15	Raghav Bahl	54.70	13.30	9.95	90.20	8.60	73.40	-	-	250.15
16	Seabird Retails Pvt Ltd	4.05	6.75	0.50	8	-	16.50	0.15	-	35.95
17	Seabird Vincon Pvt Ltd	-	-	5.50	-	17.45	12.95	-	-	35.90
18	Seabird Distributors Private Limited	2.30	-	-	-	-	5	-	-	7.30
19	Shivdarshan Sales Private Limited	-	-	-	5	4.25	2.95	-	-	12.20
20	Shankar Somani	0.20	-	-	1.30	-	1.30	0.10	-	2.90
21	Meena Singhal	0.10	0.10	-	10.05	0.10	0.20	-	-	10.55
22	Anju Dewan	-	-	0.05	1.05	-	3.15	-	-	4.25
23	Aman Dewan	0.35	-	-	-	-	-	-	-	0.35
24	Ritu Kapur	0.35	0.10	-	0.50	-	1.05	-	-	2
25	Mayank Aggarwal	-	-	-	1	-	-	-	-	1
26	Himanshu Aggarwal	0.10	-	-	-	-	-	-	-	0.10
27	Nupur Aggarwal	-	-	-	-	-	1.25	-	-	1.25
28	Sakshi Aggarwal	-	-	-	3.50	-	-	-	-	3.50
29	Ashu Goyal	-	-	3.90	-	-	-	-	-	3.90
30	Satish Singhal	1.10	-	0.10	-	-	-	-	-	1.20
31	Veena Jain	-	-	-	-	-	0.55	-	-	0.55
Total		118.65	37.15	75.30	166.05	37.75	230.10	0.50	20.10	685.60

35. From the table above, it was observed that Noticee 2 along with 32 entities traded among themselves and contributed Rs. 685.60 (455 trades) to the market +ve LTP, which is 11.40% of the market +ve LTP.

36. Entities at Sr. No. 1 to 31 (sellers) namely, JMS, Nishant, Prabudh, Vimgi, S K HUF, Famous, SSCSL, Economy, Embassy, Gulshan, Parnami, Rolex, M K N Commodity, M K HUF, Raghav, Seabird Retails, Seabird Vincon, Seabird Distributors, Shivdarshan, Shankar, Meena, Anju, Aman, Ritu, Mayank, Himanshu, Nupur, Sakshi, Noticee 2, Satish and Veena, allegedly aided other

eight entities (buyers) namely Famous, Economy, Embassy, Rolex, Seabird Vincon, Shivdarshan, Laxmi and Nisha, by selling shares to increase the price of the scrip.

37. Also, eight Entities (buyers) namely, Famous, Economy, Embassy, Rolex, Seabird Vincon, Shivdarshan, Laxmi, Nisha having net +ve LTP contribution, contributed Rs. 2267.20 (37.68% of the market +ve LTP) to the market +ve LTP.

38. In view of the significant +ve LTP contribution by the entities by trading among themselves it was alleged that Noticee 2 along with the aforesaid 32 entities, i.e. JMS, Nishant, Prabudh, Vimgi, S K HUF, Famous, SSCSL, Economy, Embassy, Gulshan, Parnami, Rolex, M K N Commodity, M K HUF, Raghav, Seabird Retails, Seabird Vincon, Seabird Distributors, Shivdarshan, Shankar, Meena, Anju, Aman, Ritu, Mayank, Himanshu, Nupur, Sakshi, Nisha, Satish, Veena and Laxmi, created misleading appearance of trading and manipulated the price of the scrip by contributing to the price rise and thereby it was alleged that the Noticee violated Section 12A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of PFUTP Regulations.

39. New Low Price (NLP) Analysis:

40. NLP contribution by connected entities who have traded in the scrip and their contribution in the new price established during the price fall patches is tabulated as follows:

Patch 2 - Price Fall - 07/02/2013 to 19/03/2013:

Entity Name	BSE			
	Qty	No. of Trades	NLP (Rs.)	% of total mkt NLP
J M S Financial Services Ltd.	840	65	-63.85	44.56
Economy Suppliers Private Limited	323	9	-2.70	1.86
Embassy Sales Private Limited	275	2	-0.55	0.38
Golden Chariot Recreations Pvt Ltd	6912	42	-14.55	10.08
M K N Commodity Brokers Pvt Ltd	617	8	-8.20	5.73
Seabird Retails Private Limited	336	15	-8.10	5.64

Entity Name	BSE			
	Qty	No. of Trades	NLP (Rs.)	% of total mkt NLP
Seabird Vincon Private Limited	2280	15	-8.45	5.87
Seabird Distributors Private Limited	2450	9	-1.05	0.70
Total of connected entities	14033	165	-107.45	74.82
Market Total	39134	274	-143	100

41. From the table above, it was observed that contribution to NLP by nine connected entities was mentioned in the table above Rs.107.45 (74.82% of market NLP).

42. From trading analysis, it was observed that the connected 10 entities had traded among themselves and the details are as follows -

Sr. No.	Seller → Buyer ↓	-LTP in Rs.								Total -LTP in Rs.
		J M S Financial Services Ltd.	Economy Suppliers Private Limited	Embassy Sales Private Limited	Golden Chariot Recreations Private Limited	M K N Commodity Brokers Private Limited	Seabird Retails Private Limited	Seabird Vincon Private Limited	Seabird Distributors Private Limited	
1	J M S Financial Services Ltd.	-	-	-	-	-	-0.35	-0.15	-0.10	0.6
2	Economy Suppliers Pvt Ltd	-1.80	-	-	-2.15	-0.30	-1.65	-	-	5.9
3	Embassy Sales Private Limited	-18.55	-0.65	-	-2.10	-7	-3.80	-0.65	-	32.75
4	M K N Commodity Brokers Pvt Ltd	-	-	-	-0.20	-	-	-5.60	-	5.8
5	Mudit Jain HUF	-	-	-	-	-	-0.05	-0.05	-0.05	0.15
6	Seabird Retails Private Limited	-23.70	-0.95	-0.45	-0.10	-0.20	-1.10	-0.25	-0.05	26.8
7	Seabird Vincon Private Limited	-8.25	-	-	-0.35	-0.05	-	-0.50	-	9.15
8	Seabird Distributors Pvt Ltd	-10.65	-0.05	-	-4.90	-0.05	-0.15	-0.75	-	16.55
9	Ashu Goyal	-0.05	-	-	-1	-	-	-	-	1.05
	Total	-63	-1.65	-0.45	-10.80	-7.60	-7.10	-7.95	-0.20	-98.75

43. From the table, it was observed that by trading Noticee along with 10 entities traded among themselves and contributed Rs. 98.75 (131 trades) to the market NLP, which is 70.24% of the market NLP.

44. Entities at Sr. No. 1 to 9 (buyers) namely JMS, Economy, Embassy, M K N Commodity, Mudit Jain HUF, Seabird Retails, Seabird Vincon, Seabird

Distributors and Ashu, had aided other eight suspected entities (sellers) namely JMS, Economy, Embassy, Golden, M K N Commodity, Seabird Retails, Seabird Vincon and Seabird Distributors, by buying shares to contribute to NLP, allegedly aided other eight entities (sellers) namely JMS, Economy, Embassy, Golden, M K N Commodity, Seabird Retails, Seabird Vincon and Seabird Distributors contributed Rs. 107.45 (74.82% of the market NLP) to the market NLP.

45. In view of the significant NLP contribution by the entities by trading among themselves it was concluded that Noticee 2 along with the aforesaid 9 entities, i.e. JMS, Economy, Embassy, M K N Commodity, Mudit Jain HUF, Seabird Retails, Seabird Vincon, Seabird Distributors and Golden Chariot, created misleading appearance of trading and manipulated the price of the scrip by contributing to the NLP and thereby it was alleged that the Noticee violated Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of SEBI (PFUTP) Regulations, 2003.

46. The aforesaid alleged violations, if established, make the Noticees liable for monetary penalty under Section 15HA of the SEBI Act.

47. The SCN was served to the Noticees by email on July 21, 2020. Vide letter dated September 30, 2020, Noticee filed its reply.

48. The key submissions of the Noticees are reproduced as below:

- a) At the outset it is pertinent to put forth that the very premise of alleging the Noticees hereunder and issuance of the present SCN is based upon an erroneous premise as the Noticee had no association with any of the alleged connected parties during the period of investigation i.e. March 29, 2012 to March 31, 2015.
- b) That the sole allegation of being a connected party is basis the fact that Mr. Goyal is a director of one of the alleged connected party i.e. JMS Financials Limited (hereinafter referred to as "JMS") and on the same

premise, the wife of Mr. Goyal is also alleged to be a connected party. However, it is of utmost importance to mention herein that Mr. Goyal, only became the director of JMS on April 16, 2015, i.e. after the period of investigation ended on March 31, 2015.

- c) That, the Noticees had not been alleged to have any other connection with any of the other alleged connected entities, prior to April 16, 2015.
- d) In addition to aforesaid it is further submitted that the Noticees trading in the scrip has been independent and based upon their own analyses and business acumen. That, the Noticees have been into stock trading and have traded in shares of various listed companies in the past & even continue to do so now. That, it is pertinent to mention that the Noticees primarily traded in scrips of mid-cap companies.
- e) That the overall quantum of trades of the Noticees in all the patches (in scrip of PMC) is as follows:

Sl.	Name of the Noticee	Total quantum of shares	% to the Total trade (Total quantum of shares is 7,85,75,095)
1.	Umesh Goyal	22,586	0.03
2.	Ashu Goyal	23,202	0.03

- f) That, the Noticees undertook miniscule amount of trades as compared to the total trades in the market in the scrip of PMC is combined less than 0.1% of the total trades executed in the market. That, the Noticees have undertaken genuine trading and that, the allegation of them being Connected entities is based on the erroneous premise and the same is not sustainable in light of the fact, that Mr. Goyal was not a director of JMS during the period of investigation
- g) That, the SCN has relied on the fact that Mr. Goyal is the director of JMS, while inadvertently overseeing that Mr. Goyal is the current director of JMS but was not the director/connected entity with JMS during the Investigation Period.
- h) Therefore, the alleged connection being drawn with the Noticees is erroneous and that all charges against them are denied in toto.

i) Submissions with respect to total trading

j) Total trading as compared to market trading had been negligent. Without prejudice to the contention that the premise of the connection of the Noticees is based on an erroneous premise and based upon the said fact alone, all allegations against the Noticee must be dropped it is also submitted that the trading per-se of the Noticees hereunder had been miniscule and the same is reproduced herein below:

Trading During Investigation Period (IP)										
NOTICEE	Total Buy Shares	Total Sale Shares	Total Buy shares of CE*	Total Sell shares of CE*	Total Market Buy shares**	Total Market Sell shares**	%of A to C	% of A to E	% of B to D	% of B to F
	A	B	C	D	E	F	G	H	I	J
Umesh	11293	11293	20420837	12035654	39255742	39319353	0.05	0.02	0.09	0.02
Ashu	11521	11681					0.05	0.02	0.09	0.02
Total							0.10	0.04	0.18	0.04
*CE is for connected entities										
**Total market Buy and Sell is taken by reverse calculation from total buy and sell of CE										

k) From the aforesaid table following are noteworthy:

- l) That, the Noticees only executed a miniscule 0.04% for both, buy side & sell side of the shares of the total market volume of buy size.
- m) That, further, the Noticees have only undertaken 0.10 (buy side) and 0.18% (sale side) of the total trades by the connected entities (assuming that they are connected but without denying the contention that Noticees had no connection with the Noticees or other alleged Connected Entities).
- n) It is also worth submitting that the Noticees hereunder have had no off-market trades and the same is evident from the SCN itself as no allegation or observation has been made against the Noticees in this regard.

o) Submissions in respect of the allegations as to LTP contribution

A. In respect of the Patch – 1 of Price rise – March 29, 2012 to February 06, 2013

p) From the information provided in the SCN itself, following is pertinent to be noted (table at Para 17)

Noticee No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
42	Umesh	(32.70)	11293	260	13.35	985	22	(46.05)	1160	24	9148	214	0.30

q) It is apparent from the table that even though the trade done by the Noticee was miniscule, the majority of those trades were carried out at a price lower than the then prevailing market price, that is a negative LTP contribution. That, the SCN also makes an observation to this effect at Para 18.

r) That, there was no trade undertaken on part of the Noticee in relation to the Patch – 1.

s) Further, with respect to observation made in Para 22 of the SCN, it is essential to note that Mr. Goyal was a seller and therefore as a seller, it is natural phenomenon that the trader would like to draw higher price. This again is in addition to the submissions of the Noticee that it is not connected with the other Noticee or is not amongst the Connected Entities (for the reason as duly explained herein above).

t) With respect to Para 24 as well as Para 26, it is herein submitted that the Noticee traded on stock market and through SEBI registered stock broker. That the Noticee had no mechanism to know as to who the counter parties are. More importantly in due regard to the fact that there is no alleged connection between the Noticees and other Noticees and/or Connected Entities, the allegation in Para 24 are not sustainable.

B. In respect of the Patch – 2 of Price Fall - February 07, 2013 to March 19, 2013

u) From the information provided in the SCN itself, following is pertinent to be noted (table at Para 28)

Notice No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of (-)ve LTP to Total Market (-)ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
43	Ashu	1.50	5475	68	2.55	500	3	(1.05)	500	2	4475	63	0.12

- v) It is once again apparent from the table, that the trades done by the Noticee was of an infinitesimal quantity, that the majority of those trades contributed to (0) zero LTP. That, the overall contribution of the Noticee was (+) positive LTP, in a manner opposite to the general trend of the other alleged connected parties. That, the SCN also makes an observation to this effect at Para 29.
- w) That, there was no trade undertaken on part of the Noticee in relation to the Patch – 2.
- x) Further, with respect to observation made in Para 33 of the SCN, it is essential to note that Mrs. Goyal was a buyer and therefore as a buyer, it is natural phenomenon that the trader would like to draw a lower price. This again is in addition to the submissions of the Noticee that she is not connected with the other Noticee or is not amongst the Connected Entities (for the reason as duly explained herein above).
- y) With respect to Para 34 as well as Para 37, it is herein submitted that the Noticee traded on stock market and through SEBI registered stock broker. That she had no mechanism to know as to who the counter parties are. More importantly in due regard to the fact that there is no alleged connection between the Noticees and other Noticees and/or Connected Entities, the allegation in Para 37 are not sustainable.

C. In respect of Patch 3 – Price Rise – March 20, 2013 to March 12, 2014

- z) From the information provided in the SCN itself, following is pertinent to be noted (table at Para 39)

Notice No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of (+) ve LTP to Total Market (+) ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
43	Ashu	(7.45)	5546	199	6.65	596	8	(14.10)	240	13	4710	178	0.09

aa) It is to be noted that once again the trading by the Noticee was miniscule, and that the majority of those trades were carried out at a price lower than the then prevailing market price, that is a negative LTP contribution. That, the SCN also makes an observation to this effect at Para 40.

bb) That, there was no trade undertaken on part of the Noticee in relation to the Patch – 3.

cc) Further, with respect to observation made in Para 44 of the SCN, it is essential to note that Mrs. Goyal only sold a miniscule amount of shares and therefore as a seller, it is natural phenomenon that the trader would like to draw higher price. This again is in addition to the submissions of the Noticee that she is not connected with the other Noticee or is not amongst the Connected Entities (for the reason as duly explained herein above).

dd) With respect to Para 46 as well as Para 48, it is herein submitted that the Noticee traded on stock market and through SEBI registered stock broker. That she had no mechanism to know as to who the counter parties are. More importantly in due regard to the fact that there is no alleged connection between the Noticees and other Noticees and/or Connected Entities, the allegation in Para 48 are not sustainable.

D. In respect of Patch 4 – Price Rise – March 13, 2014 to October 10, 2014 ee)

From the information provided in the SCN itself, following is pertinent to be noted (table at Para 50)

Notice No.	Buyer Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of (-) ve LTP to Total Market (-) ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
43	Ashu	0	400	13	0	0	0	0	0	0	400	13	0

ff) That, it most humbly put forth that the executed only 13 trades for 400 shares with zero (0) LTP contribution. That, this further strengthens the

Noticee claim that the trades which were executed by her, were all genuine and had no role/involvement in contributing to the LTP rise.

gg) That, there was no trade undertaken on part of the Noticee in relation to the Patch - 4.

hh) Further, with respect to observation made in Para 55 of the SCN, it is essential to note that Mrs. Goyal, only sold 400 odd shares and but as a seller, it is natural phenomenon that the trader would like to draw higher price. This again is in addition to the submissions of the Noticee that she is not connected with the other Noticee or are not amongst the Connected Entities (for the reason as duly explained herein above). Further, there is only one transaction of Mrs. Ashu Goyal in this patch with one of the alleged connected entities, which is being shown as here contribution to LTP.

ii) With respect to Para 57 as well as Para 58, it is herein submitted that the Noticee traded on stock market and through SEBI registered stock broker. That she had no mechanism to know as to who the counter parties are. More importantly in due regard to the fact that there is no alleged connection between the Noticees and other Noticees and/or Connected Entities, the allegation in Para 48 are not sustainable.

jj) That, it is utmost pertinent to highlight the fact that the Noticee only traded in one patch out of the 4 patches of LTP Contribution as alleged in the SCN and the Noticee also did not trade in all the patches. Further, the Noticees traded an extremely miniscule number of shares which cannot be alleged to have any impact on the LTP contribution.

E. In relation to the charges of Reg. 3(a)(b)(c)(d) of the PFUTP Regulations

kk) That, the charge of fraud is a serious one, as the charge of fraud can severally tarnish the image of the Noticee for all times to come. However, it is most humbly submitted that the Noticee is being charged with a charge as serious as fraud, which requires the highest standards of evidence, based on the fact the Noticee is a current director of one of the connected parites. And as already explained, the Noticee was not a

director & the Noticees had no connection with any of the alleged connected entities during the period of investigation. In relation to the aforesaid, we would like to draw the kind attention of your good office to the following decisions:

(i.) In the matter of ***R. K. Global v/s SEBI (Appeal no. 158/2008 decided on 16.09.2010)***, the Hon'ble Securities Appellate Tribunal observed as under:

"...Let us not forget that the Appellant has been charged for executing fraudulent trades which is, indeed, a serious charge and cannot be established on mere suspicion and should have firmer ground to stand upon. A higher degree of probability must exist before such a charge could be found to have been established"

(ii.) In the matter of ***Narendra Ganatra v/s SEBI (Appeal No 47 of 2011 decided on 29.07.2011)***, Hon'ble Securities Appellate Tribunal observed as under:

"...We should not lose sight of the fact that the charge against the appellant is of conniving with the group entities in creating false and misleading appearance of trading in the market and artificially raising the price of the scrip and for such a serious charge, higher degree of probability is required. Such a charge cannot stand on surmises and conjectures..."

II) That, therefore, it is most humbly submitted that the none of the aforementioned sub-regulations of Regulation 3 are not attracted in the case of the Noticees, and the charges in relation to the same ought to be dropped.

49. An opportunity of hearing was provided to the Noticees on October 22, 2020 vide notice dated October 9, 2020 through video conferencing. In this regard, Noticees vide email dated October 21, 2020 informed that Mr. Mahipal Gupta would be attending the hearing on their behalf. Hearing on October 22, 2020

was attended by Noticees Authorised Representative (AR) – Mr. Mahipal Gupta who reiterated the submissions made in their reply dated September 30, 2020. AR of the Noticees vide email dated October 22, 2020 informed that Noticee 1 made a profit of approximately Rs.7000/- and Noticee 2 made a profit approximately Rs2 Lakhs.

50. As the inquiry in the matter has been completed, I now proceed to decide the case on the basis of SCN issued, replies made by the Noticee and material available on record.

CONSIDERATION OF ISSUES AND FINDINGS

51. The issues that arise for consideration in the instant matter are:

Issue No. I Whether Noticees are in violation of Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of PFUTP Regulations as alleged in the SCN?

Issue No. II If yes, whether the failure, on the part of the Noticees would attract monetary penalty under Section 15HA of the SEBI Act?

Issue No. III If yes, what would be the monetary penalty that can be imposed upon the Noticees taking into consideration the factors stipulated in Section 15J of the SEBI Act read with Rule 5(2) of the Adjudication Rules?

Issue No. I **Whether Noticees is in violation of Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of PFUTP Regulations as alleged in the SCN?**

52. Noticees 1 and 2 are husband and wife. The allegations against the Noticees are based on the connection of Noticee 1 established with JMS Financial Services Ltd., which was one of the connected entities, amongst a group of entities connected to each other.

53. Noticee 1 has submitted that he became director of JMS Financial on 16 April 2015, which is after the investigation period of 29 March 2012 to 31 March 2015. This has been verified from the MCA website. The impugned trades of the Noticees have happened between June 2012 and June 2014. Hence, at the time of the trading by the Noticees, there was no connection existing between the Noticees and JMS Financial and consequently with the other group entities.

54. Further, when examining the trades of the Noticees in respective Patches, following is noted:

Noticee 1:

Patch 1 – Price Rise – 29/03/2012 to 06/02/2013:

55. Noticee 1 purchased 11293 shares of PMC and sold the same number of shares and made a profit of approximately Rs. 7,000/- on the same. The following is noted from the trade log:

Trade	Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
Buy Trade	Umesh	-32.70	11293	260	13.35	985	22	-46.05	1160	24	9148	214	0.30
Sell Trade	Umesh	-0.45	11293	290	18.45	1200	23	-18.9	1411	29	8682	238	0.40
Total of Mkt		178	8773718	99367	4516.20	709694	6019	-4338.20	760944	5329	7303080	88019	100

56. The details of 260 buy trades on 29 trading days and 260 sell trades on 29 trading days during the period - March 29, 2012 to February 6, 2013 are given below:-

Sl. No.	Date of transaction	Total Quantity Purchased	Total Trades	LTP_RATE	Date of Transaction	Total Quantity Sold	Total Trades	LTP_RATE
1	22-Jun-12	100	1	-0.2	25-Jun-12	100	17	2.75
2	26-Jun-12	143	8	-6	26-Jun-12	143	8	-1
3	29-Jun-12	100	2	2.5	02-Jul-12	100	6	0
4	25-Jul-12	400	15	0	25-Jul-12	400	8	0
5	26-Jul-12	63	2	0.4	26-Jul-12	63	3	-0.35
6	27-Jul-12	100	5	0.1	27-Jul-12	100	1	0
7	30-Jul-12	300	5	0.75	30-Jul-12	300	4	0

Sl. No.	Date of transaction	Total Quantity Purchased	Total Trades	LTP_RATE	Date of Transaction	Total Quantity Sold	Total Trades	LTP_RATE
8	31-Jul-12	200	3	-5	31-Jul-12	200	11	0
9	01-Aug-12	282	6	1	01-Aug-12	282	12	-10.25
10	02-Aug-12	475	12	0	02-Aug-12	475	15	-0.1
11	03-Aug-12	595	14	1.25	03-Aug-12	595	11	1.25
12	06-Aug-12	910	26	-1	06-Aug-12	910	32	1.5
13	07-Aug-12	500	17	0	07-Aug-12	500	16	2.25
14	08-Aug-12	785	22	-9.4	08-Aug-12	785	22	0.15
15	09-Aug-12	300	8	0.25	09-Aug-12	300	7	-0.05
16	10-Aug-12	20	1	0	10-Aug-12	20	2	0
17	13-Aug-12	250	7	-0.9	13-Aug-12	250	5	0.1
18	14-Aug-12	250	8	-2	14-Aug-12	250	5	0.5
19	16-Aug-12	275	8	-3	16-Aug-12	275	8	3.45
20	17-Aug-12	250	4	0.5	17-Aug-12	250	9	-0.55
21	22-Aug-12	200	7	-3	22-Aug-12	200	7	0
22	23-Aug-12	350	15	-5.5	23-Aug-12	350	13	0.25
23	24-Aug-12	100	2	0	24-Aug-12	100	1	0.2
24	27-Aug-12	350	7	0.05	27-Aug-12	350	5	0
25	28-Aug-12	100	2	0	28-Aug-12	100	2	-1
26	29-Aug-12	100	1	0	29-Aug-12	100	1	0
27	03-Dec-12	2095	38	-2.3	03-Dec-12	2095	29	-0.55
28	04-Dec-12	950	7	-1.2	04-Dec-12	950	22	-0.2
29	18-Dec-12	750	7	0	18-Dec-12	750	8	1.2
Total		11293	260	-32.7		11293	290	-0.45

57. The buy and sell trades were on the same days except for purchase of 100 shares on 22/06/2012 and 29/06/2012 and sale of 100 shares on 25/06/2012 and 02/07/2012. Noticee 1 thus purchased and sold equal quantity of shares and his net purchase is Nil.

58. The net LTP contribution by the Noticee 1 buy trades is negative Rs.32.7. Sell trades of the Noticee 1 have a net LTP contribution of negative Rs.0.45. Hence, I find that whereas, there was price rise in PMC during this period, Noticee 1's trades caused negative price impact both on buy side and sell side.

59. Hence, the trading pattern by the Noticee of engaging in daily trades on both buy and sell side with varying quantity of shares traded, actually LTP contributed by the Noticee 1 based on all his trades of negative Rs.33.15 and with no collusion or connection with any other entity, the charge of price manipulation is not established.

60. In view of the above, I find that the allegation levelled against Noticee regarding violation of Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of PFUTP Regulations does not stand established.

Noticee 2:

Patch 2 – Price Fall – 07/02/2013 to 19/03/2013

61. This was a price fall period and following is noted from the trade log:

Trade	Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of -ve LTP to Total Market -ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
Buy Trade	Ashu	1.45	5577	65	2.7	550	6	-1.25	415	3	4610	56	0.14
Sell Trade	Ashu	1.50	5475	68	2.55	500	3	-1.05	500	2	4475	63	0.12
Total of Mkt		-141.50	4693765	27925	715.45	254244	1266	-856.95	272957	1602	4166564	25057	100

62. Noticee 2 purchased a total of 5577 shares in 65 trades on 9 trading days and sold total 5475 shares in 68 trades on 9 trading days as given below:-

Sl. No.	Date of transaction	Total Quantity Purchased	Total Trades	LTP_RATE	Date of Transaction	Total Quantity Sold	Total Trades	LTP_RATE
1	08-Feb-13	50	1	0	08-Feb-13	50	1	0
2	25-Feb-13	400	3	0	25-Feb-13	400	8	0
3	28-Feb-13	650	6	-0.5	28-Feb-13	650	10	-1
4	01-Mar-13	500	2	-0.5	01-Mar-13	500	8	0
5	04-Mar-13	250	1	0	04-Mar-13	250	2	0
6	05-Mar-13	1225	15	2.2	05-Mar-13	1125	17	0
7	06-Mar-13	500	8	0	06-Mar-13	500	12	0
8	07-Mar-13	1000	16	0	07-Mar-13	1000	6	0.3
9	12-Mar-13	1000	13	0.25	12-Mar-13	1000	4	2.2
Total		5575	65	1.45		5475	68	1.5

63. The buy and sell trades were on the same days for same number of shares except for purchase of 1225 shares on March 5, 2013 and sale of 1125 shares on March 5, 2013. Considering that the Noticee 2 bought and sold an equal or near equal quantity of shares during the 9 days she traded, the price impact of her trades cannot be seen solely on the basis of buy trades. With buy and

sell trades on the same day, the impact of the trades has to be measured in totality.

64. The net LTP contribution by the Noticee 2 buy trades is Rs.1.45 and the sell trades of the Noticee 2 have a net LTP contribution of Rs.1.50. Therefore the actual LTP contributed by the Noticee 1 based on all his trades is Rs.2.45.

65. Hence, I find that whereas, there was price fall in PMC share price during this period, Noticee 2's trades caused positive price impact both on buy side and sell side.

66. Hence, the trading pattern by the Noticee of engaging in daily trades on both buy and sell side, actually LTP contributed by the Noticee 2 based on all her trades of Rs.2.45 and with no collusion or connection with any other entity, the charge of price manipulation is not established.

67. In view of the above, I find that the allegation levelled against Noticee 2 regarding violation of Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of PFUTP Regulations does not stand established.

Patch 3 – Price Rise – 20/03/2013 to 12/03/2014.

68. The following was noted from the trade log:

Trade	Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
Buy Trade	Ashu	-7.45	5546	199	6.65	596	8	-14.10	240	13	4710	178	0.09
Sell Trade	Ashu	23.75	5446	243	24.3	490	19	-0.55	40	2	4916	222	0.31
Total of Mkt		704.75	6186257	62187	7735.85	397456	4203	-7031.10	464560	3885	5324241	54099	100

69. Noticee 2 purchased a total of 5546 shares in 199 trades on 24 trading days and sold total 5446 shares in 243 trades on 23 trading days during the investigation period - March 20, 2013 to March 12, 2014, as given below:-

Sl. No.	Date transaction of	Total Quantity Purchased	Total Trades	LTP_RATE	Date Transaction of	Total Quantity Sold	Total Trades	LTP_RATE
1	14-Jun-13	100	6	0				
2	18-Jun-13	250	14	0	18-Jun-13	250	15	0
3	26-Jun-13	25	2	0	26-Jun-13	25	1	0
4	05-Jul-13	477	23	-4.9	01-Jul-13	100	4	-0.5
5	19-Jul-13	200	15	0.05	03-Jul-13	100	10	4.9
6	08-Aug-13	200	10	-0.1	05-Jul-13	477	28	1.5
7	12-Aug-13	200	10	-1.7	08-Aug-13	400	20	2
8	21-Aug-13	102	8	-0.4	21-Aug-13	102	7	0.85
9	22-Aug-13	250	2	0	22-Aug-13	250	10	0.45
10	26-Aug-13	250	2	0	26-Aug-13	250	10	1.5
11	28-Aug-13	200	11	0.45	28-Aug-13	200	11	-0.05
12	05-Sep-13	540	5	0	05-Sep-13	540	7	1.5
13	06-Sep-13	30	10	-0.5	06-Sep-13	30	1	0.25
14	01-Oct-13	250	7	0	01-Oct-13	250	11	0.25
15	07-Oct-13	147	1	0	07-Oct-13	147	9	1.75
16	09-Oct-13	175	8	-0.25	09-Oct-13	175	11	0.15
17	10-Oct-13	250	10	-1	10-Oct-13	250	20	7.9
18	11-Oct-13	50	1	0	11-Oct-13	50	10	0.8
19	15-Oct-13	250	10	0.1	15-Oct-13	250	2	0
20	22-Oct-13	100	4	0	22-Oct-13	100	10	0.4
21	10-Dec-13	250	10	-0.75	10-Dec-13	250	10	0.05
22	12-Dec-13	150	4	3.95	12-Dec-13	150	10	0
23	28-Feb-14	500	4	1	28-Feb-14	500	12	0
24	03-Mar-14	600	22	-3.4	03-Mar-14	600	14	0.05
Total		5546	199	-7.45		5446	243	23.75

70. I note from the above that the buy and sell trades were on the same days except for purchase of 200 shares on 19/07/2013, 08/08/2013 and 12/08/2013 and sale of 100 shares on 01/07/2013 and 03/07/2013 and sale 400 shares on 08/08/2013. Considering that the Noticee 2 bought and sold an equal quantity of shares during the 26 days she traded, with both buying and selling on 21 days as seen from the trade log, the price impact of her trades cannot be seen solely on the basis of buy trades. With buy and sell trades on the same day, the impact of the trades has to be measured in totality.

71. The net LTP contribution by the Noticee 2 buy trades is negative Rs.7.45. However, the sell trades of the Noticee 2 have a net LTP contribution is Rs.23.75. Therefore the actual LTP contributed by the Noticee 1 based on all her trades is Rs.16.3.

72. Here I note that the SCN has not referred to the positive LTP contribution of the sell trades of Noticee, and has stated that Noticee contributed negative LTP in

a price rise period. However, with no collusion or connection with any other entity, and allegation of negative LTP in a price rise period, the charge of price manipulation is not established.

73. In view of the above, I find that the allegation levelled against Noticee regarding violation of Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of PFUTP Regulations does not stand established.

74. Patch 4 - Price Rise - 13/03/2014 to 21/10/2014:

75. This is a price rise period.

Trade	Name	All trades			LTP Diff. >0			LTP Diff. < 0			LTP Diff. =0		% of +ve LTP to Total Market +ve LTP
		Sum of LTP diff	Sum of QTY	No of trades	LTP impact	QTY traded	No of trades	LTP impact	QTY traded	No of trades	QTY traded	No of trades	
Buy Trade	Ashu	0	400	13	0	0	0	0	0	0	400	13	0
Sell Trade	Ashu	10	760	70	11.1	20	4	-1.1	125	3	615	63	0
Total of Mkt		408.9	4173061	44330	6016.6	389754	2815	-5607.7	190800	2167	3592507	39348	100

76. Noticee 2 purchased a total of 400 shares in 13 trades on 2 trading days and sold total 760 shares in 70 trades on 5 trading days during March 13, 2014 to October 21, 2014 as given below:-

Sl. No.	Date of transaction	Total Quantity Purchased	Total Trades	LTP_RATE	Date of Transaction	Total Quantity Sold	Total Trades	LTP_RATE
1	13-Mar-14	150	2	0	13-Mar-14	150	27	10.1
2	02-Jun-14	250	11	0	06-May-14	60	6	0
3					07-May-14	100	15	-0.05
4					09-May-14	200	17	0
5					30-May-14	250	5	-0.05
Total		400	13	0		760	70	10

77. The net LTP contribution by the Noticee 2 buy trades is zero. However, the sell trades of the Noticee 2 have a net LTP contribution is Rs.10. I note that out of 27 sell trade of 150 shares on 13 March 2014, Noticee 2, 5 sell trades contributed Rs.10.1 to LTP. The counterparty in these trade were scattered (Ashwani Bansal, Kshirod Kumari Rautray, Mukesh Pravinbhai Patel, Embassy Sales Private Limited), which have no connection with Noticee 2. In the

absence of any collusion or connection with any other entity the charge of price manipulation by Noticee in this patch is not established.

78. In view of the above, I find that the allegation levelled against Noticee 2 regarding violation of Section 12 A(a),(b),(c) of SEBI Act, 1992 r/w Regulation 3(a),(b),(c),(d) and Regulation 4(1), 4(2) (a), (e) of PFUTP Regulations does not stand established.

79. In view of the above, I find that the allegations levelled against Noticee 1 and Noticee 2 do not stand established.

80. Therefore, issues II and III do not merit consideration.

ORDER

81. In view of the findings noted in the preceding paragraphs, the adjudication proceeding initiated against the Noticees i.e. Umesh Goyal and Ashu Goyal vide SCN dated July 21, 2020 are disposed of.

82. Copy of this Adjudication Order is being sent to the Noticees and also to SEBI in terms of Rule 6 of the Adjudication Rules.

DATE: OCTOBER 29, 2020

PLACE: MUMBAI

MANINDER CHEEMA

ADJUDICATING OFFICER