

**BEFORE THE ADJUDICATING OFFICER SECURITIES AND EXCHANGE  
BOARD OF INDIA [ADJUDICATION ORDER NO. Order/BD/AA/2020-21/9826-  
9847]**

**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

<b>S. No.</b>	<b>Name of the Noticee</b>	<b>PAN</b>
1.	Jinesh Bhatt	AKDPB6133C
2.	Deepak Pandurang Vikhape	AFCPV3352H
3.	Pooja Jinesh Bhatt	AOLPB5611F
4.	Shriti Jignesh Bhatt	BHGPB2695J
5.	Nagmaheshwar Balraj Yellamelli	ABL PY9972D
6.	Yogesh Bhawansingh Bisht	ARDPB3914G
7.	Rajnish Tiwari	AFIPT6953J
8.	Avinash Tiwari	AJHPT4613N
9.	Sanjay Saha	ABZPS1804L
10.	Amarender Kumar	BPWPK3680Q
11.	Slesha Pradeep Ghosh	ASGPG3261M
12.	Sanjay Gupta	ALCPG7419G
13.	Anji Reddy Vanga	AFLPV5261L
14.	Ravindra Nath Mishra	AMCPM1105C
15.	Vineet Sinha	BJPPS8679L
16.	Ganesh Nainsingh Sunar	DWFPS0045P
17.	Vishal Anand	AHQPA5685C
18.	Elizabeth Peter Gonsalves	BKQPG8186E
19.	Shweta Asthana	AVAPA1910G
20.	Ruben Chetty	AMJPC5528Q
21.	Preeti	CGUPP2139R
22.	Lalit	AIOPL1626K

**In the matter of Synergy Bizcon Limited**

## **BACKGROUND OF THE CASE**

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') conducted an investigation in the scrip of Synergy Bizcon Limited (hereinafter referred to as '**Synergy / Company**') *inter-alia* to ascertain any possible violation of the provisions of SEBI Act, 1992 (hereinafter referred to as '**SEBI Act**') and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 (hereinafter referred to as '**PFUTP Regulations, 2003**') in the trading of certain entities during the period May 26, 2015 to October 14, 2016 (hereinafter referred to as '**Investigation Period**' / '**IP**').
2. Pursuant to investigation, it was observed by SEBI that a group of entities viz. Jinesh Bhatt, Deepak Pandurang Vikhape, Pooja Jinesh Bhatt, Shriti Jinesh Bhatt, Nagamamaheshwar Balraj Yellamellai, Yogesh Bhawansingh Bisht, Rajnish Tiwari, Avinash Tiwari, Sanjay Saha, Amarender Kumar, Slesha Pradeep Ghosh, Sanjay Gupta, Anji Reddy Vanga, Ravindra Nath Mishra, Vineet Sinha, Ganesh Nainsingh Sunar, Vishal Anand, Elizabeth Peter Gonsalves, Shwetha Ashthana, Ruben Chetty, Preeti and Lalit (hereinafter referred to as '**Noticee-1 to 22**')/Collectively as '**Noticees**') indulged in trades that did not result in change of beneficial ownership, created misleading appearance of trading and contributed to increase in the scrip price of Synergy Bizcon Ltd in a manipulative manner. In view of the same, it was observed that the Noticees had violated the provisions of regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), (e) and

(g) of PFUTP Regulations, 2003 read with Section 12A(a), (b) & (c) of the SEBI Act.

### **APPOINTMENT OF ADJUDICATING OFFICER**

3. The undersigned was appointed as Adjudicating Officer, vide Order dated April 09, 2019, under Section 19 read with Sub-section (1) & (2) of Section 15-I of the SEBI Act and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as “**Adjudication Rules**”) to inquire into and adjudge the alleged violations committed by the Noticees under Section 15HA of SEBI Act.

### **SHOW CAUSE NOTICE, REPLY AND HEARING**

4. A Show Cause Notice dated August 29, 2019 (hereinafter referred to as ‘**SCN**’) was issued to the Noticees under Rule 4(1) of the Adjudication Rules to show-cause as to why an inquiry should not be initiated against the Noticees and why penalty should not be imposed upon the Noticees under Section 15HA of the SEBI Act for the violations alleged to have been committed by the Noticees. The following allegations were made in the SCN:

- A. The gross buy, gross sell and net traded volume of the suspected entities during the IP are as follows:-

**TABLE 1: Gross buy, Gross sell and Net traded volume of the suspected entities during the IP**

Sr. No.	Pan No.	Name of the Client	Gross Buy	Gross Sell	Net Buy/(Net Sell)
1	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	1299018	1226583	72435
2	ABZPS1804L	Sanjay Saha	111415	98415	13000
3	AFCPV3352H	Deepak Pandurang Vikhape	1066173	1010121	56052

4	AFIPT6953J	Rainish Tiwari	549081	546399	2682
5	AFLPV5261L	Anji Reddy Vanga	235891	235876	15
6	AHQPA5685C	Vishal Anand	294611	294465	146
7	AJHPT4613N	Avinash Tiwari	135938	125207	10731
8	AKDPB6133C	Jinesh Bhatt	509069	472615	36454
9	ALCPG7419G	Sanjay Gupta	236472	234977	1495
10	AMCPM1105C	Ravindra Nath Mishra	429018	427523	1495
11	AOLPB5611F	Pooja Jinesh Bhatt	512478	452672	59806
12	ASGPG3261M	Slesha Pradeep Ghosh	826486	827582	(1096)
13	AVAPA1910G	Shweta Asthana	452997	445699	7298
14	BHGPB2695J	Shriti Jignesh Bhatt	534617	499988	34629
15	BHYPP2367P	Kunchanmala Rampravesh Patel	2	11515	(11513)
16	BJPPS8679L	Vineet Sinha	503839	495140	8699
17	BKQPG8186E	Elizabeth Peter Gonsalves	391940	375244	16696
18	BPWPK3680Q	Amarender Kumar	221801	215635	6166
19	CGUPP2139R	Preeti	397754	397748	6
20	DWFPS0045P	Ganesh Nainsingh Sunar	766714	740518	26196
21	ARDPB3914G	Yogesh Bhawansingh Bisht	1359303	1298374	60929
22	AIOP1626K	Lalit	174135	173091	1044
23	AMJPC5528Q	Ruben Chetty	268234	259803	8431
24	BUHPK5069B	Rajesh Naval Kumar	0	9650	(9650)
	<b>Grand Total</b>		<b>11276986</b>	<b>10874840</b>	<b>402146</b>
	<b>% of market vol.</b>		<b>61.97%</b>	<b>59.76%</b>	<b>2.21%</b>

B. It is observed that the entities referred in para 3 above had altogether entered into trades among themselves for 79,92,246 shares constituting 43.92% of the total market volume. Further the said shares constituted 70.82% of buy volume and 73.49 % of the sell volume of the group.

#### **Reversal of trade by the entities during IP**

C. During IP, the entities had entered into reversal of trades (opposite transaction on the same day between same set of entities). The summary of reversal of trades is tabulated as under:-

**TABLE 2: Details of Reversal trades amongst the suspected entities**

Pan 1 Client Name	Pan 2 Client Name	Qty.1 (Pan 1(Sell) To Pan 2(Buy)	Qty.2 (Pan 2(Sell) To Pan 1(Buy))	% Of Reversal Qty. To Mkt Vol.	Sum Of Reversal Qty.	No. Of Reversal Trades	Artificial Volume created by reversal trades	% of non-genuine volume to mrkt volume
Nagmaheshwar Balraj Yellamelli	Deepak Pandurang Vikhape	22250	22130	0.07	12263	2565	24526	0.13
Nagmaheshwar Balraj Yellamelli	Jinesh Devendra Bhatt	6000	291	0	291	300	582	0.00

Nagmaheshwar Balraj Yellamelli	Ravindra Nath Mishra	5112	2851	0.01	2343	185	4686	0.03
Nagmaheshwar Balraj Yellamelli	Pooja Jinesh Bhatt	4631	5121	0.01	2501	383	5002	0.03
Nagmaheshwar Balraj Yellamelli	Yogesh Bhawansingh Bisht	51977	64609	0.18	32623	8991	65246	0.36
Nagmaheshwar Balraj Yellamelli	Slesha Pradeep Ghosh	16401	14975	0.05	8241	2648	16482	0.09
Nagmaheshwar Balraj Yellamelli	Shweta Asthana	10264	6845	0.04	6845	125	13690	0.08
Nagmaheshwar Balraj Yellamelli	Shriti Jinesh Bhatt	13138	6339	0.02	3739	455	7478	0.04
Nagmaheshwar Balraj Yellamelli	Vineet Sinha	2690	9791	0.01	867	216	1734	0.01
Nagmaheshwar Balraj Yellamelli	Gonsalves	1030	3275	0.01	1030	346	2060	0.01
Nagmaheshwar Balraj Yellamelli	Amarender Kumar	1122	8	0	8	54	16	0.00
Nagmaheshwar Balraj Yellamelli	Ganesh Nainsingh Sunar	29006	15332	0.04	7222	3297	14444	0.08
Sanjay Saha	Pooja Jinesh Bhatt	1303	250	0	250	2	500	0.00
Deepak Pandurang Vikhape	Rajnish Tiwari	1061	834	0	834	60	1668	0.01
Deepak Pandurang Vikhape	Anjireddy V	215	632	0	193	94	386	0.00
Deepak Pandurang Vikhape	Vishal Anand	1	4	0	1	5	2	0.00
Deepak Pandurang Vikhape	Lalit	212	20	0	11	36	22	0.00
Deepak Pandurang Vikhape	Jinesh Devendra Bhatt	4760	27	0	27	207	54	0.00
Deepak Pandurang Vikhape	Sanjay Gupta	4	668	0	4	15	8	0.00
Deepak Pandurang Vikhape	Ravindra Nath Mishra	5982	12544	0.02	3829	176	7658	0.04
Deepak Pandurang Vikhape	Ruben Chetty	361	11	0	11	89	22	0.00
Deepak Pandurang Vikhape	Pooja Jinesh Bhatt	597	568	0	568	16	1136	0.01
Deepak Pandurang Vikhape	Yogesh Bhawansingh Bisht	28832	39721	0.08	14026	3505	28052	0.15
Deepak Pandurang Vikhape	Slesha Pradeep Ghosh	6798	1800	0	720	936	1440	0.01
Deepak Pandurang Vikhape	Shweta Asthana	337	1774	0	187	106	374	0.00
Deepak Pandurang Vikhape	Shriti Jinesh Bhatt	13605	11360	0.04	6520	1475	13040	0.07
Deepak Pandurang Vikhape	Vineet Sinha	3075	2526	0.01	1455	223	2910	0.02
Deepak Pandurang Vikhape	Elizabeth Peter Gonsalves	842	1859	0	802	48	1604	0.01
Deepak Pandurang Vikhape	Gonsalves	738	295	0	295	55	590	0.00
Deepak Pandurang Vikhape	Amarender Kumar	5	9	0	5	9	10	0.00
Deepak Pandurang Vikhape	Preeti	329	59	0	58	86	116	0.00
Deepak Pandurang Vikhape	Ganesh Nainsingh Sunar	55208	54263	0.14	24273	10074	48546	0.27
Rajnish Tiwari	Anjireddy V	201	50	0	50	34	100	0.00
Rajnish Tiwari	Vishal Anand	34009	34147	0.19	33997	203	67994	0.37
Rajnish Tiwari	Sanjay Gupta	31615	30570	0.16	30079	142	60158	0.33
Rajnish Tiwari	Ravindra Nath Mishra	25386	22955	0.13	22894	189	45788	0.25
Rajnish Tiwari	Ruben Chetty	2000	890	0.01	890	6	1780	0.01
Rajnish Tiwari	Yogesh Bhawansingh Bisht	405	88	0	88	12	176	0.00
Rajnish Tiwari	Shweta Asthana	6491	10378	0.03	6267	105	12534	0.07
Rajnish Tiwari	Vineet Sinha	8451	4303	0.02	4298	114	8596	0.05
Rajnish Tiwari	Amarender Kumar	17213	17184	0.09	17168	140	34336	0.19
Rajnish Tiwari	Preeti	168433	169549	0.92	167611	812	335222	1.84
Anjireddy V	Vishal Anand	4099	3832	0.02	3801	38	7602	0.04
Anjireddy V	Lalit	49396	50071	0.27	49347	492	98694	0.54
Anjireddy V	Sanjay Gupta	3372	3215	0.02	3210	88	6420	0.04

Anjireddy V	Yogesh Bhawansingh Bisht	36	36	0	36	2	72	0.00
Anjireddy V	Shweta Asthana	4770	1260	0.01	919	117	1838	0.01
Anjireddy V	Vineet Sinha	24019	24694	0.13	23961	317	47922	0.26
Anjireddy V	Amarender Kumar	3015	3014	0.02	3013	46	6026	0.03
Anjireddy V	Preeti	114066	113666	0.63	113060	643	226120	1.24
Vishal Anand	Sanjay Gupta	42069	42408	0.23	42014	254	84028	0.46
Vishal Anand	Ravindra Nath Mishra	6962	7082	0.04	6957	32	13914	0.08
Vishal Anand	Shweta Asthana	1	9	0	1	8	2	0.00
Vishal Anand	Amarender Kumar	74592	74471	0.4	74161	273	148322	0.82
Vishal Anand	Preeti	51543	52161	0.28	51467	201	102934	0.57
Vishal Anand	Yogesh Bhawansingh Bisht	3000	249	0	249	5	498	0.00
Vishal Anand	Ganesh Nainsingh Sunar	7946	3219	0.01	1666	35	3332	0.02
Lalit	Sanjay Gupta	4407	4278	0.02	4278	46	8556	0.05
Lalit	Ruben Chetty	10	51	0	10	23	20	0.00
Lalit	Yogesh Bhawansingh Bisht	7	7	0	7	13	14	0.00
Lalit	Shweta Asthana	101084	99478	0.54	99087	939	198174	1.09
Lalit	Amarender Kumar	3492	3499	0.02	3491	23	6982	0.04
Avinash Tiwari	Ravindra Nath Mishra	4000	1610	0.01	1610	118	3220	0.02
Avinash Tiwari	Yogesh Bhawansingh Bisht	2124	1200	0.01	1200	398	2400	0.01
Avinash Tiwari	Slesha Pradeep Ghosh	7000	7900	0.04	7000	7	14000	0.08
Jinesh Devendra Bhatt	Ravindra Nath Mishra	980	1449	0.01	975	58	1950	0.01
Jinesh Devendra Bhatt	Yogesh Bhawansingh Bisht	3955	6204	0.01	1577	610	3154	0.02
Jinesh Devendra Bhatt	Slesha Pradeep Ghosh	8405	6679	0.03	5939	621	11878	0.07
Jinesh Devendra Bhatt	Vineet Sinha	2633	2679	0.01	2029	171	4058	0.02
Jinesh Devendra Bhatt	Ganesh Nainsingh Sunar	5289	6549	0.02	2645	839	5290	0.03
Sanjay Gupta	Ravindra Nath Mishra	5071	2129	0.01	2129	25	4258	0.02
Sanjay Gupta	Shweta Asthana	2	6	0	2	5	4	0.00
Sanjay Gupta	Vineet Sinha	11485	11742	0.06	11475	35	22950	0.13
Sanjay Gupta	Amarender Kumar	33077	32642	0.18	32619	126	65238	0.36
Sanjay Gupta	Preeti	30720	30557	0.17	30488	287	60976	0.34
Ravindra Nath Mishra	Ruben Chetty	4919	6104	0.02	3599	180	7198	0.04
Ravindra Nath Mishra	Pooja Jinesh Bhatt	2920	480	0	480	14	960	0.01
Ravindra Nath Mishra	Yogesh Bhawansingh Bisht	6787	6360	0.03	4918	154	9836	0.05
Ravindra Nath Mishra	Shweta Asthana	733	149	0	149	23	298	0.00
Ravindra Nath Mishra	Shriti Jinesh Bhatt	200	3500	0	200	20	400	0.00
Ravindra Nath Mishra	Vineet Sinha	3756	4198	0.01	1063	168	2126	0.01
Ravindra Nath Mishra	Elizabeth Peter Gonsalves	816	3842	0	390	36	780	0.00
Ravindra Nath Mishra	Amarender Kumar	5112	5136	0.03	4925	131	9850	0.05
Ravindra Nath Mishra	Preeti	5	2000	0	5	27	10	0.00
Ravindra Nath Mishra	Ganesh Nainsingh Sunar	276	274	0	274	9	548	0.00
Ruben Chetty	Slesha Pradeep Ghosh	3354	8801	0.02	3354	3328	6708	0.04
Ruben Chetty	Shweta Asthana	323	163	0	163	61	326	0.00
Ruben Chetty	Shriti Jinesh Bhatt	2000	1063	0.01	1063	1073	2126	0.01
Ruben Chetty	Vineet Sinha	370	775	0	370	144	740	0.00
Ruben Chetty	Ganesh Nainsingh Sunar	1784	667	0	667	815	1334	0.01
Pooja Jinesh Bhatt	Yogesh Bhawansingh Bisht	11066	4310	0.02	3788	715	7576	0.04
Pooja Jinesh Bhatt	Slesha Pradeep Ghosh	19	63	0	19	35	38	0.00
Pooja Jinesh Bhatt	Shriti Jinesh Bhatt	62	2000	0	62	31	124	0.00
Pooja Jinesh Bhatt	Vineet Sinha	1899	729	0	599	67	1198	0.01
Pooja Jinesh Bhatt	Ganesh Nainsingh Sunar	18207	27241	0.06	11177	2833	22354	0.12
Yogesh Bhawansingh Bisht	Slesha Pradeep Ghosh	55467	75997	0.23	41784	14288	83568	0.46

Yogesh Bhawansingh Bisht	Shweta Asthana	3512	10405	0.02	3512	195	7024	0.04
Yogesh Bhawansingh Bisht	Shriti Jinesh Bhatt	15052	27993	0.08	15052	4780	30104	0.17
Yogesh Bhawansingh Bisht	Vineet Sinha	5503	17523	0.02	3164	782	6328	0.03
Yogesh Bhawansingh Bisht	Ganesh Nainsingh Sunar	37572	40427	0.14	24959	3385	49918	0.27
Slesha Pradeep Ghosh	Shriti Jinesh Bhatt	7324	5290	0.02	3847	2049	7694	0.04
Slesha Pradeep Ghosh	Vineet Sinha	32	32	0	32	6	64	0.00
Slesha Pradeep Ghosh	Elizabeth Peter Gonsalves	9983	14476	0.06	9928	3269	19856	0.11
Slesha Pradeep Ghosh	Gonsalves	9948	7247	0.02	3640	1524	7280	0.04
Slesha Pradeep Ghosh	Ganesh Nainsingh Sunar	57711	63759	0.15	28887	13694	57774	0.32
Shweta Asthana	Vineet Sinha	2902	762	0	762	67	1524	0.01
Shweta Asthana	Amarender Kumar	2950	2947	0.02	2947	178	5894	0.03
Shweta Asthana	Preeti	3116	12	0	11	23	22	0.00
Shweta Asthana	Ganesh Nainsingh Sunar	2603	2569	0.01	2569	99	5138	0.03
Shriti Jinesh Bhatt	Vineet Sinha	1187	1418	0.01	1187	138	2374	0.01
Shriti Jinesh Bhatt	Gonsalves	5100	953	0.01	953	121	1906	0.01
Shriti Jinesh Bhatt	Ganesh Nainsingh Sunar	4337	4876	0.02	4334	1547	8668	0.05
Vineet Sinha	Amarender Kumar	502	5275	0	502	20	1004	0.01
Vineet Sinha	Ganesh Nainsingh Sunar	24251	16782	0.08	14201	2349	28402	0.16
Elizabeth Peter Gonsalves	Ganesh Nainsingh Sunar	430	805	0	430	259	860	0.00
Amarender Kumar	Preeti	11369	11312	0.06	11292	134	22584	0.12
<b>Total</b>		<b>1520176</b>	<b>1557666</b>	<b>6.63</b>	<b>1207065</b>	<b>104205</b>	<b>2414130</b>	<b>13.27</b>

D. It is observed from the above pattern of reversal of trades that there was no change in beneficial ownership and such non-genuine trades among the noticees created misleading appearance of trading in the scrip which accounted for 13.27% of the total market volume during IP. It is, therefore, alleged that the Noticees viz, Nagamamaheshwar Balraj Yellamellai, Sanjay Saha, Deepak Pandurang Vikhape, Rajnish Tiwari, Anjireddy V, Vishal Anand, Lalit, Avinash Tiwari, Jinesh Bhatt, Sanjay Gupta, Ravindra Nath Mishra, Ruben Chetty, Pooja Jinesh Bhatt, Yogesh Bhawansingh Bisht, Slesha Pradeep Ghosh, Shwetha Ashthana, Shriti Jinesh Bhatt, Vineet Sinha, Elizabeth Peter Gonsalves, Amarender Kumar, Ganesh Nainsingh Sunar and Preeti violated sections 12A (a), (b), (c) of SEBI Act, 1992 r/w regulations 3 (a),(b),(c),(d) and 4 (1), 4 (2) (a) and (g) of PFUTP Regulations.

## Analysis of LTP contribution by entities during Patch 1

E. As regards the entities, LTP analysis w.r.t their trades was as under:

**TABLE 3: Summary of buy trades by group entities suspected entities during Patch 1 which contributed to positive LTP**

Sr. No.	PAN	Buyer Name	All trades			Positive LTP			Below LTP			Zero LTP		% of +ve LTP to mkt +ve LTP
			Sum of LTP Diff	Sum of Qty	No. of trades	LTP Impact	Sum of Qty	No. of trades	LTP Impact	Sum of Qty	No. of trades	Sum of Qty	No. of trades	
1	AFCPV3352H	Deepak Pandurang Vikhape	697.5	1066173	48173	954.1	91269	2381	-256.6	53097	687	921807	45105	14.52
2	ASGPG3261M	Slesha Pradeep Ghosh	611.05	826486	59719	807.55	62320	2604	-196.5	51149	532	713017	56583	12.29
3	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	329.9	1299018	49600	581.15	64545	1681	-251.2	68190	771	1166283	47148	8.84
4	AFLPV5261L	Anji Reddy Vanga	62.55	235891	1708	222.75	74182	841	-160.2	140398	567	21311	300	3.39
5	AFIPT6953J	Rajnish Tiwari	8.9	549081	6921	184.95	90625	667	-176	259941	818	198515	5436	2.81
6	AIOP1626K	Lalit	57.75	174135	1587	179.1	49582	654	-121.4	109898	433	14655	500	2.73
7	CGUPP2139R	Preeti	47.1	397754	1754	174.8	110269	709	-127.7	261966	480	25519	565	2.66
8	AOLPB5611F	Pooja Jinesh Bhatt	123.65	512478	21680	171.7	23529	695	-48.05	26861	206	462088	20779	2.61
9	AMCPM1105C	Ravindra Nath Mishra	8.9	429018	4543	169.35	49245	502	-160.4	81986	584	297787	3457	2.58
10	AHQPA5685C	Vishal Anand	27.9	294611	1324	115.45	68771	501	-87.55	189922	345	35918	478	1.76
11	ALCPG7419G	Sanjay Gupta	41.4	236472	1626	93.15	55206	349	-51.75	120858	212	60408	1065	1.42
12	BPWPK3680Q	Amarender Kumar	5.9	221801	2008	83.15	50118	320	-77.25	117368	247	54315	1441	1.27
13	AJHPT4613N	Avinash Tiwari	36.2	135938	2099	42.5	14953	41	-6.3	17997	24	102988	2034	0.65
14	ABZPS1804L	Sanjay Saha	0.2	111415	776	1.4	2425	4	-1.2	1132	7	107858	765	0.02
	<b>Total of group entities who have contributed to Net Positive LTP</b>		<b>2058.9</b>	<b>6490271</b>	<b>203518</b>	<b>3781.1</b>	<b>807039</b>	<b>11949</b>	<b>-1722</b>	<b>1500763</b>	<b>5913</b>	<b>4182469</b>	<b>185656</b>	<b>57.53</b>
15	AKDPB6133C	Jinesh Bhatt	-35.19	509069	14414	58.5	31744	199	-93.69	20964	230	456361	13985	0.89
16	AMJPC5528Q	Ruben Chetty	-202.95	268234	15120	14.1	12704	53	-217	20625	678	234905	14389	0.21
17	ARDPB3914G	Yogesh Bhawansingh Bisht	-47.75	1359303	52589	305.1	77021	859	-352.9	99010	1083	1183272	50647	4.64
18	AVAPA1910G	Shweta Asthana	-66.15	452997	4753	182.05	62907	629	-248.2	125322	973	264768	3151	2.77
19	BHGPB2695J	Shriti Jignesh Bhatt	-236.19	534617	26511	149	21225	364	-385.2	46002	958	467390	25189	2.27
20	BJPPS8679L	Vineet Sinha	-96	503839	11260	210.9	63456	1041	-306.9	133000	1279	307383	8940	3.21
21	BKQPG8186E	Elizabeth Peter Gonsalves	-48.65	391940	18844	65.3	13520	157	-114	19944	483	358476	18204	0.99
22	DWFPS0045P	Ganesh Nainsingh Sunar	-195.75	766714	28596	110.9	55859	339	-306.7	57674	925	653181	27332	1.69
	<b>Total LTP of connected group</b>		<b>1130.27</b>	<b>11276984</b>	<b>375605</b>	<b>4877</b>	<b>1145475</b>	<b>15590</b>	<b>-3747</b>	<b>2023304</b>	<b>12522</b>	<b>8108205</b>	<b>347493</b>	<b>74.205</b>
	<b>Marketwide LTP contribution</b>		<b>267.76</b>	<b>18195025</b>	<b>493746</b>	<b>6572.3</b>	<b>2162919</b>	<b>22848</b>	<b>-6304.53</b>	<b>3536967</b>	<b>21060</b>	<b>12495139</b>	<b>449838</b>	<b>100.00</b>

F. From the above table, it is observed that Noticees contributed to Rs. 1130.27 net LTP in 3, 75,605 trades. As regards the 14 entities at Sr. No. 1 to 14, they contributed Rs. 3781.1 to positive LTP in 11949 trades, which was 57.53% of market positive LTP. In 8,961 trades out of 11949 trades, the counterparties were also part of the group of entities and their trading contributed to the



positive LTP of Rs. 2454.3 (37.34 % of total market positive LTP). The positive LTP contribution details of such 14 entities are as follows:-

**TABLE 4: Positive LTP contribution of suspected entities as buyers**

Sr. No.	PAN	Name of client	Positive LTP Contribution	Sum of traded Qty	No. of trades	% of +ve LTP to mkt +ve LTP
1	AFCPV3352H	Deepak Pandurang Vikhape	533.85	45383	1995	8.12
2	ASGPG3261M	Slesha Pradeep Ghosh	407.5	43739	1317	6.20
3	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	353.05	31520	1185	5.37
4	AFLPV5261L	Anji Reddy Vanga	192.15	67747	732	2.92
5	CGUPP2139R	Preeti	159.2	109552	634	2.42
6	AFIPT6953J	Rajnish Tiwari	162.5	85861	615	2.47
7	AIOPL1626K	Lalit	161.45	49517	593	2.46
8	AHQPA5685C	Vishal Anand	103.35	67816	450	1.57
9	AOLPB5611F	Pooja Jinesh Bhatt	111.05	11726	443	1.69
10	AMCPM1105C	Ravindra Nath Mishra	112.65	26683	409	1.71
11	ALCPG7419G	Sanjay Gupta	79.7	49775	282	1.21
12	BPWPK3680Q	Amarender Kumar	71.95	48731	282	1.09
13	AJHPT4613N	Avinash Tiwari	4.6	10780	21	0.19
14	ABZPS1804L	Sanjay Saha	1.3	2424	3	0.05
		<b>Total</b>	<b>2454.3</b>	<b>651254</b>	<b>8961</b>	<b>37.34</b>

G. The counterparty details of the aforesaid trades were as under:-

**TABLE 5: Counterparty details of the aforesaid trades**

Sr. No.	PAN No. of the counterparty	Name of the Counterparty	Positive Contribution	No. of trades	Sum of traded qty
1	ARDPB3914G	Yogesh Bhawansingh Bisht	494.05	1933	36145
2	DWFPS0045P	Ganesh Nainsingh Sunar	468.65	1709	39041
3	AFCPV3352H	Deepak Pandurang Vikhape	227.4	921	10826
4	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	217.15	678	13928
5	AFIPT6953J	Rajnish Tiwari	210.65	556	69898
6	BKQPG8186E	Elizabeth Peter Gonsalves	133	493	9784
7	AKDPB6133C	Jinesh Bhatt	111.4	461	8295
8	CGUPP2139R	Preeti	97.4	332	121376
9	AVAPA1910G	Shweta Asthana	66.05	250	46931
10	AFLPV5261L	Anji Reddy Vanga	63.75	232	55719
11	ALCPG7419G	Sanjay Gupta	48.2	156	44714
12	BHGPB2695J	Shriti Jignesh Bhatt	46.5	174	9153
13	AHQPA5685C	Vishal Anand	43.85	149	58601
14	BJPPS8679L	Vineet Sinha	43.85	103	24968
15	BPWPK3680Q	Amarender Kumar	39.4	132	38766
16	AMJPC5528Q	Ruben Chetty	39.1	302	2503
17	AOLPB5611F	Pooja Jinesh Bhatt	32.6	160	7355
18	AIOPL1626K	Lalit	31.75	71	13470
19	AJHPT4613N	Avinash Tiwari	13.6	32	7865
20	AMCPM1105C	Ravindra Nath Mishra	12.9	68	17798
21	ABZPS1804L	Sanjay Saha	7	14	2058
22	ASGPG3261M	Slesha Pradeep Ghosh	6.05	35	12060
		<b>Total</b>	<b>2454.3</b>	<b>8961</b>	<b>651254</b>

H. In view of the above, the entities by way of trading among themselves contributed to Rs. 2454.3/- positive LTP contribution which was 37.34% of

market positive LTP. It is, therefore, alleged that the Noticees Nagamamaheshwar Balraj Yellamellai, Sanjay Saha, Deepak Pandurang Vikhabe, Rajnish Tiwari, Anjireddy V, Vishal Anand, Lalit, Avinash Tiwari, Jinesh Bhatt, Sanjay Gupta, Ravindra Nath Mishra, Ruben Chetty, Pooja Jinesh Bhatt, Yogesh Bhawansingh Bisht, Slesha Pradeep Ghosh, Shwetha Ashthana, Shriti Jinesh Bhatt, Vineet Sinha, Elizabeth Peter Gonsalves, Amarender Kumar, Ganesh Nainsingh Sunar and Preeti , by way of trading within the group, created false and misleading appearance of trading in the scrip as well as contributed to price rise in the scrip in a manipulative manner during Patch 1, thereby, violated sections 12A(a),(b)&(c) of the SEBI Act, 1992 read with regulations 3(a),(b),(c)&(d), 4(1),4(2)(a) & (e) of the PFUTP Regulations.

**NEW HIGH PRICE/NEW LOW PRICE ANALYSIS:**

- I. New high price is the price which is higher than the price already established in the scrip during the I.P. In view of Patch-1 of price rise, NHP analysis was as under:

**New High Price (NHP) Analysis of Patch-1(price rise) (26.05.2015 to 03.10.2016).**

- J. During this period, the price opened at Rs. 49.99/- on May 26, 2015 and reached Rs. 418/- on October 03, 2016 and closed at 317.75/- on October 03, 2016 -i.e. there was an increase of Rs. 368.01/-

K. It is observed that in 561 trades, a new high price was discovered. Out of 561 trades establishing new high price, group entities were found to have contributed to new high prices in as many as 365 instances. The contribution of the group entities in establishing new high prices was Rs. 247.86/- (67.35%)

out of the total price of Rs. 368.01/-. The details of such entities are as follows:-

**TABLE 6: Summary of buy trades by group entities during Patch 1 that contributed to NHP**

Sr. No.	PAN No.	Name of the client	No. of instances Estb NHP	% to total NHP instances	Total contribution to NHP (Rs.)	% of total NHP Contri	Total traded Vol by client	% of traded Vol.
1	AFCPV3352H	Deepak Pandurang Vikhape	34	6	86.2	23	5628	14
2	BJPPS8679L	Vineet Sinha	130	23	33.1	9	1769	5
3	AMCPM1105C	Ravindra Nath Mishra	51	9	30.5	8	3956	10
4	ASGPG3261M	Slesha Pradeep Ghosh	31	6	30.2	8	1252	3
5	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	30	5	23.7	6	814	2
6	AJHPT4613N	Avinash Tiwari	7	1	20.2	5	731	2
7	ARDPB3914G	Yogesh Bhawansingh Bisht	34	6	5.9	2	1101	3
8	AKDPB6133C	Jinesh Bhatt	7	1	4.06	1	1198	3
9	DWFPS0045P	Ganesh Sunar	1	0	4	1	1	0
10	AOLPB5611F	Pooja Jinesh Bhatt	1	0	3.3	1	10	0
11	AIOPL1626K	Lalit	8	1	2.8	1	619	2
12	CGUPP2139R	Preeti	9	2	1.1	0	1051	3
13	AVAPA1910G	Shweta Asthana	8	1	1	0	211	1
14	AFIPT6953J	Rajnish Tiwari	6	1	0.7	0	304	1
15	AFLPV5261L	Anji Reddy Vanga	4	1	0.6	0	4	0
16	ALCPG7419G	Sanjay Gupta	2	0	0.3	0	200	1
17	AHQPA5685C	Vishal Anand	1	0	0.1	0	1	0
18	BKQPG8186E	Elizabeth Peter Gonsalves	1	0	0.1	0	1	0
	<b>Total of suspected group</b>		<b>365</b>	<b>65</b>	<b>247.86</b>	<b>67</b>	<b>18851</b>	<b>48</b>
	<b>Total Market</b>		<b>561</b>	<b>100</b>	<b>368.01</b>	<b>100</b>	<b>39009</b>	<b>100</b>

L. As seen from the above table, the entities contributed Rs. 247.86 (67%) to the total NHP during Patch-1. On analysis of the trades within the group entities, it is observed that NHP contribution through trades within the group entities was Rs. 103.35 (28 % of total NHP), which was significant. The details of the same is as follows:-

**TABLE 7: Details of buy trades within group entities during Patch 1 that contributed to NHP**

Sr. No.	PAN	Name of the client	No. of NHP Instances	% to total NHP instances	Total contribution to NHP	% of total NHP Contri	Total traded Vol by client	% of traded Vol.
1	ABL PY9972D	Nagmaheshwar Balraj Yellamelli	28	4.99	3.5	0.95	808	2.07
2	AFCPV3352H	Deepak Pandurang Vikhape	22	3.92	32	8.70	975	2.50
3	AFIPT6953J	Rajnish Tiwari	5	0.89	0.6	0.16	303	0.78
4	AFLPV5261L	Anji Reddy Vanga	3	0.53	0.3	0.08	3	0.01
5	AHQPA5685C	Vishal Anand	1	0.18	0.1	0.03	1	0.00
6	AIOPL1626K	Lalit	6	1.07	2.6	0.71	617	1.58
7	AJHPT4613N	Avinash Tiwari	2	0.36	0.2	0.05	15	0.04
8	AKDPB6133C	Jinesh Bhatt	4	0.71	0.6	0.16	207	0.53
9	ALCPG7419G	Sanjay Gupta	2	0.36	0.3	0.08	200	0.51
10	AMCPM1105C	Ravindra Nath Mishra	47	8.38	16.1	4.37	3102	7.95
11	ARDPB3914G	Yogesh Bhawansingh Bisht	33	5.88	5.15	1.40	1051	2.69
12	ASGPG3261M	Slesha Pradeep Ghosh	11	1.96	6.7	1.82	208	0.53
13	AVAPA1910G	Shweta Asthana	8	1.43	1	0.27	211	0.54
14	BJPPS8679L	Vineet Sinha	130	23.17	33.1	8.99	1769	4.53
15	CGUPP2139R	Preeti	9	1.60	1.1	0.30	1051	2.69
	<b>Total</b>		<b>311</b>	<b>55.44</b>	<b>103.35</b>	<b>28.08</b>	<b>10521</b>	<b>26.97</b>

M. The counterparty details of aforesaid trades are as follows:-

**TABLE 8: Details of counterparties to the aforesaid trades**

Sr. No.	PAN	Name of the clients	No. of NHP Instances	% to total NHP instances	Total contribution to NHP	% of total NHP Contri	Total traded Vol by client	% of traded Vol.
1	ABL PY9972D	Nagmaheshwar Balraj Yellamelli	9	1.60	6.3	1.71	396	1.02
2	AFCPV3352H	Deepak Pandurang Vikhape	128	22.82	41	11.14	2337	5.99
3	AFIPT6953J	Rajnish Tiwari	10	1.78	14.6	3.97	1605	4.11
4	AFLPV5261L	Anji Reddy Vanga	4	0.71	0.4	0.11	1296	3.32
5	AJHPT4613N	Avinash Tiwari	3	0.53	7.1	1.93	170	0.44
6	AKDPB6133C	Jinesh Bhatt	6	1.07	0.8	0.22	550	1.41
7	ALCPG7419G	Sanjay Gupta	10	1.78	2.6	0.71	735	1.88
8	AMJPC5528Q	Ruben Chetty	69	12.30	6.9	1.87	178	0.46
9	AOLPB5611F	Pooja Jinesh Bhatt	3	0.53	0.5	0.14	7	0.02
10	ARDPB3914G	Yogesh Bhawansingh Bisht	16	2.85	2.35	0.64	987	2.53
11	AVAPA1910G	Shweta Asthana	2	0.36	7.1	1.93	299	0.77
12	BJPPS8679L	Vineet Sinha	7	1.25	6.6	1.79	384	0.98
13	BKQPG8186E	Elizabeth Peter Gonsalves	1	0.18	1.9	0.52	1	0.00
14	BPWPK3680Q	Amarender Kumar	3	0.53	0.3	0.08	27	0.07
15	CGUPP2139R	Preeti	2	0.36	0.4	0.11	498	1.28
16	DWFPS0045P	Ganesh Sunar	38	6.77	4.5	1.22	1051	2.69
	<b>Total</b>		<b>311</b>	<b>55.44</b>	<b>103.35</b>	<b>28.08</b>	<b>10521</b>	<b>26.97</b>

N. As seen from above, 20 entities by way of trading themselves contributed to the NHP which was 28% of market NHP. The above observation further corroborates findings at paras above that the Noticees connected with one

another manipulated the scrip price and created misleading appearance of trading in the scrip in Patch-1.

O. In view of above, it is alleged that the entities at Tables 14 and 15 viz. Nagamamaheshwar Balraj Yellamellai, Deepak Pandurang Vikhape, Rajnish Tiwari, Anjireddy V, Vishal Anand, Lalit, Avinash Tiwari, Jinesh Bhatt, Sanjay Gupta, Ravindra Nath Mishra, Ruben Chetty, Pooja Jinesh Bhatt, Yogesh Bhawansingh Bisht, Slesha Pradeep Ghosh, Shwetha Ashthana, Vineet Sinha, Elizabeth Peter Gonsalves, Amarender Kumar, Ganesh Nainsingh Sunar and Preeti, by way of trading within the group contributed to price rise in the scrip in a manipulative manner during Patch 1 have violated sections 12A(a),(b)&(c) of the SEBI Act, 1992 read with regulations 3(a),(b),(c)&(d), 4(1),4(2)(a) & (e) of the PFUTP Regulations, 2003.

5. I note that the SCN was by Speed Post Acknowledgement Due ('SPAD') to the Noticees. The SCN sent to Noticee-9, Noticee-10, Noticee-12, Noticee-14, Noticee-19, Noticee-21, Noticee-22 could not be delivered via SPAD, while it was duly delivered to other Noticees. I note that Noticee-18, Noticee-6, Noticee-11, Noticee-16, Noticee-5, and Noticee-2 vide their individual letters *inter alia* requested for additional time for submitting their reply in the matter. However, the Noticees failed to submit any response to the SCN. Thereafter, a hearing notice dated February 05, 2020 was issued to the Noticees granting an opportunity of hearing to them. The Noticees were also advised to submit their

reply in respect of the allegations in the SCN. A copy of the SCN along with the aforesaid hearing notice dated February 05, 2020 was affixed / hand delivered at the address of the following Noticees:

S. No.	Name of the Noticee	Address of the Noticee
1	Rabindra Nath Mishra	C-39 Second Floor, Acharya Kriplani Road, Govind Medical Store, Adarsh Nagar Extension, Azadpur, Delhi- 110033
2	Sanjay Gupta	3031/3a, Gali No. 18, Ranjeet Nagar, Patel Nagar, New Delhi 110008
3	Amarender Kumar	B 213/1, SF3, Mangla Apartment, Shalimar Garden Main, Sahibabad, Ghaziabad, Uttar Pradesh - 201005
4	Lalit	D-21, Mohan Garden Extn. Near Laxmi Vihar, Uttam Nagar, Delhi- 110059
5	Preeti	D-21, Block D Extn., Mohan Garden, Delhi - 110059
6	Sanjay Saha	Flat No. 43, Tower T-20, Silver Oaks Apartments, DLF City Phase 1, DLF Qe Gurgaon, Haryana - 122002
7	Shweta Asthana	15 & 6, Kailash Park, Kriti Nagar, Opp Metro Pillor-332, New Delhi- 110015

6. Noticee-1, Noticee-3, Noticee-4 and Noticee-18, vide their common letter dated February 13, 2020, *inter alia* requested for inspection and copies of certain

documents. In this respect, vide email dated February 14, 2020, it was informed to them that all the relevant and relied upon documents which have been mentioned in the SCN were already provided to them. The annexures to the SCN were again provided with the said email. Subsequently, Noticee-1, vide letter dated March 26, 2020, *inter alia* made the following submissions:

- (i) *Before dealing with the core issues in the matter and providing our submissions in response to the allegations, it is relevant to submit our preliminary objections and submissions in the matter which the learned Officer is requested to consider before proceeding further in the matter.*

*Absence of complete and a thorough investigation*

- (ii) *At the further outset, we respectfully submit that we are, but victims of fraud perpetrated by the Promoters of Synergy Bizcon Ltd. which is our preliminary submissions in the matter. Further, the investigation team has not conducted a detailed investigation which would have unearthed the fraud committed by the Promoters. At no point of time during the investigation, neither were we ever Summoned to record our statements, nor the team questioned the brokers and checked for the relevant records which would have clarified several issues. Instead, based on the incomplete investigation report (which in any event was not provided to us), SEBI provided incorrect and incomplete facts which formed the basis of the present Show Cause Notice. Therefore, the learned Adjudicating Officer does not have complete facts on record nor has the entire background information because of the incomplete investigation.*

*Denial of discovery of inspection and access to critical records in the matter*

- (iii) *Further, SEBI has singularly failed to provide the relevant records and documents in the matter including the Investigation Report which would have clearly demonstrated the incompleteness in the investigation. We do not understand the reservations of SEBI in providing complete access to all such records and documents especially while conducting a quasi-judicial proceeding. All the essential principles of natural justice and fair play have been given a go-by and we are asked to respond to certain selective instances of trading and to a serious*

*charge of price manipulation or fraud. We reserve our right to request the learned Officer to direct SEBI to provide us the Investigation Report and the statements recorded by SEBI in the matter, if at all there has been any such statements obtained by SEBI which will provide the qualitative analysis of the entire investigation.*

*Need for a detailed inquiry by the learned Adjudicating Officer under Section 15(1) of the SEBI Act*

- (iv) The Noticees state that considering the lacunae in the investigation, it is incumbent to direct SEBI to satisfactorily complete the investigation and bring the correct facts on record before proceeding with the matter by doing a detailed inquiry. The Adjudicating Officer has adequate powers to direct further investigation and issue fresh summons under Section 151 of the SEBI Act.*
- (v) We reserve our right to urge the learned Officer to exercise the abovesaid power in the present proceedings, so that detail enquiry is held by doing proper investigation in the present matter. It is a settled position of law that there cannot be meaningful proceedings absent the completeness in the underlying investigation or fact-finding report which otherwise renders the entire proceedings a mere formality.*

*Submissions of the Noticees*

- (vi) Noticee No. 1 has a proprietorship concern in the name of M/s. Shriti Enterprisers and M/s Shri Bhairav Enterprisers through which Noticee No. 1 invests in securities market. Noticee No. 1 is not a regular or active trader in securities. There have been long term investments made by Noticee No. 1. Noticee No. 3 is the wife of Noticee No.1 and Noticee No. 4 is a student of Masters of Logistics in New Zealand and is the daughter of Noticees No. 1 & 3. It is Noticee No. 1 who is responsible for the trades of Noticees No. 3 & 4. The relevant facts which are not brought to the notice of the learned Officer are provided below:*
  - a) In May 2015, the Promoters namely Dhiarajbhai Waghjibhai Karodiya and Shwet Dhiarajbhai Karodiya who were occupying the key prominent positions in the Company, approached Noticee No. 1 and offered investment opportunities in the Company. They invited Noticee No. 1 to invest in the Company and participate in the preferential allotment of shares by the Company.*



- b) *Noticee No. 1 refused to make any investments and was reluctant to trade in the shares of the Company. Noticee No. 1 was not aware of the fundamentals or financial information of the Company and also did not have sufficient funds to make any investments.*
- c) *The Promoters thereafter requested Noticee No. 1 for a meeting and came to the office of Noticee No. 1 to discuss the way forward for investment and to explore the possibility of being a significant shareholder of the Company. The Noticees could provide CCTV footage and other evidence like WhatsApp messages and SMS to show the interactions between the Promoters and Noticee No. 1.*
- d) *During such meeting, the Promoters offered to lend loan from their related companies to enable the Noticees to invest in the Company. Further, it was also informed to the Noticee that the Noticees were just required to trade in the scrip for some time which will be handled by the Promoters and that the Promoters will take all the required decision and handhold the Noticees in the trading.*
- e) *Noticees were offered good returns on their investment as the Company was contemplating good returns on all their business and also there could be a lot of corporate actions in the Company at a later stage as would be advised by their advisors. Noticee No. 1 was lured with this invitation and the fact that there would be interest free loan which would be provided to the Noticees for investment which could be returned after the profits were booked on their investment.*
- f) *The Promoters also asked Noticee No. 1 to invest on behalf of his relatives and employees who could equally earn good returns on their investments. The Promoters gave examples of returns which other investors had gained because of their "advices". Noticee No. 1 therefore got his relatives and employees roped into the "investment" saga and thereby the entire family and employees got involved in the case which was not even contemplated by Noticee No. 1.*
- g) *Noticee No. 1 is not a regular or active trader in the market and therefore for any investment in the Company for long time, there was shortage of fund which was the only concern of Noticee No. 1 and which was conveniently*

addressed by the Promoters. This is evidenced by the portfolio of the Noticees as well as the demat account statement of the Noticees which clearly shows only the long-term investments made by the Noticee. However, SEBI has not referred to or even looked into these statements.

- h) Thereafter the Noticees shared the details of all the bank accounts, demat and trading accounts with the Promoters. The details of the relatives and the employees were shared with the Promoters. Further, the employees who had no demat account came forward to open one based on the assurances provided by the Promoters. It was also informed to them in person by the Promoters that the employees need to only give the demat and bank accounts and need not even consider anything else as it would be the Promoters who would be trading on their behalf.
- i) A sum of approximately Rs. 7 Crores was remitted into Noticee No. 1's bank accounts from several related entities / connected entities who were associated with the Promoters. As instructed, Noticee No. 1 transferred certain funds into the bank accounts of Noticees No. 3, 4 and also the employees who had opened the demat account and provided their demat account numbers to the Promoters.
- j) Thereafter, at no point in time during 2015-16 did the Noticees place any trade orders in the scrip of Synergy. In fact, the Noticees had not even given any authority to any person, including the Promoters, for placing any trade orders on behalf of the Noticees. The Noticees had only agreed with the Promoters that the Noticees will place trade orders as per the advice and instructions of the Promoters, but the Noticees had never given the Promoters any form of authority to access and manage their trading and demat accounts.
- k) There were several calls and discussions between the Promoters and Noticee No. 1 initially after the demat account details were shared with the Promoters. Had the investigation team called for the telephone records and mobile bills of the Promoters or the Noticees, the regular interaction between them would have been evident. During all such calls, the Noticees were only informed about the increasing chances of profits and the updates of the share

*movement in the market. No further details were provided nor any advice on trading as was assured was provided to the Noticees.*

- l) In between, on May 22, 2015, upon Noticee No. 3 observing the opportunity of price rise in the Synergy scrip as the Company had been moved from SME board of the BSE to the Main Board of the BSE, Noticee No. 1 informed the Promoters that Noticee No. 1 was keen on purchasing certain shares. Noticee No 1 also enquired with the Promoters as to why such an important update was not considered as a favourable time for investment in the Company. There was no satisfactory response from the Promoters. Yet, Noticee No. 1 insisted on purchasing the shares.*
- m) The Promoters agreed to let the Noticees trade in the scrip albeit not willing to permit the Noticees decide on investment and trading. Noticee No. 3 had placed an order for buying 900 shares therein. The Noticees No. 3 had paid the amount partially through her own frond and partially through the funds received from her husband (Noticee No. 1) on May 26, 2015. Apart from placing that one trade order, the Noticees never placed any other trade order in the scrip of Synergy.*
- n) The Promoters started to distance themselves from the Noticees and failed to respond to any questions on the trading or the investment options. It was learnt from the reports that the Promoters have sold huge quantity of shares in the market which was contrary to the understanding and assurances given to Noticees No. 1.*
- o) During the month of September 2016, for the first time the Noticees were shocked to hear that there has been regular trading in the demat and trading account of the Noticees and the employees. This was found out when the stock brokers whose services were taken for open the trading and demat account of the employees at the instance of the Promoters, called upon the Noticees for payment of the dues reflected in the Noticees demat and trading accounts. Being perplexed, the Noticees informed the brokers that the Noticees never conducted any such loss- making trades and therefore the Noticees requested them to share copies of the trade ledgers. Shockingly, the ledgers showed numerous 'buy' and 'sell' orders placed in the Synergy scrip during 2015-16 ("the impugned trades").*

- p) Noticee No. 1 thereafter approached the Promoters and asked them if they were involved in the impugned trades and therefore, requested the Promoters to make good the losses incurred by the Noticees. However, the Promoters refused to pay any amount to Noticee No. 1. Thereafter, Noticee No. 1 made several attempts to contact the Promoters and obtain details of the trades conducted from the Noticees accounts. However, since the Promoters failed and neglected to respond to the said requests, Noticee No. 1, sensing that a fraud was being played on the Noticees, looked into the actions of the Promoters and found that various bank accounts and fake email IDs were opened by the Promoters only for conducting the impugned trades. The Noticees also believe that the fronds transferred into the Noticees' bank accounts through the so-called related companies ultimately belonged to the Promoters. In view of the same in or around January 2017 the
- q) Noticees filed a Police complaint against the Promoters and informed them of the suspicious activities deciphered. The Police investigations are ongoing as of date.
- (vii) It is humbly submitted that the Noticees never executed any trades or placed any orders with the stock brokers and all such trades mentioned in the Show Cause Notice would have been executed by the Promoters which the investigation should have identified. Had the stock brokers been questioned about the order placement details or the mode of communication for such orders and trades and the telephone records for the order placement, the facts would have been clear.
- (viii) The Show Cause Noticee has alleged that the Noticees along with many persons entered into synchronised trades and thereby manipulated the price of the Company. However, the facts mentioned above would clarify that the Noticees had no role in any manipulation or any fraud which was in fact committed by the Promoters for their gains and ulterior motives.
- (ix) We respectfully submit that the present proceedings suffer from severe gaps in investigation which go into the root of the matter. Following are some instances where the incompleteness in investigation is apparent -
- a) The present case ostensibly points out to the involvement of the various other key players who are not show caused as the investigation was restricted to just

*the review of KYC documents and the trades on the screen. The investigation team did not even consider it relevant to analyse if at all the Noticees were at all benefitted from any trades. Further, the KYC documents of the employees could have provided the income and financial credit worthiness of the employees. If the same were reviewed appropriately, the disparity in the income range and the funds involved in the volume of trades executed by the employees should have atleast alerted the team to look for further documents.*

- b) The SEBI investigation team never asked us to show details re the, source of funds, the motive, our involvement in the alleged trades, or pecuniary benefit, if any, that was derived by us.*
- c) The investigation team never enquired as to whether the Noticees were first to trade on any given day to create a new LTP or whether there were other trades ahead of the Noticees which could have increased the LTP. Absent these details, it would be impossible to attribute the increase of price to the trades of the Noticees, even assuming the fact that Noticees traded.*
- d) There is no proper analysis of the Last Traded Price in the Show Cause Notice or anywhere on record. The Show Cause Notice fails to show how the negligent LTP contribution has resulted in market manipulation. Further, there is no sequitur or objective shown to the alleged contribution of price rise or market manipulation since the Noticees have not gained any advantage, pecuniary or otherwise, out of the same.*
- e) The Show Cause Notice fails to analyse the bank statements of the parties and/or the movement of funds in the present case.*
- f) There is no iota of evidence to show the motive of the Noticees in incurring such huge losses. No evidence is provided to show if the Noticees have received any pecuniary benefit or any other benefit, directly or indirectly. Even the Show Cause Notice makes no averment that the Noticees had derived any benefit or advantage out of the alleged fraud.*
- g) The Investigation has not brought on record any call records/ authorization letters between the brokers and the Noticees to show that the impugned trades were actually placed by the Noticees. There is no connection showed between the Noticees and the brokers. The investigation merely relies on the KYC documents shared by the brokers.*

- h) Evidence if any, gathered in respect of the Promoters is not shown to the Noticees.
- (x) The Noticees have time and again requested SEBI to show all such documents and evidence that is collected against the Noticees and more importantly, against the Promoters, which was never provided. Despite there being glaring and palpable evidence pointing at the Promoters, the Promoters are not even summoned by SEBI. While SEBI has been active and conducts a tough investigation in these matters, we are surprised to see the casual approach of the investigation team.
- (xi) The Noticees state that considering the lacunae in the investigation, it is incumbent to direct SEBI to satisfactorily complete the investigation and bring the correct facts on record before proceeding with the matter. The Show Cause Notice is based on incomplete records and incomplete investigation. The Adjudicating Officer has adequate powers to direct further investigation and issue fresh summons under Section 151 (2) of the SEBI Act which states as under -  
"... (2) While holding an inquiry the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer, may be useful for or relevant to the subject-matter of the inquiry and if on such inquiry, he is satisfied that the person has failed to comply with the provisions of any of the sections specified in subsection (1), he may impose such penalty as he thinks fit in accordance with the provisions of any of those sections... "
- (xii) The Noticees therefore urge the exercise of the abovesaid power in the present proceedings in order that the investigation in the present matter is concluded and appropriate directions are passed thereafter, and that the present proceedings be kept in abeyance till the completion of the investigation.
- (xiii) It is a settled position of law that there cannot be meaningful proceedings absent the completeness in the underlying investigation or fact-finding report which otherwise renders the entire proceedings a mere formality. We crave leave to refer to cases and decisions of the Adjudicating Officers and Whole Time Members of SEBI where there is a direction passed against SEBI to re-investigate into the matter in light of incompleteness in investigation.



(xiv) *In view of the same, the Noticees have even endeavoured to gather all relevant information and documents and to conduct an independent forensic analysis for bringing to light the true picture before the regulatory authority. The Noticees have also through their lawyers have sent legal notice and approached all stockbrokers and requested each of them to share pertinent information and documents such as details as to the persons instructing the placement of the impugned trades and the authorisations received by them, etc. Copies of the Legal Notices are annexed hereto and marked as "Annexure-A Colly".*

(xv) *However, by reason of the recent health emergency in the country, the offices and resources are locked down which is delaying the process of arranging all information and documents in support of the submissions. The same was informed to SEBI by our email dated March 18, 2020 whereby we had requested for an additional time to file our response to the Show Cause Notice pursuant to completion of the aforementioned exercise. However, since the time sought for has not been granted to us by the learned Officer, we are setting out our preliminary reply to the Show Cause Notice vide this letter. In any event, we reserve our right to file additional submissions after gathering all pertinent information and conducting the necessary forensic analysis from our end.*

*Noticees trading accounts were dishonestly accessed*

(xvi) *Without prejudice, it is respectfully submitted that, at best, the allegations against the Noticees could be of carelessness although there was no means by which the fraud would have been detected or found out by the Noticees. The Noticee have failed to detect and control the dishonest manner in which their trading accounts were accessed and used by the Promoters of Synergy for their own benefit. Therefore, the Noticees' infractions, if any, could be even considered as technical and venial.*

(xvii) *There is no allegation of any collusion or meeting of minds between the Noticees and the Promoters, or with any other person mentioned in the Show Cause Notice.*

(xviii) *Without prejudice to the above submissions, in any event the Noticees submit that the impugned trades cannot be classified as price manipulative for inter alia the below mentioned reasons -*

- a) *The participation of the Noticees preferential allotment of shares made by Synergy resulting in the acquisition of shares and the subsequent sale of such shares were all made in due compliance with all regulatory requirements and applicable rules and regulations of the stock exchanges.*
  - b) *The impugned trades were conducted on an anonymous trading platform of the stock exchange.*
  - c) *Since the Synergy scrip was not highly liquid, even the minimal trades conducted showed an incorrect impression on its price.*
  - d) *There are instances within the alleged manipulative trades where there was no major impact on the price of the scrip.*
  - e) *As per the Show Cause Notice, the percent of non-genuine trade volume to market volume of the Noticees cumulatively comes to only 0.75%. Even if it is assumed that the Noticees had in connection with all the other noticees to the captioned Show Cause Notice entered into the impugned trades, the total percent of non-genuine trade volume to market volume of all such persons is merely at 13.27%. Therefore, it is SEBI's own case that the remaining volume of 76.73% consists of genuine trades. Therefore, the price changes are largely affected by the genuine trades and not the 'non-genuine' trades. This shows the inconclusiveness of the evidence that is being relied upon by SEBI.*
  - f) *The allegations are based on the alleged contribution of the Noticees to the last traded price of ("LTP"). However, the Show Cause Notice has failed to appreciate that the LTP does not reflect the closing price or the market price of a scrip, which is the relevant factor for determining its impact on the general investors.*
- (xix) *It is submitted that a serious charge of fraud cannot be made on the basis of preponderance of probabilities and conjectures. It is settled position of law that suspicion however strong, cannot take the place of proof and evidence. The Noticees crave leave to refer and rely upon cases in this regard.*
- (xx) *Based on our aforesaid submissions, the Noticees humbly pray that there is enough material to suggest that no further enquiry under Rule 4 (1) of the Adjudication Rules was required in the matter. It is, therefore, humbly requested that the Show Cause Notice be dropped without imposing any monetary penalty on us.*



7. Noticee-9, vide email dated March 20, 2020, *inter alia* submitted that he was introduced to Noticee-1 by Noticee-7 and both of them recommended to him to invest in the shares of Synergy. Noticee-9 also stated that his trades in the scrip of Synergy are minimal and hardly of any consequence as compared to the volume and quantum of trades referred to in the SCN. Noticee-9 also availed of a hearing opportunity on March 20, 2020 wherein he reiterated the said submission made by him.
8. Subsequently, another opportunity of hearing through webex video conference was granted to the remaining Noticees, vide a common email dated October 16, 2020, in view of the prevailing circumstances. The said email dated October 16, 2020 was sent to the following email ids of the Noticees:

S. No.	Name of the Noticee	Email
1	Jinesh Bhatt	JINESHBHATT@YAHOO.CO.IN; rex_rocky@yahoo.co.in; BHATTJIGNESH69@YAHOO.IN
2	Deepak Pandurang Vikhape	VIKHAPED@YAHOO.COM
3	Pooja Jinesh Bhatt	BHATTP19@GMAIL.COM; INFO@SHRITIENTERPRISES.COM; radhakrishna.jha@gmail.com
4	Shriti Jignesh Bhatt	BHATT.SHRITI@GMAIL.COM; INFO@SHRITIENTERPRISES.COM
5	Nagmaheshwar B Yellamelli	MAHESHYELLAMELLI@YAHOO.COM; NBYELLAMELLI@GMAIL.COM
6	Yogesh Bhawan Singh	YOGESHBISHT789@GMAIL.COM
7	Rajnish Tiwari	RAJNISH1TIWARI@GMAIL.COM
8	Avinash Tiwari	AVINAASTIWARI@GMAIL.COM
9	Amarender Kumar	AMAR0081@GMAIL.COM; AMAR0081@REDIFFMAIL.COM
10	Slesha Pradeep Ghosh	GH.SLESHA@GMAIL.COM
11	Sanjay Gupta	SAN_LK01@REDIFFMAIL.COM; SAMRIDDH2009@GMAIL.COM

12	Anji Reddy Vanga	ANJIREDDY86@GMAIL.COM
13	Ravindra Nath Mishra	RAVINDRA.IIPS@GMAIL.COM; RAVINDRA.MISHRA@INDIAINFOLINE.COM
14	Vineet Sinha	VINEETGT@GMAIL.COM; VINEET6585@GMAIL.COM
15	Ganesh Nainsingh Sunar	GSUNAR725@GMAIL.COM
16	Vishal Anand	VISHAL15675@GMAIL.COM; TOVISHALANAND@GMAIL.COM
17	Elizabeth Peter Gonzalves	LIZUG1611@GMAIL.COM; ELIZABETHGONSALVES16@GMAIL.COM
18	Shweta Asthana	SHWETA.ASTHANA86@GMAIL.COM
19	Ruben Chetty	RUBENCHETTY756@GMAIL.COM; CHETTYRUBEN87@YAHOO.IN
20	Preeti	PREETI060393@GMAIL.COM; LALITRANA661@GMAIL.COM
21	Lalit	LALITRANA661@GMAIL.COM

9. Noticee-1, vide email dated October 30, 2020, requested to postpone the hearing scheduled on November 03, 2020. In view of the same, Noticee-1 was granted a final opportunity of hearing in respect of himself, Noticee-3 and Noticee-4 on November 13, 2020, vide email dated November 05, 2020. On the scheduled date of hearing, Noticee-1 along with his Authorized Representative ('AR') – Advocate Ravichandra S Hegde appeared for hearing through the Webex Video Call. During the hearing, the AR made oral submissions in the matter and reiterated the submissions made in letter dated March 26, 2020 by the above Noticees. The AR undertook to make post hearing submissions in the matter latest by November 24, 2020.

10. I also note that Noticee-9 had requested vide email dated October 9, 2020 that he be allowed to participate in any hearing concerning Noticee-1 as he had additional information. However, I have not acceded to the said request since Page 26 of 72

Noticee-9 has already availed of a hearing opportunity and he has not submitted any additional information as claimed by him.

11. Thereafter, vide emails dated November 25, 2020 and December 04, 2020, the following additional submissions were made by Noticee-1, Noticee-3 and Noticee-4:

- (i) The Noticees had no role to play in the placing trades in the Company, let alone manipulating the price of its stocks. The Noticees are not the perpetrators, but the victims to the impugned scheme devised by the Promoters.*
- (ii) The funds for making the original investments in Synergy by the Noticees were entirely sourced from the Promoters. The trades, without permission or knowledge of the Noticees, were being placed directly by the Promoters. The intention of the Noticees was just to make profits by staying long on the holdings as per the plan formerly counselled by the Promoters themselves. However, the Promoters manipulated the markets to their benefit and left behind the Noticees with dues/losses to be paid to the stock brokers. It is clear that the Noticees had no funds of their own, entered into no trades, but however are suffering the losses emanating from the entire scheme played by the Promoters.*
- (iii) In an attempt to decipher the Promoter's devise, the Noticees through their attorneys' addressed letters to all stock brokers who were placing trade orders on behalf of the Noticees to get information on how authorisations for placing the impugned trades were obtained [Ref: 'Annexure A-Colly' of the Reply]. However, the stock brokers are being uncooperative to the requests of the Noticees and have not provided any response till date. On the contrary, the Promoters have then approached Noticee No. 1 requesting Noticee No. 1 to refrain from contacting the stock brokers in this regard.*
- (iv) All the above-mentioned facts are unknown to SEBI Investigation Team and are not forming a part of the record in the present proceedings. The Promoters or the stock brokers are not even show caused. No information is gathered by SEBI to decipher the role and involvement of the Promoters in the impugned transactions.*

- The present proceedings cannot therefore be concluded meaningfully in the absence of a complete underlying investigation or fact-finding report.*
- (v) *It is therefore, urged that SEBI, as an authoritative body, investigates further and discovers the scheme devised by the Promoters and takes appropriate measures in order that innocent victims like the Noticees are not defrauded again.*
- (vi) *Having said this and notwithstanding the fact that the Noticees are not involved in / responsible for the impugned trades, it is humbly submitted that these trades alone cannot contribute to 'market manipulation', if any. There is no evidence to show that the trades undergoing in the Noticees demat accounts were driving the stock market with regards the Synergy scrip. Even the Show Cause Notice states that the trades in the Noticees' accounts only contributed to 13.27% of the total market volume during the investigation period [Ref: Paragraph 8 of the Show Cause Notice]. This, therefore, confirms the fact that the majority, amounting to 76.73% of the market volume was controlled by persons other than the Noticees. Further, according to the Show Cause Notice, the said 76.73% of the market volume is consisted of 'genuine trades' which implies that the market was in fact driven by the 'genuine trades.' In this backdrop, it would be unfair and disproportionate to make the Noticees bear the brunt for actions that are not attributable to them.*
- (vii) *As a result of the Promoters actions the Noticees had to pay huge sums of monies (approximately Rs. 4 Crores) to the stock brokers to settle the dues reflecting in their demat accounts. Therefore, the Noticees have already incurred huge losses and have undergone irreparable financial hardships due to the actions of the Promoters. Accordingly, it is requested to the Learned Adjudicating Officer to take into consideration the financial hardships already suffered by the Noticees despite being victims to the Promoters' scheme and take a lenient view qua the Noticees in the present matter and not impose any monetary penalty.*
- (viii) *However, without prejudice, while further investigation in the matter is absolutely necessary and should be proceeded, in the event the Learned Adjudicating Officer still deems fit to impose a penalty, a token penalty may be imposed taking into consideration the factor that Noticees' role was limited to being careless/negligent that their accounts were being unauthorizedly used. However, there was no reasons for suspicion or diligence as no intimation was ever received. Attention is*

*invited to the actions taken by the Learned Adjudicating Officer in some cases as below: -*

- a. In an order dated August 31, 2018 in the matter of CAT Technologies Ltd., the Learned Adjudicating Officer imposed a penalty of Rs. 5 lacs upon the noticee no. 2 therein who was held responsible for 'voluntary name lending';*
- b. In an order dated May 18, 2018 in the matter of Refex Refrigerants Ltd., the Learned Adjudicating Officer imposed a penalty of Rs. 2 lacs upon the noticees no. 7, 23, 14, 12 and 9 therein who were held responsible for 'voluntary name lending';*
- c. In an order dated September 10, 2018 in the matter of Shakti Pumps (India) Ltd., wherein some of the noticees were held responsible for 'voluntary name lending', penalties in range of Rs. 2-8 lacs were imposed upon such noticees by the Learned Adjudicating Officer.*

*(ix) In this regard, it may be noted that let alone market manipulation, the Noticees are not even liable for 'voluntary name lending' as observed by the Hon'ble Securities Appellate Tribunal in the case of Rahul H. Shah vs. SEBI (Appeal No. 83 of 2012) since the Noticees have not 'voluntarily' allowed/ authorised the Promoters to access their demat accounts and place trades on their behalf. All actions of the Promoters have taken place without the knowledge of the Noticees and with an intent to defraud the Noticees. The Noticees therefore, at most, are responsible for being negligent and not detecting how the Promoters were unauthorizedly accessing and using their demat accounts, and accordingly, the penalties imposable on the Noticees, if any, ought to be lower than the abovementioned precedents.*

12. Advocate Pramod Kathane, vide letter dated November 12, 2020, *inter alia* made the following submissions on behalf of Noticee-2, Noticee-5, Noticee-6, Noticee-11, Noticee-16 and Noticee-18:

- (i) I am concerned for the Noticees in the SCN. I am addressing this letter on instructions of and on behalf of my Clients.*

- (ii) *It is respectfully submitted that my Clients are innocent persons who got roped into alleged illegitimate activities of bigger market players without their knowledge or consent. My Clients have no knowledge of the alleged illegal actions that have led to the issuance of the present SCN. Therefore, all allegations made in the SCN are denied as the same do not pertain to my Clients and my Clients had no role in the case.*
- (iii) *It is submitted that the present SCN is issued upon my Clients as opposed to the actual perpetrators, merely by reason of lack of proper investigation into the matter by the learned Investigation Officer of SEBI. In the event the background of my Clients and the complete facts of the case were examined properly, the SCN would have never been issued against my Clients. My Clients were not even summoned by SEBI for recording their statements which would have revealed their bona fides and the case against my Clients would have been dropped right away.*
- (iv) *Moreover, the present response to the SCN is also restrained by denial of complete inspection of all the material documents pertaining to the present proceedings in possession of SEBI, including the Investigation Report along with its Annexures. In this regard, the Noticees reserve their right to obtain all the relevant documents and statements from SEBI and thereafter file such further and additional submissions, as required.*
- (v) *Before dealing with the submissions, it is pertinent to note the factual background, as given below –*
- a) *My Clients are the employees / relative of Mr. Jinesh Bhatt (Noticee No. 1 to the SCN). In April 2015, Noticee No. 1 approached my Clients and apprised them of investment opportunity in a company called Synergy Bizcon Ltd. Noticee No. 1 told my Clients that he was also participating in the said investment and it appeared to be a reliable and a profitable avenue. The promoters of Synergy even met with us and assured us of the profitability of the said investment avenue.*
- b) *Noticee No. 1 informed and assured my Clients that the entire investment plan would be handled by certain 'professional experts' who are the Promoters controlling Synergy and that funds would be transferred into my Clients' bank accounts for carrying out the same. My Clients were not aware of the sources from where such funds would be remitted into their accounts. It was assured to*

*my Clients that after opening trading accounts, they need not be concerned about anything further.*

- c) *My Clients did not have the financial means or the aptitude to partake in the investment plan by themselves. Therefore, my Clients allowed Noticee No. 1 and the Promoters and the to undertake everything that was needed for proceeding with the investment plan, since they trusted Noticee No. 1 and believed in him. After accepting Noticee No. 1's proposal, my Clients were completely ignorant of the events that transpired thereafter.*
- d) *Below is the detailed description of my Clients –*

<i>Noticee</i>	<i>Description</i>
<i>Deepak Vikhape (Noticee No. 2)</i>	<i>Noticee no. 2 is a close family friend of noticee no. 1 and noticee no. 3. He is a salaried person drawing salary of Rs. 15,000/- every month. He opened a trading account on instruction of Noticee no. 1.</i>
<i>Nagmaheshwar Yellamelli (Noticee No. 5)</i>	<i>Noticee No. 5 is working as a marketing manager in M/s. Shriti Enterprises, a proprietorship concern of Noticee No. 1 for the last 15 years. Noticee No. 5's educational qualifications show that he has not even passed his SSC exams and therefore does not possess the aptitude and ability to understand, let alone orchestrate the impugned scheme. Before May 2015, Noticee No. 5 never participated in stock trading. He did not even have a trading account till such time.</i>
<i>Yogesh Bhisht (Noticee No. 6)</i>	<i>Noticee No. 6 is working as an office boy in M/s. Shriti Enterprises, since the past 10 years. During the period in question, Noticee No. 6 was drawing a salary of Rs. 10,000/- per month and therefore, apart from lacking aptitude, Noticee No. 6 also never had the financial ability or the experience for being involved in stock trading.</i>



	<p>Noticee No. 6 did not even have trading accounts before May 2015, nor did he ever participate in stock trading. Only on insistence of Noticee No. 1, trading accounts were opened in the name of Noticee No. 6 with such stockbrokers as directed by the Promoters of Synergy.</p>
<p>Slesha Ghosh (Noticee No. 11)</p>	<p>Noticee No. 11 is working as office assistant in M/s. Shriti Enterprises, since the last 10 years.</p> <p>During the period in question, Noticee No. 11 was drawing a salary of Rs. 12,000/- per month.</p> <p>Noticee No. 11 did not even have trading accounts before May 2015, nor did she ever participate in stock trading. Only on insistence of Noticee No. 1, trading accounts were opened in the name of Noticee No. 11 with such stockbroker as directed by the Promoters of Synergy.</p>
<p>Ganesh Sunar (Noticee No. 16)</p>	<p>Noticee No. 16 is also working as an office boy in M/s. Shriti Enterprises, since the past 8 years.</p> <p>During the period in question, Noticee No. 16 was drawing a salary of Rs. 10,000/- per month and therefore, apart from lacking aptitude, Noticee No. 16 also never had the financial ability or the experience for being involved in stock trading.</p> <p>Noticee No. 16 did not even have trading accounts before May 2015, nor did he ever participate in stock trading. Only on insistence of Noticee No. 1, trading accounts were opened in the name of Noticee No. 16 with such stockbrokers as directed by the Promoters of Synergy.</p>
<p>Elizabeth Gonsalves (Noticee No. 18)</p>	<p>Noticee No. 18 is the niece of Noticee No. 1, who is presently working in Qatar. During the period 2015-16, Noticee No. 18 was facing financial issues since she had salary troubles being an employee of Jet Airways.</p> <p>Therefore, Noticee No. 1 in order to extend financial assistance, invited her to make certain investments in</p>



	<p><i>order that the profits entailing such investments will support her.</i></p> <p><i>Prior to 2015, Noticee No. 18 did not even have a trading account, nor did she participate in stock trading.</i></p>
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- e) *However, despite passage of more than 3 years, no 'profits', as promised by the said 'professional experts' to Noticee No. 1, was received by my Clients. My Clients, out of respect for Noticee No. 1 preferred not to pester Noticee No. 1 for the profit, since my Clients were already gratified by Noticee No. 1's intent to extend additional financial support to my Clients. Noticee No. 1 always took care of and supported my Clients.*
- f) *Thereafter, around September 5, 2019, my Clients were shocked and surprised to receive the captioned SCN. It is pertinent to note that my Clients were not even able to comprehend the contents of the SCN. Only after consulting with Noticee No. 1 did they understand that serious accusations of market manipulation were alleged against my Clients in the SCN. Till such time, my Clients were not cognizant of what happened with their trading accounts or that their trading accounts were being abused for illegal activities, as alleged in the SCN or at all. My Clients could also not understand that Noticee No. 1 is also being duped and cheated by the Promoters.*
- (vi) *It is therefore humbly submitted that my Clients are the victims to the perpetrations alleged in the SCN. My Clients are unaware as to the persons who were behind the violations as alleged in the SCN. My Clients were unaware that their names would be misused by the 'professional experts' appointed by their ex-employer / relative, i.e., Noticee No. 1.*
- (vii) *The abovementioned background of my Clients is sufficient to demonstrate that my Clients were entirely oblivious as to what transpired in their banking as well as trading accounts. My Clients were incapable of comprehending, let alone detecting a fraud that was being perpetrated upon them.*
- (viii) *Lack of proper investigation has escalated the matter against my Clients to such an extent that they are constrained to seek interference of the learned Adjudicating Officer for passing appropriate directions to conduct complete investigation in the present matter to unearth the actual chain of events, in order that innocent persons*

*who are scape goats in the matter can be left out and the actual perpetrators who have orchestrated the impugned actions can be proceeded against.*

- (ix) *Without prejudice, my Clients with appropriate legal support, have initiated the process of gathering all material evidence and information for conducting an independent forensic analysis for bringing to light the true picture before SEBI. Legal notices have been issued to all stockbrokers for sharing necessary information such as details of the persons who have been handling their trading accounts and authorised the placement of the impugned trades. Copies of the said legal notices are annexed herewith. None of the stockbrokers have yet responded to the said Legal Notices except one viz. Integrated, which has also refrained from sharing any details without the Noticee issuing a signed hard copy of the requisition letter. A copy of the email dated March 19, 2020 received from Integrated is annexed.*
- (x) *In view of the above submissions, it is humbly prayed that the proceedings against my Clients must be disposed of since there is no involvement, or any gains incurred to my Clients.*

13. In view of the above submissions by the Representative of Noticee-2, Noticee-5, Noticee-6, Noticee-11, Noticee-16 and Noticee-18, he was granted a final opportunity of hearing in the matter on November 24, 2020 through Webex video conference, vide email dated November 13, 2020. However, the said opportunity of hearing was not availed by the said Noticees/ their Representative.

14. Noticee-13, vide email dated November 04, 2020, *inter alia* made the following submission:

*I am a private employee and I don't have knowledge on trading. I shared my details with one of my friend Mr. Vinit Sinha. Whatever trading happened in my account done by him. As a friend when he asked my details for trading account I given to him. I am not*

*aware what type of trading he has done. So please take this reply as my presence and do the needful.*

15. Noticee-10, vide email dated November 02, 2020, *inter alia* submitted that he had allowed Vineet Sinha (i.e., Noticee-15) to handle his account because he was told that he will get monthly income. Subsequently, as he was not able to understand the trading done in his account, he had requested Choice Broking to stop trading in his account. Noticee-10 also requested to hold the hearing in Delhi. In view of the said request, Noticee-10 was informed, vide email dated November 03, 2020, that the hearing in the captioned matter will be held through video conferencing through the Cisco Webex app/ program, as per the schedule given in the trailing email dated October 16, 2020. However, Noticee-10 failed to avail of the hearing opportunity on the scheduled date of hearing, i.e., on November 04, 2020.

16. Noticee-14, vide his letter dated October 25, 2020, *inter alia* made the following submissions:

*All the trades were done by my stock market advisor Shri Vineet Sinha, who has done all trades in my account without my knowledge. I met Mr. Sinha through one of our common friend regarding stock market investment. Mr. Sinha assured me of good returns if I allow him to do trades in my accounts. So, all these trades were done by him and on his instruction. I don't even have any idea that these trading were violation of any*

*SEBI law. So I request kindly drop these allegation against me as these all are misuse of my account by Mr. Vineet Sinha.*

17. Vide the above letter dated October 25, 2020, Noticee-14 also requested to hold the hearing in Delhi. In this respect, Noticee-14 was granted a final hearing opportunity through webex video conference on November 24, 2020, vide email dated November 13, 2020. It is noted that the Noticee-14 appeared for hearing through the Webex Video Call on the scheduled date of hearing. During the hearing, Noticee-14 reiterated the submissions made by him in his letter dated October 25, 2020 and stated that the trading in his account was done by Shri Vineet Sinha.

18. Noticee-7, vide his email dated November 2, 2020, stated that Noticee-8 was his brother and requested to postpone the hearing scheduled on November 05, 2020 and stated that he will submit reply on behalf of himself and Noticee-8. In view of the same, Noticee-7 was granted another opportunity of hearing in respect of himself and Noticee-8 on November 13, 2020, vide email dated November 05, 2020. Noticee-7, vide email dated November 12, 2020, again requested to postpone the hearing scheduled on November 13, 2020. In view of the said request, Noticee-7 was granted a final opportunity of hearing in respect of himself and Noticee-8 on November 24, 2020, vide email dated November 13, 2020, through Webex video conference. Noticee-7, vide his email dated November 23,

2020, again requested to postpone the hearing scheduled on

2020. Vide email dated November 24, 2020, Noticee-7 was informed that he had already been granted multiple opportunities of hearing in the matter, which he had failed to avail of. Such a deliberate effort to delay the proceedings was not justifiable and, in view of the same, a one-time opportunity of hearing in respect of himself and Noticee-8 on November 26, 2020 through webex video conference was granted to him. On the scheduled date of hearing, Noticee-7 appeared for hearing representing himself and Noticee-8. During the hearing, Noticee-7 stated that the trading in their accounts was done by Noticee-1.

19. Noticee-12, vide his email dated November 2, 2020, requested to postpone the hearing scheduled on November 04, 2020. In view of the same, Noticee-12 was granted another opportunity of hearing on November 13, 2020, vide email dated November 05, 2020. Noticee-12, vide email dated November 12, 2020, again requested to postpone the hearing scheduled on November 13, 2020. In view of the said request, Noticee-12 was granted a final opportunity of hearing on November 24, 2020, vide email dated November 13, 2020, through Webex video conference. On the scheduled date of hearing, Noticee-12 appeared for hearing and stated that submitted that the trading in his account was done by Shri Vineet Sinha, who is also one of the Noticees in the Show Cause Notice. Noticee-12 further stated that he had received some money from Shri Vineet Sinha in respect of trading done in his account. Noticee-12 was advised to make post hearing submissions in the matter latest by November 25, 2020. However, Noticee-12,

vide email dated November 25, 2020, requested for a time of  
additional 10 days Page 37 of 72

for submitting reply in the matter. In view of the same, vide email dated November 27, 2020, Noticee-12 was granted a final opportunity to make submissions in the matter latest by December 05, 2020. However, I note that Noticee-12 has failed to make any further submissions in the matter.

20. I note that Noticee-15, Noticee-17, Noticee-19, Noticee-20, Noticee-21 and Noticee-22 failed to submit any reply to the allegations in the SCN and also, did not avail the hearing opportunities granted to them. I am of the view that principles of natural justice have been complied with in the present matter since sufficient opportunities have been provided to the said Noticees to appear for hearing, which they have failed to avail of. The other Noticees have submitted their replies in the matter and some of them have also availed of the hearing opportunities granted to them. In view of the above, I now proceed further in the matter on merits after considering the available records and the submissions made by the Noticees in the SCN.

### **CONSIDERATION OF ISSUES AND FINDINGS**

21. I have carefully perused the charges levelled against the Noticees, their reply and the documents / material available on record. The issues that arise for consideration in the present case are :

- (a) Whether the Noticees have violated sections 12A(a),(b) & (c) of the SEBI Act read with regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), (e) and (g) of PFUTP Regulations, 2003.

- (b) Do the violations, if any, attract monetary penalty, as applicable, under Sections 15HA of the SEBI Act?
- (c) If so, what would be the quantum of monetary penalty that can be imposed on the Noticees after taking into consideration the factors mentioned in section 15J of the SEBI Act?

22. Before proceeding further, I would like to refer to the relevant provisions of the SEBI Act and PFUTP Regulations as below:

**Section 12 (A) (a) (b) (c) of SEBI Act**

*No person shall directly or indirectly*

- (a) *use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of this Act or the rules or the regulations made thereunder;*
- (b) *employ any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange;*
- (c) *engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which are listed or proposed to be listed on a recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder;*

**Regulation 3: - Prohibition of certain dealings in securities**

3. No person shall directly or indirectly—

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

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

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

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

**Regulation 4: - Prohibition of manipulative, fraudulent and unfair trade practices**

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

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

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

.....

(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;..*

23. Before proceeding further, I note that Noticee-15, Noticee-17, Noticee-19, Noticee-20, Noticee-21 and Noticee-22 failed to submit their reply to the SCN and also failed to appear for personal hearing, even when the said notices were duly served on the said Noticees. The Hon'ble Securities Appellate Tribunal ('SAT') in the matter of Classic Credit Ltd. vs. SEBI (Appeal No. 68 of 2003 decided on December 08, 2006) *inter alia* held that – “...the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show-cause notice were admitted by them”. The Hon'ble SAT also made such proposition in case of Sanjay Kumar Tayal & Ors. Vs. SEBI (in appeal No. 68/2013) decided on February 11, 2014 viz. “.....appellants have neither filed reply to show cause notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges levelled against them in the show cause notices”.

24. I note that some of the Noticees in his submissions have raised the issue of non-supply of documents in the matter. In this regard, I note that the allegations against the Noticees are clearly delineated in the SCN and all the relevant documents that have been relied upon in the SCN have been provided to the Noticees as annexures to the SCN and it is the Noticees' responsibility to defend

his case by referring to the documents on which SEBI has relied upon in the SCN. In this regard, I note that Hon'ble SAT, in its order dated February 12, 2020, in the matter of Shrutu Vora vs. SEBI had made the following observations:

*"Reliance was also made of a decision of the Supreme Court in Union of India and Others vs E. Bashyan (1988) 2 SCC 196 which has no bearing to the controversy involved in the present context, in as much as, the said decision relates to a disciplinary proceedings wherein the Supreme Court observed that the inquiry report was required to be made available to the delinquent. An inquiry report is totally distinct and different from an investigation report. The inquiry report considers all the materials in the inquiry proceedings which form the basis of the final order and therefore the said report is required to be made available to the delinquent. In the instant case, the show cause notice relies upon certain documents which have been made available. Thus the investigation report is not required to be supplied".*

*"The learned counsel has also placed reliance upon a minority view of this Tribunal in Price Waterhouse vs Securities and Exchange Board of India decided by this Tribunal in Appeal No. 8 of 2011 on June 1, 2011 wherein it was observed that fairness demands that the entire material collected during the course of investigation should be made available for inspection to the person whose conduct was in question and that said material should also be supplied. In our opinion, the said minority view is directly against the decision of the Supreme Court in Natwar Singh case (supra)".*

*"A bare reading of the provisions of the Act and the Rules as referred to above do not provide supply of documents upon which no reliance has been placed by the AO, nor*

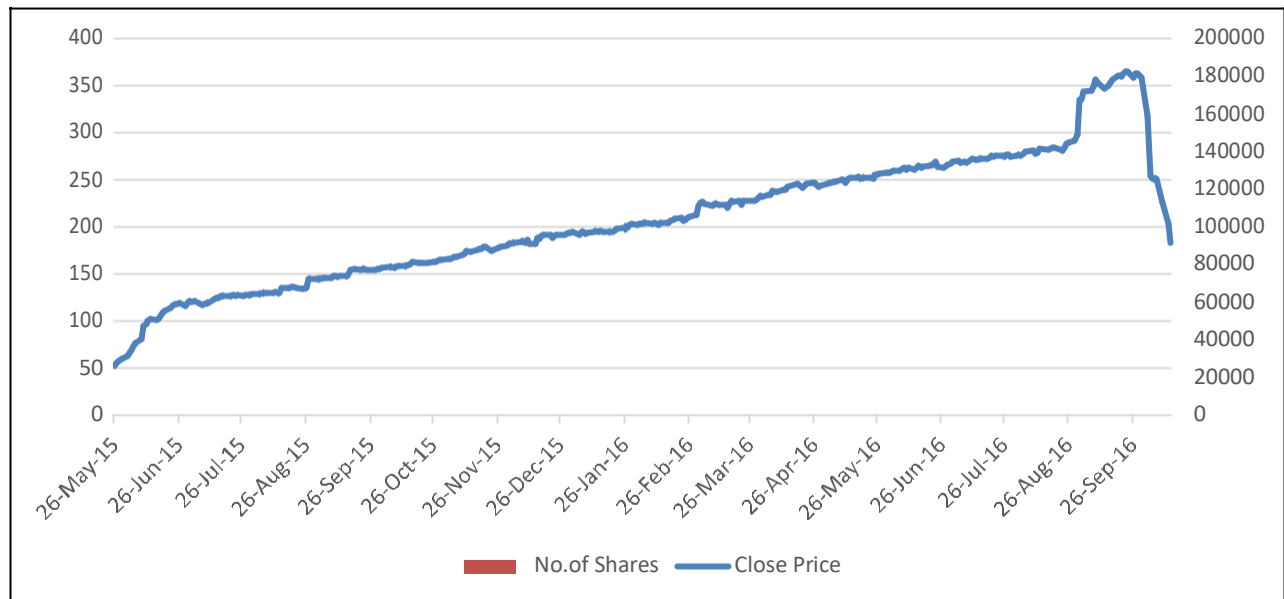
*even the principles of natural justice require supply of such documents which has not been relied upon by the AO. We are of the opinion that we cannot compel the AO to deviate from the prescribed procedure and supply of such documents which is not warranted in law. In our view, on a reading of the Act and the Rules we find that there is no duty cast upon the AO to disclose or provide all the documents in his possession especially when such documents are not being relied upon.”*

25. In view of the above, since all the documents which were relevant and relied upon in the instant proceedings, have been provided to the Noticees along with the SCN, I am of the opinion that principles of natural justice have been duly complied with in the instant proceedings and no prejudice in filing his reply has been caused to the Noticee.

26. The price volume analysis of the scrip before, during and after the period of investigation is as under:

Period	No. of Trading days	Price & Vol	Opening price (volume) on first day of the period (Rs)	Closing price (volume) on last day of the period (Rs)	Lowest price (volume) during the period (Rs)	Highest price (volume) during the period (Rs)	Total Volume (Avg. no. of shares traded daily during the period)
Pre Investigation period		The company was listed on BSE under Direct Listing route w.e.f May 22, 2015. Subsequent to the listing of the scrip at BSE on May 22, 2015, price discovered through SPOS was Rs.49.9 on May 26, 2015.					
Investigation period (26.05.2015 to 14.10.2016)	344	Price	49.99 (26.05.2015)	183 (14.10.2016)	49.99 (26.05.2015)	418 (03.10.2016)	18198440 (52902)
		Volume	1009 (26.05.2015)	11 (14.10.2016)	1009 (26.05.2015)	73861 (03.10.2016)	
Post Investigation (15.10.2016 to 15.01.2017)	59	Price	183 (17.10.2016)	84.05 (12.01.2017)	84.05 (12.01.2017)	179.35 (01.11.2016)	6088 (119.37)
		Volume	420 (17.10.2016)	10 (12.01.2017)	1 (19.10.2017)	3100 (26.10.2016)	

The Price Volume Chart during the period under investigation is as under:



27. It has been alleged that the Noticees are connected entities and have accounted for creation of artificial volume in the scrip of Synergy by way of reversal trades. Further, it has been alleged that the Noticees had contributed to price rise in the scrip of Synergy fraudulently by repeatedly placing buy orders with group entities at a price higher than LTP and by placing buy orders at a price higher than LTP & creating a New High Price.

28. I note from the investigation report that the following connection was observed between the Noticees on the basis of UCC details and bank statement analysis:

S. No.	Name	Basis of Connection
1	Jinesh Bhatt	<p>From UCC details it was observed that: entity at sr. no. 1, 2, 3, 4 &amp; 5 sharing same email-id "Rex_Rocky@yahoo.co.in"</p> <p>As per bank statement analysis, it was observed that: Entity at Sr. No. 1 and 2 have financial transaction Entity at sr. no. 1 and 3 have financial transaction Entity at sr. no. 1 and 4 have financial transaction Entity at sr. no. 1 and 5 have financial transaction Entity at sr. no. 1 and 6 have financial transaction Entity at sr. no. 1 and 18 have financial transaction Entity at sr. no. 1 and 20 have financial transaction Entity at sr. no. 10 &amp; 11 has financial transaction with Shriti Enterprises in which entity at Sr. No. 1 is one of the directors. Entity at Sr. No. 1, 2, 3, 4, 5, 6 &amp; 13 have financial transaction with same entity named Shri Bhairav Enterprises.</p>
2	Deepak Pandurang Vikhape	<p>From UCC details it was observed that entity at sr. no. 1, 2, 3, 4 &amp; 5 sharing same email-id "Rex_Rocky@yahoo.co.in"</p> <p>As per bank statement analysis, it was observed that Entity at Sr. No. 1 and 2 have financial transaction Entity at Sr. No. 2 and 4 have financial transaction Entity at Sr. No. 2 and 5 have financial transaction Entity at Sr. No. 2 and 3 have financial transaction Entity at Sr. No. 2 and 6 have financial transaction Entity at Sr. No. 2 and 9 have financial transaction Entity at Sr. No. 2 and 16 have financial transaction Entity at Sr. No. 2 and 18 have financial transaction Entity at Sr. No. 2 and 20 have financial transaction Entity at Sr. No. 1, 2, 3, 4, 5, 6 &amp; 13 have financial transaction with same entity named Shri Bhairav Enterprises.</p>
3	Pooja Jinesh Bhatt	<p>From UCC details it was observed that: entity at sr. no. 1, 2, 3, 4 &amp; 5 sharing same email-id "Rex_Rocky@yahoo.co.in"</p> <p>As per bank statement analysis, it was observed that: Entity at Sr. No. 2 and 3 have financial transaction Entity at Sr. No. 3 and 4 have financial transaction Entity at Sr. No. 3 and 5 have financial transaction Entity at Sr. No. 3 and 6 have financial transaction Entity at Sr. No. 3 and 16 have financial transaction Entity at Sr. No. 3 and 18 have financial transaction Entity at Sr. No. 3 and 20 have financial transaction Entity at Sr. No. 1, 2, 3, 4, 5, 6 &amp; 13 have financial transaction with same entity named Shri Bhairav Enterprises.</p>
4	Shriti Jignesh Bhatt	<p>From UCC details it was observed that: entity at sr. no. 1,2,3,4,&amp; 5 sharing same email-id "Rex_Rocky@Yahoo.Co.In"</p> <p>As per bank statement analysis, it was observed that: Entity at Sr. No. 4 and 1 have financial transaction</p>

		Entity at Sr. No. 4 and 2 have financial transaction Entity at Sr. No. 4 and 3 have financial transaction Entity at Sr. No. 4 and 5 have financial transaction Entity at Sr. No. 4 and 20 have financial transaction Entity at Sr. No. 1, 2, 3, 4, 5, 6 & 13 have financial transaction with same entity named Shri Bhairav Enterprises.
5	Nagmaheshwar Balraj Yellamelli	From UCC details it was observed that entity at sr. no. 1,2,3,4,& 5 sharing same email-id "Rex_Rocky@Yahoo.Co.In" As per bank statement analysis, it was observed that: Entity at Sr. No. 5 and 1 have financial transaction Entity at Sr. No. 5 and 2 have financial transaction Entity at Sr. No. 5 and 3 have financial transaction Entity at Sr. No. 5 and 4 have financial transaction Entity at Sr. No. 5 and 6 have financial transaction Entity at Sr. No. 5 and 7 have financial transaction Entity at Sr. No. 5 and 8 have financial transaction Entity at Sr. No. 5 and 16 have financial transaction Entity at Sr. No. 5 and 18 have financial transaction Entity at Sr. No. 5 and 20 have financial transaction Entity at Sr. No. 1, 2, 3, 4, 5, 6 & 13 have financial transaction with same entity named Shri Bhairav Enterprises.
6	Yogesh Bhawansingh Bisht	As per bank statement analysis, it was observed that: Entity at Sr. No. 6 and 1 have financial transaction Entity at Sr. No. 6 and 2 have financial transaction Entity at Sr. No. 6 and 3 have financial transaction Entity at Sr. No. 6 and 5 have financial transaction Entity at Sr. No. 6 and 16 have financial transaction Entity at Sr. No. 6 and 18 have financial transaction Entity at Sr. No. 6 and 20 have financial transaction Entity at Sr. No. 1, 2, 3, 4, 5, 6 & 13 have financial transaction with same entity named Shri Bhairav Enterprises.
7	Rajnish Tiwari	As per bank statement analysis, it was observed that: Entity at Sr. No. 7 and 8 have financial transaction Entity at Sr. No. 7 and 15 have financial transaction Entity at Sr. No. 7 and 17 have financial transaction Entity at Sr. No. 7 and 16 have financial transaction Entity at Sr. No. 7 and 5 have financial transaction Entity at Sr. No. 7 and 14 have financial transaction
8	Avinash Tiwari	As per bank statement analysis, it was observed that: Entity at Sr. No. 8 and 5 have financial transaction
9	Sanjay Saha	As per bank statement analysis, it was observed that: Entity at Sr. No. 9 and 2 have financial transaction
10	Amarender Kumar	As per bank statement analysis, it was observed that: Entity at Sr. No. 10 and 12 have financial transaction Entity at sr. no. 10 has financial transaction with Shriti Enterprises in which entity at Sr. No. 1 is one of the directors.

11	Slesha Pradeep Ghosh	As per Bank statement it was observed that: Entity at sr. no. 11 has financial transaction with Shriti Enterprises in which entity at Sr. No. 1 is one of the directors
12	Sanjay Gupta	As per bank statement analysis, it was observed that Entity at Sr. No. 10 and 12 have financial transaction
13	Anji Reddy Vanga	As per bank statement analysis, it was observed that Entity at Sr. No. 1, 2, 3, 4, 5, 6 & 13 have financial transaction with same entity named Shri Bhairav Enterprises.
14	Ravindra Nath Mishra	As per bank statement analysis, it was observed that Entity at Sr. No. 14 and 7 have financial transaction
15	Vineet Sinha	As per bank statement analysis, it was observed that: Entity at Sr. No. 7 and 15 have financial transaction
16	Ganesh Sunar	As per bank statement analysis, it was observed that: Entity at Sr. No. 2 and 16 have financial transaction Entity at Sr. No. 3 and 16 have financial transaction Entity at Sr. No. 5 and 16 have financial transaction Entity at Sr. No. 6 and 16 have financial transaction Entity at Sr. No. 7 and 16 have financial transaction
17	Vishal Anand	As per bank statement analysis, it was observed that: Entity at Sr. No. 7 and 17 have financial transaction
18	Elizabeth Peter Gonsalves	As per bank statement analysis, it was observed that: Entity at sr. no. 1 and 18 have financial transaction Entity at Sr. No. 2 and 18 have financial transaction Entity at Sr. No. 3 and 18 have financial transaction Entity at Sr. No. 5 and 18 have financial transaction Entity at Sr. No. 6 and 18 have financial transaction
19	Shweta Asthana	As per UCC details, it is observed that: Entity at Sr. No. 19 and 15 has same mobile no. "9313681928" From the details of off market transfer, it was observed that Entity at sr. no. 19 has transferred share to entity specified at sr. no. 21 & 22.
20	Ruben Chetty	As per bank statement analysis, it was observed that: Entity at sr. no. 1 and 20 have financial transaction Entity at Sr. No. 2 and 20 have financial transaction Entity at Sr. No. 3 and 20 have financial transaction Entity at Sr. No. 4 and 20 have financial transaction Entity at Sr. No. 5 and 20 have financial transaction Entity at Sr. No. 6 and 20 have financial transaction
21	Lalit	From UCC details it was observed that: Entity at sr. no. 21 & 22 have same address "21 D Block-d Extension, Mohan Garden Near Laxmi Vihar, Delhi, Delhi, India, 110059" From the details of off market transfer, it was observed that Entity at sr. no. 19 has transferred share to entity at sr. no. 21.
22	Preeti	From UCC details it was observed that: Entity at sr. no. 21 & 22 have same address "21 D Block-d Extension, Mohan Garden Near Laxmi Vihar, Delhi, Delhi, India, 110059" From the details of off market transfer, it was observed that Entity at sr. no. 19 has transferred share to entity at sr. no. 22.



29. I note from above table that the Noticees are connected to each other through various financial transactions that are observed from bank statement analysis. I also note that Noticee-1, Noticee-2, Noticee-3, Noticee-4 and Noticee-5 also share a common email id. Further, Noticee-19 and Noticee-15 have the same mobile number. I also note that Noticee-21 and Noticee-22 have the same address. I am of the view that KYC and financial transaction based connection provides vital hints of possible connections with regard to the entities connected to each other. However, it is also necessary that such connections are seen in the context of their pattern of trading, repetitive nature of trades, reversal and other relevant parameters.

### Findings w.r.t Reversal Trades

30. Reversal trades are the trades where the buyer and seller reverse their position with each other on same day or on different dates. Reversal trades create artificial/fictitious volume in the market and give a false and misleading appearance of trading in the scrip at the exchange. The details of the reversal trades executed by the Noticees are as under:

Pan 1 Client Name	Pan 2 Client Name	Qty.1 (Pan 1(Sell) To Pan 2(Buy))	Qty.2 (Pan 2(Sell) To Pan 1(Buy))	% Of Reversa l Qty. To Mkt Vol.	Sum Of Reversa l Qty.	No. Of Reversal Trades	Artificial Volume created by reversal trades	% of non-genuine volume to mrkt volume
Nagmaheshwar Balraj Yellamelli	Deepak Pandurang Vikhape	22250	22130	0.07	12263	2565	24526	0.13
Nagmaheshwar Balraj Yellamelli	Jinesh Devendra Bhatt	6000	291	0	291	300	582	0.00
Nagmaheshwar Balraj Yellamelli	Ravindra Nath Mishra	5112	2851	0.01	2343	185	4686	0.03
Nagmaheshwar Balraj Yellamelli	Pooja Jinesh Bhatt	4631	5121	0.01	2501	383	5002	0.03
Nagmaheshwar Balraj Yellamelli	Yogesh Bhawansingh Bisht	51977	64609	0.18	32623	8991	65246	0.36

Nagmaheshwar Balraj Yellamelli	Slesha Pradeep Ghosh	16401	14975	0.05	8241	2648	16482	0.09
Nagmaheshwar Balraj Yellamelli	Shweta Asthana	10264	6845	0.04	6845	125	13690	0.08
Nagmaheshwar Balraj Yellamelli	Shriti Jinesh Bhatt	13138	6339	0.02	3739	455	7478	0.04
Nagmaheshwar Balraj Yellamelli	Vineet Sinha	2690	9791	0.01	867	216	1734	0.01
Nagmaheshwar Balraj Yellamelli	Gonsalves	1030	3275	0.01	1030	346	2060	0.01
Nagmaheshwar Balraj Yellamelli	Amarender Kumar	1122	8	0	8	54	16	0.00
Nagmaheshwar Balraj Yellamelli	Ganesh Nainsingh Sunar	29006	15332	0.04	7222	3297	14444	0.08
Sanjay Saha	Pooja Jinesh Bhatt	1303	250	0	250	2	500	0.00
Deepak Pandurang Vikhape	Rajnish Tiwari	1061	834	0	834	60	1668	0.01
Deepak Pandurang Vikhape	Anjireddy V	215	632	0	193	94	386	0.00
Deepak Pandurang Vikhape	Vishal Anand	1	4	0	1	5	2	0.00
Deepak Pandurang Vikhape	Lalit	212	20	0	11	36	22	0.00
Deepak Pandurang Vikhape	Jinesh Devendra Bhatt	4760	27	0	27	207	54	0.00
Deepak Pandurang Vikhape	Sanjay Gupta	4	668	0	4	15	8	0.00
Deepak Pandurang Vikhape	Ravindra Nath Mishra	5982	12544	0.02	3829	176	7658	0.04
Deepak Pandurang Vikhape	Ruben Chetty	361	11	0	11	89	22	0.00
Deepak Pandurang Vikhape	Pooja Jinesh Bhatt	597	568	0	568	16	1136	0.01
Deepak Pandurang Vikhape	Yogesh Bhawansingh Bisht	28832	39721	0.08	14026	3505	28052	0.15
Deepak Pandurang Vikhape	Slesha Pradeep Ghosh	6798	1800	0	720	936	1440	0.01
Deepak Pandurang Vikhape	Shweta Asthana	337	1774	0	187	106	374	0.00
Deepak Pandurang Vikhape	Shriti Jinesh Bhatt	13605	11360	0.04	6520	1475	13040	0.07
Deepak Pandurang Vikhape	Vineet Sinha	3075	2526	0.01	1455	223	2910	0.02
Deepak Pandurang Vikhape	Elizabeth Peter Gonsalves	842	1859	0	802	48	1604	0.01
Deepak Pandurang Vikhape	Gonsalves	738	295	0	295	55	590	0.00
Deepak Pandurang Vikhape	Amarender Kumar	5	9	0	5	9	10	0.00
Deepak Pandurang Vikhape	Preeti	329	59	0	58	86	116	0.00
Deepak Pandurang Vikhape	Ganesh Nainsingh Sunar	55208	54263	0.14	24273	10074	48546	0.27
Rajnish Tiwari	Anjireddy V	201	50	0	50	34	100	0.00
Rajnish Tiwari	Vishal Anand	34009	34147	0.19	33997	203	67994	0.37
Rajnish Tiwari	Sanjay Gupta	31615	30570	0.16	30079	142	60158	0.33
Rajnish Tiwari	Ravindra Nath Mishra	25386	22955	0.13	22894	189	45788	0.25

Rajnish Tiwari	Ruben Chetty	2000	890	0.01	890	6	1780	0.01
Rajnish Tiwari	Yogesh Bhawansingh Bisht	405	88	0	88	12	176	0.00
Rajnish Tiwari	Shweta Asthana	6491	10378	0.03	6267	105	12534	0.07
Rajnish Tiwari	Vineet Sinha	8451	4303	0.02	4298	114	8596	0.05
Rajnish Tiwari	Amarender Kumar	17213	17184	0.09	17168	140	34336	0.19
Rajnish Tiwari	Preeti	168433	169549	0.92	167611	812	335222	1.84

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Anjireddy V	Vishal Anand	4099	3832	0.02	3801	38	7602	0.04
Anjireddy V	Lalit	49396	50071	0.27	49347	492	98694	0.54
Anjireddy V	Sanjay Gupta	3372	3215	0.02	3210	88	6420	0.04
Anjireddy V	Yogesh Bhawansingh Bisht	36	36	0	36	2	72	0.00
Anjireddy V	Shweta Asthana	4770	1260	0.01	919	117	1838	0.01
Anjireddy V	Vineet Sinha	24019	24694	0.13	23961	317	47922	0.26
Anjireddy V	Amarender Kumar	3015	3014	0.02	3013	46	6026	0.03
Anjireddy V	Preeti	114066	113666	0.63	113060	643	226120	1.24
Vishal Anand	Sanjay Gupta	42069	42408	0.23	42014	254	84028	0.46
Vishal Anand	Ravindra Nath Mishra	6962	7082	0.04	6957	32	13914	0.08
Vishal Anand	Shweta Asthana	1	9	0	1	8	2	0.00
Vishal Anand	Amarender Kumar	74592	74471	0.4	74161	273	148322	0.82
Vishal Anand	Preeti	51543	52161	0.28	51467	201	102934	0.57
Vishal Anand	Yogesh Bhawansingh Bisht	3000	249	0	249	5	498	0.00
Vishal Anand	Ganesh Nainsingh Sunar	7946	3219	0.01	1666	35	3332	0.02
Lalit	Sanjay Gupta	4407	4278	0.02	4278	46	8556	0.05
Lalit	Ruben Chetty	10	51	0	10	23	20	0.00
Lalit	Yogesh Bhawansingh Bisht	7	7	0	7	13	14	0.00
Lalit	Shweta Asthana	101084	99478	0.54	99087	939	198174	1.09
Lalit	Amarender Kumar	3492	3499	0.02	3491	23	6982	0.04
Avinash Tiwari	Ravindra Nath Mishra	4000	1610	0.01	1610	118	3220	0.02
Avinash Tiwari	Yogesh Bhawansingh Bisht	2124	1200	0.01	1200	398	2400	0.01
Avinash Tiwari	Slesha Pradeep Ghosh	7000	7900	0.04	7000	7	14000	0.08
Jinesh Devendra Bhatt	Ravindra Nath Mishra	980	1449	0.01	975	58	1950	0.01
Jinesh Devendra Bhatt	Yogesh Bhawansingh Bisht	3955	6204	0.01	1577	610	3154	0.02
Jinesh Devendra Bhatt	Slesha Pradeep Ghosh	8405	6679	0.03	5939	621	11878	0.07
Jinesh Devendra Bhatt	Vineet Sinha	2633	2679	0.01	2029	171	4058	0.02
Jinesh Devendra Bhatt	Ganesh Nainsingh Sunar	5289	6549	0.02	2645	839	5290	0.03
Sanjay Gupta	Ravindra Nath Mishra	5071	2129	0.01	2129	25	4258	0.02
Sanjay Gupta	Shweta Asthana	2	6	0	2	5	4	0.00
Sanjay Gupta	Vineet Sinha	11485	11742	0.06	11475	35	22950	0.13
Sanjay Gupta	Amarender Kumar	33077	32642	0.18	32619	126	65238	0.36
Sanjay Gupta	Preeti	30720	30557	0.17	30488	287	60976	0.34
Ravindra Nath Mishra	Ruben Chetty	4919	6104	0.02	3599	180	7198	0.04
Ravindra Nath Mishra	Pooja Jinesh Bhatt	2920	480	0	480	14	960	0.01
Ravindra Nath Mishra	Yogesh Bhawansingh Bisht	6787	6360	0.03	4918	154	9836	0.05
Ravindra Nath Mishra	Shweta Asthana	733	149	0	149	23	298	0.00
Ravindra Nath Mishra	Shriti Jinesh Bhatt	200	3500	0	200	20	400	0.00
Ravindra Nath Mishra	Vineet Sinha	3756	4198	0.01	1063	168	2126	0.01
Ravindra Nath Mishra	Elizabeth Peter Gonsalves	816	3842	0	390	36	780	0.00
Ravindra Nath Mishra	Amarender Kumar	5112	5136	0.03	4925	131	9850	0.05
Ravindra Nath Mishra	Preeti	5	2000	0	5	27	10	0.00
Ravindra Nath Mishra	Ganesh Nainsingh Sunar	276	274	0	274	9	548	0.00
Ruben Chetty	Slesha Pradeep Ghosh	3354	8801	0.02	3354	3328	6708	0.04
Ruben Chetty	Shweta Asthana	323	163	0	163	61	326	0.00
Ruben Chetty	Shriti Jinesh Bhatt	2000	1063	0.01	1063	1073	2126	0.01
Ruben Chetty	Vineet Sinha	370	775	0	370	144	740	0.00

Ruben Chetty	Ganesh Nainsingh Sunar	1784	667	0	667	815	1334	0.01
Pooja Jinesh Bhatt	Yogesh Bhawansingh Bisht	11066	4310	0.02	3788	715	7576	0.04
Pooja Jinesh Bhatt	Slesha Pradeep Ghosh	19	63	0	19	35	38	0.00
Pooja Jinesh Bhatt	Shriti Jinesh Bhatt	62	2000	0	62	31	124	0.00
Pooja Jinesh Bhatt	Vineet Sinha	1899	729	0	599	67	1198	0.01
Pooja Jinesh Bhatt	Ganesh Nainsingh Sunar	18207	27241	0.06	11177	2833	22354	0.12
Yogesh Bhawansingh Bisht	Slesha Pradeep Ghosh	55467	75997	0.23	41784	14288	83568	0.46
Yogesh Bhawansingh Bisht	Shweta Asthana	3512	10405	0.02	3512	195	7024	0.04
Yogesh Bhawansingh Bisht	Shriti Jinesh Bhatt	15052	27993	0.08	15052	4780	30104	0.17
Yogesh Bhawansingh Bisht	Vineet Sinha	5503	17523	0.02	3164	782	6328	0.03
Yogesh Bhawansingh Bisht	Ganesh Nainsingh Sunar	37572	40427	0.14	24959	3385	49918	0.27
Slesha Pradeep Ghosh	Shriti Jinesh Bhatt	7324	5290	0.02	3847	2049	7694	0.04
Slesha Pradeep Ghosh	Vineet Sinha	32	32	0	32	6	64	0.00
Slesha Pradeep Ghosh	Elizabeth Peter Gonsalves	9983	14476	0.06	9928	3269	19856	0.11
Slesha Pradeep Ghosh	Gonsalves	9948	7247	0.02	3640	1524	7280	0.04
Slesha Pradeep Ghosh	Ganesh Nainsingh Sunar	57711	63759	0.15	28887	13694	57774	0.32
Shweta Asthana	Vineet Sinha	2902	762	0	762	67	1524	0.01
Shweta Asthana	Amarender Kumar	2950	2947	0.02	2947	178	5894	0.03
Shweta Asthana	Preeti	3116	12	0	11	23	22	0.00
Shweta Asthana	Ganesh Nainsingh Sunar	2603	2569	0.01	2569	99	5138	0.03
Shriti Jinesh Bhatt	Vineet Sinha	1187	1418	0.01	1187	138	2374	0.01
Shriti Jinesh Bhatt	Gonsalves	5100	953	0.01	953	121	1906	0.01
Shriti Jinesh Bhatt	Ganesh Nainsingh Sunar	4337	4876	0.02	4334	1547	8668	0.05
Vineet Sinha	Amarender Kumar	502	5275	0	502	20	1004	0.01
Vineet Sinha	Ganesh Nainsingh Sunar	24251	16782	0.08	14201	2349	28402	0.16
Elizabeth Peter Gonsalves	Ganesh Nainsingh Sunar	430	805	0	430	259	860	0.00
Amarender Kumar	Preeti	11369	11312	0.06	11292	134	22584	0.12
<b>Total</b>		<b>1520176</b>	<b>1557666</b>	<b>6.63</b>	<b>1207065</b>	<b>104205</b>	<b>2414130</b>	<b>13.27</b>

31. It is observed from the above table that the Noticees had indulged in reversal trades among themselves in respect of 24,14,130 shares in 1,04,205 reversal trades accounting for 13.27% of the total market volume during the IP. For the sake of clarity, a reversal trade between 2 group entities (Noticee-3 and Noticee-9) is illustrated. Noticee-3 on September 14, 2015 bought 1303 shares from Noticee-9 at a rate of Rs. 148.10. Thereafter, on the same day, Noticee-3 sold



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back 250 shares to Noticee-9 at a rate of Rs. 147.30. Therefore, I note that Noticee-3 and Noticee-9 entered into two trades with each other on September 14, 2015, whereby they generated an artificial volume of 250 shares by entering into the said reversal trades with each other.

32. I note from the available records that the Noticees indulged in reversal of trades on several occasions. I note that persistent trading in the aforesaid manner clearly indicate an intention to create artificial volume in the scrip of Synergy. Such trades clearly indicate that the same were not genuine trades as there was no change in beneficial ownership. Therefore, I conclude that the Noticees had indulged in reversing their trades among themselves for the purpose of creation of artificial volume and to create false and misleading appearance of trading in the scrip of Synergy without the intention of change of actual beneficial ownership.

33. In this respect, I note that the Hon'ble Supreme Court in the matter of SEBI vs. Rakhi Trading Private Ltd., in Civil appeals no., 1969 of 2011 with Civil Appeal Nos., 3174-3177 of 2011 and Civil Appeal No., 3180 of 2011 decided on February 8, 2018 had observed that - *"the price discovery system itself was affected by synchronization and rapid reverse trade, which also had the impact of excluding other investors from participating in the market. The Supreme Court, therefore found that the traders having engaged in a fraudulent and unfair trade practice while dealing in securities, are hence liable to be proceeded against for violation of Regulations 3(a),*



*4(1) and 4(2)(a) of PFUTP Regulations". The Apex Court also observed that - "considering the reversal transactions, quantity, price and time and sale, parties being persistent in the number of such trade transactions with huge price variations, it will be too naïve to hold that the transactions are through screen-based trading and hence anonymous. Such conclusion would be over-looking the prior meeting of minds involving synchronization of buy and sell order and not negotiated deals as per the board's circular. The impugned transactions are manipulative/deceptive device to create a desired loss and/or profit. Such synchronized trading is violative of transparent norms of trading in securities."*

34. Keeping in mind the trading details of the Noticees and the dicta of the Hon'ble Supreme Court as reproduced above, I am of the view that the Noticees have indulged in reversal trades in the scrip of Synergy, which create artificial/fictitious volume in the market and give a false and misleading appearance of trading in the scrip at the exchange.

#### **Findings w.r.t LTP analysis**

35. I note that, during the period from May 26, 2015 to October 03, 2016, the price of scrip opened at Rs. 49.99, touched a high of Rs. 418.00 and closed at Rs. 317.75 with the average trading volume of 53,991 shares and total trading volume of 1,81,95,025 shares. Thereafter, during the period from October 04, 2016 to October 14, 2016, the price of the scrip opened at Rs 254.20 and closed at Rs. 183 with average daily volume of 488 shares and the total traded volume of 3415 shares. The closing price of the scrip as on 04/02/2019 was Rs 69. Page

36. I note that on the basis of price movement in the scrip, the investigation period is divided into two patches. Price movements during the two patches are given as under:

**Patch wise PV details**

Period	No. of Trading days	Price & Vol	Opening price (volume) on first day of the period (Rs)	Closing price (volume) on last day of the period (Rs)	Lowest price (volume) during the period (Rs)	Highest price (volume) during the period (Rs)	Total Volume (Avg. no. of shares traded daily during the period)
Patch 1 - Price rise patch (26.05.2015 to 03.10.2016)	337	Price	49.99 (26.05.2015)	317.75 (03.10.2016)	49.99 (26.05.2015)	418 (03.10.2016)	18195025 (53991.17)
		Volume	1009 (26.05.2015)	73861 (03.10.2016)	5 (27.05.2015)	188166 (11.06.2016)	
Patch 2 - Price fall (04.10.2016 to 14.10.2016)	7	Price	254.2 (04.10.2016)	183 (14.10.2016)	183 (14.10.2016)	254.2 (04.10.2016)	3415 (488)
		Volume	2667 (04.10.2016)	11 (14.10.2016)	7 (10.10.16)	2667 (04.10.2016)	

37. The contribution of the Noticees to the LTP during Patch 1 is given below:

Sr. No.	PAN	Buyer Name	All trades			Positive LTP			Below LTP			Zero LTP		% of +ve LTP to mkt +ve LTP
			Sum of LTP Diff	Sum of Qty	No. of trades	LTP Impact	Sum of Qty	No. of trades	LTP Impact	Sum of Qty	No. of trades	Sum of Qty	No. of trades	
1	AFCPV3352H	Deepak Pandurang Vikhape	697.5	1066173	48173	954.1	91269	2381	-256.6	53097	687	921807	45105	14.52
2	ASGPG3261M	Slesha Pradeep Ghosh	611.05	826486	59719	807.55	62320	2604	-196.5	51149	532	713017	56583	12.29
3	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	329.9	1299018	49600	581.15	64545	1681	-251.2	68190	771	1166283	47148	8.84
4	AFLPV5261L	Anji Reddy Vanga	62.55	235891	1708	222.75	74182	841	-160.2	140398	567	21311	300	3.39
5	AFIPT6953J	Rajnish Tiwari	8.9	549081	6921	184.95	90625	667	-176	259941	818	198515	5436	2.81
6	AIOPL1626K	Lalit	57.75	174135	1587	179.1	49582	654	-121.4	109898	433	14655	500	2.73
7	CGUPP2139R	Preeti	47.1	397754	1754	174.8	110269	709	-127.7	261966	480	25519	565	2.66
8	AOLPB5611F	Pooja Jinesh Bhatt	123.65	512478	21680	171.7	23529	695	-48.05	26861	206	462088	20779	2.61
9	AMCPM1105C	Ravindra Nath Mishra	8.9	429018	4543	169.35	49245	502	-160.4	81986	584	297787	3457	2.58
10	AHQPA5685C	Vishal Anand	27.9	294611	1324	115.45	68771	501	-87.55	189922	345	35918	478	1.76
11	ALCPG7419G	Sanjay Gupta	41.4	236472	1626	93.15	55206	349	-51.75	120858	212	60408	1065	1.42
12	BPWPK3680Q	Amarendra Kumar	5.9	221801	2008	83.15	50118	320	-77.25	117368	247	54315	1441	1.27
13	AJHPT4613N	Avinash Tiwari	36.2	135938	2099	42.5	14953	41	-6.3	17997	24	102988	2034	0.65
14	ABZPS1804L	Sanjay Saha	0.2	111415	776	1.4	2425	4	-1.2	1132	7	107858	765	0.02
		<b>Total of group entities who have contributed to Net Positive LTP</b>	<b>2058.9</b>	<b>6490271</b>	<b>203518</b>	<b>3781.1</b>	<b>807039</b>	<b>11949</b>	<b>-1722</b>	<b>1500763</b>	<b>5913</b>	<b>4182469</b>	<b>185656</b>	<b>57.53</b>
15	AKDPB6133C	Jinesh Bhatt	-35.19	509069	14414	58.5	31744	199	-93.69	20964	230	456361	13985	0.89
16	AMJPC5528Q	Ruben Chetty	-202.95	268234	15120	14.1	12704	53	-217	20625	678	234905	14389	0.21
17	ARDPB3914G	Yogesh Bhawansingh Bisht	-47.75	1359303	52589	305.1	77021	859	-352.9	99010	1083	1183272	50647	4.64
18	AVAPA1910G	Shweta Asthana	-66.15	452997	4753	182.05	62907	629	-248.2	125322	973	264768	3151	2.77

19	BHGPD2695J	Shriti Jignesh Bhatt	-236.19	534617	26511	149	21225	364	-385.2	46002	958	467390	25189	2.27
20	BJPPS8679L	Vineet Sinha	-96	503839	11260	210.9	63456	1041	-306.9	133000	1279	307383	8940	3.21
21	BKQPG8186E	Elizabeth Peter Gonsalves	-48.65	391940	18844	65.3	13520	157	-114	19944	483	358476	18204	0.99
22	DWFPS0045P	Ganesh Nainsingh Sunar	-195.75	766714	28596	110.9	55859	339	-306.7	57674	925	653181	27332	1.69
	<b>Total LTP of connected group</b>		<b>1130.27</b>	<b>11276984</b>	<b>375605</b>	<b>4877</b>	<b>1145475</b>	<b>15590</b>	<b>-3747</b>	<b>2023304</b>	<b>12522</b>	<b>8108205</b>	<b>347493</b>	<b>74.205</b>
	<b>Marketwide LTP contribution</b>		<b>267.76</b>	<b>18195025</b>	<b>493746</b>	<b>6572.3</b>	<b>2162919</b>	<b>22848</b>	<b>-6304.53</b>	<b>3536967</b>	<b>21060</b>	<b>12495139</b>	<b>449838</b>	<b>100.00</b>

38. From the above table, it is observed that Noticees contributed to Rs. 1130.27 net LTP in 3,75,605 trades. As regards the 14 Noticees at Sr. No. 1 to 14 in the above table, they contributed Rs. 3781.1 to positive LTP in 11949 trades, which was 57.53% of market positive LTP. In 8,961 trades out of 11949 trades, the counterparties were also part of the group of Noticees and their trading contributed to the positive LTP of Rs. 2454.3 (37.34 % of total market positive LTP). The positive LTP contribution details of such 14 entities are as follows:

**Positive LTP contribution of suspected entities as buyers**

Sr. No.	PAN	Name of client	Positive LTP Contribution	Sum of traded Qty	No. of trades	% of +ve LTP to mkt +ve LTP
1	AFCPV3352H	Deepak Pandurang Vikhape	533.85	45383	1995	8.12
2	ASGPG3261M	Slesha Pradeep Ghosh	407.5	43739	1317	6.20
3	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	353.05	31520	1185	5.37
4	AFLPV5261L	Anji Reddy Vanga	192.15	67747	732	2.92
5	CGUPP2139R	Preeti	159.2	109552	634	2.42
6	AFIPT6953J	Rajnish Tiwari	162.5	85861	615	2.47
7	AIOP1626K	Lalit	161.45	49517	593	2.46
8	AHQPA5685C	Vishal Anand	103.35	67816	450	1.57
9	AOLPB5611F	Pooja Jinesh Bhatt	111.05	11726	443	1.69
10	AMCPM1105C	Ravindra Nath Mishra	112.65	26683	409	1.71
11	ALCPG7419G	Sanjay Gupta	79.7	49775	282	1.21
12	BPWPK3680Q	Amarender Kumar	71.95	48731	282	1.09
13	AJHPT4613N	Avinash Tiwari	4.6	10780	21	0.19
14	ABZPS1804L	Sanjay Saha	1.3	2424	3	0.05
		<b>Total</b>	<b>2454.3</b>	<b>651254</b>	<b>8961</b>	<b>37.34</b>

39. The counterparty details of the aforesaid trades were as under:-

**Counterparty details of the aforesaid trades**

Sr. No.	PAN No. of the counterparty	Name of the Counterparty	Positive Contribution	No. of trades	Sum of traded qty
1	ARDPB3914G	Yogesh Bhawansingh Bisht	494.05	1933	36145
2	DWFPS0045P	Ganesh Nainsingh Sunar	468.65	1709	39041
3	AFCPV3352H	Deepak Pandurang Vikhape	227.4	921	10826
4	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	217.15	678	13928

5	AFIPT6953J	Rajnish Tiwari	210.65	556	69898
6	BKQPG8186E	Elizabeth Peter Gonsalves	133	493	9784
7	AKDPB6133C	Jinesh Bhatt	111.4	461	8295
8	CGUPP2139R	Preeti	97.4	332	121376
9	AVAPA1910G	Shweta Asthana	66.05	250	46931
10	AFLPV5261L	Anji Reddy Vanga	63.75	232	55719
11	ALCPG7419G	Sanjay Gupta	48.2	156	44714
12	BHGPB2695J	Shriti Jignesh Bhatt	46.5	174	9153
13	AHQPA5685C	Vishal Anand	43.85	149	58601
14	BJPPS8679L	Vineet Sinha	43.85	103	24968
15	BPWPK3680Q	Amarender Kumar	39.4	132	38766
16	AMJPC5528Q	Ruben Chetty	39.1	302	2503
17	AOLPB5611F	Pooja Jinesh Bhatt	32.6	160	7355
18	AIOPL1626K	Lalit	31.75	71	13470
19	AJHPT4613N	Avinash Tiwari	13.6	32	7865
20	AMCPM1105C	Ravindra Nath Mishra	12.9	68	17798
21	ABZPS1804L	Sanjay Saha	7	14	2058
22	ASGPG3261M	Slesha Pradeep Ghosh	6.05	35	12060
			<b>2454.3</b>	<b>8961</b>	<b>651254</b>

40. In view of the above, I note that the Noticees by way of trading among themselves contributed to Rs. 2454.3/- positive LTP contribution which was 37.34% of market positive LTP. In this connection, I would like to refer to the observations made by the Hon'ble SAT in its order dated March 21, 2014 in Saumil Bhavnagari Vs. SEBI which are as under: "... but by purchasing shares at the higher price in LTP in most of the trades, the Noticee had given a wrong impression about the liquidity of the scrip in the market. It must not be forgotten that every trade establishes the price of the scrip and the Noticee's trading at higher than LTP resulted in the price of the scrip going up and were done with a view to set the price at a desired level and thereby influencing the innocent/gullible investors. By purchasing at a higher price in most of his trades, the Noticee had given the wrong impression about the price of the scrip in the market. It is an accepted state of affairs that in cases of manipulation of the volume and / or price of a particular scrip, it is usually an arduous task to obtain direct evidence. However,

*the analysis of the trade and order logs as undertaken hereinabove, establishes the malafied intention of the appellant.”*

41. In view of the above, I conclude that the Noticees who are connected to each other had while acting in tandem acted in manipulative manner to inflate the LTP of the scrip and manipulated the stock price of Synergy.

### **Finding w.r.t. New High Price (NHP) Analysis**

42. I note that NHP analysis during the investigation period was carried out to identify if any of the connected entity had influenced the New High Price of the scrip to inflate the price of the scrip. During Patch 1 of the investigation period, the price opened at Rs. 49.99/- on May 26, 2015 and reached Rs. 418/- on October 03, 2016 and closed at 317.75/- on October 03, 2016, i.e., there was an increase of Rs. 368.01/- in the scrip price. It was observed that in 561 trades, a new high price was discovered. Out of 561 trades establishing new high price, the Noticees have contributed to new high prices in as many as 365 instances. The contribution of the Noticees in establishing new high prices was Rs. 247.86/- (67.35%) out of the total price of Rs. 368.01/-. The details of the New High Price by the Noticees during the investigation period of price rise in the scrip of Synergy during Patch 1 is as under:

Sr. No.	PAN No.	Name of the Noticee	No. of instances Estb NHP	% to total NHP instances	Total contribution to NHP (Rs.)	% of total NHP Contri	Total traded Vol by Noticee	% of traded Vol.
1	AFCPV3352H	Deepak Pandurang Vikhape	34	6	86.2	23	5628	14
2	BJPPS8679L	Vineet Sinha	130	23	33.1	9	1769	5
3	AMCPM1105C	Ravindra Nath Mishra	51	9	30.5	8	3956	10
4	ASGPG3261M	Slesha Pradeep Ghosh	31	6	30.2	8	1252	3
5	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	30	5	23.7	6	814	2
6	AJHPT4613N	Avinash Tiwari	7	1	20.2	5	731	2

7	ARDPB3914G	Yogesh Bhawansingh Bisht	34	6	5.9	2	1101	3
8	AKDPB6133C	Jinesh Bhatt	7	1	4.06	1	1198	3
9	DWFPS0045P	Ganesh Sunar	1	0	4	1	1	0
10	AOLPB5611F	Pooja Jinesh Bhatt	1	0	3.3	1	10	0
11	AIOPL1626K	Lalit	8	1	2.8	1	619	2
12	CGUPP2139R	Preeti	9	2	1.1	0	1051	3
13	AVAPA1910G	Shweta Asthana	8	1	1	0	211	1
14	AFIPT6953J	Rajnish Tiwari	6	1	0.7	0	304	1
15	AFLPV5261L	Anji Reddy Vanga	4	1	0.6	0	4	0
16	ALCPG7419G	Sanjay Gupta	2	0	0.3	0	200	1
17	AHQPA5685C	Vishal Anand	1	0	0.1	0	1	0
18	BKQPG8186E	Elizabeth Peter Gonsalves	1	0	0.1	0	1	0
	<b>Total</b>		<b>365</b>	<b>65</b>	<b>247.86</b>	<b>67</b>	<b>18851</b>	<b>48</b>
	<b>Total Market</b>		<b>561</b>	<b>100</b>	<b>368.01</b>	<b>100</b>	<b>39009</b>	<b>100</b>

43. I note from the above table, that the above Noticees mentioned in the above table have contributed Rs. 247.86 (67%) to the total NHP during Patch-1. On analysis of the trades within the suspected entities, it was observed that NHP contribution through trades within the Noticees was Rs. 103.35 (28 % of total NHP). The details of the same is as follows:-

#### Details of buy trades within the Noticees during Patch 1 that contributed to NHP

Sr. No.	PAN	Name of the Noticee	No. of NHP Instances	% to total NHP instances	Total contribution to NHP	% of total NHP Contri	Total traded Vol by Noticee	% of traded Vol.
1	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	28	4.99	3.5	0.95	808	2.07
2	AFCPV3352H	Deepak Pandurang Vikhape	22	3.92	32	8.70	975	2.50
3	AFIPT6953J	Rajnish Tiwari	5	0.89	0.6	0.16	303	0.78
4	AFLPV5261L	Anji Reddy Vanga	3	0.53	0.3	0.08	3	0.01
5	AHQPA5685C	Vishal Anand	1	0.18	0.1	0.03	1	0.00
6	AIOPL1626K	Lalit	6	1.07	2.6	0.71	617	1.58
7	AJHPT4613N	Avinash Tiwari	2	0.36	0.2	0.05	15	0.04
8	AKDPB6133C	Jinesh Bhatt	4	0.71	0.6	0.16	207	0.53
9	ALCPG7419G	Sanjay Gupta	2	0.36	0.3	0.08	200	0.51
10	AMCPM1105C	Ravindra Nath Mishra	47	8.38	16.1	4.37	3102	7.95
11	ARDPB3914G	Yogesh Bhawansingh Bisht	33	5.88	5.15	1.40	1051	2.69
12	ASGPG3261M	Slesha Pradeep Ghosh	11	1.96	6.7	1.82	208	0.53
13	AVAPA1910G	Shweta Asthana	8	1.43	1	0.27	211	0.54
14	BJPPS8679L	Vineet Sinha	130	23.17	33.1	8.99	1769	4.53
15	CGUPP2139R	Preeti	9	1.60	1.1	0.30	1051	2.69
	<b>Total</b>		<b>311</b>	<b>55.44</b>	<b>103.35</b>	<b>28.08</b>	<b>10521</b>	<b>26.97</b>

The counterparty details of aforesaid trades are as follows:-

#### Details of counterparties to the aforesaid trades

Sr. No.	PAN	Name of the clients	No. of NHP Instances	% to total NHP instances	Total contribution to NHP	% of total NHP Contri	Total traded Vol by client	% of traded Vol.
1	ABLPY9972D	Nagmaheshwar Balraj Yellamelli	9	1.60	6.3	1.71	396	1.02
2	AFCPV3352H	Deepak Pandurang Vikhape	128	22.82	41	11.14	2337	5.99
3	AFIPT6953J	Rajnish Tiwari	10	1.78	14.6	3.97	1605	4.11

4	AFLPV5261L	Anji Reddy Vanga	4	0.71	0.4	0.11	1296	3.32
5	AJHPT4613N	Avinash Tiwari	3	0.53	7.1	1.93	170	0.44
6	AKDPB6133C	Jinesh Bhatt	6	1.07	0.8	0.22	550	1.41
7	ALCPG7419G	Sanjay Gupta	10	1.78	2.6	0.71	735	1.88
8	AMJPC5528Q	Ruben Chetty	69	12.30	6.9	1.87	178	0.46
9	AOLPB5611F	Pooja Jinesh Bhatt	3	0.53	0.5	0.14	7	0.02
10	ARDPB3914G	Yogesh Bhawansingh Bisht	16	2.85	2.35	0.64	987	2.53
11	AVAPA1910G	Shweta Asthana	2	0.36	7.1	1.93	299	0.77
12	BJPPS8679L	Vineet Sinha	7	1.25	6.6	1.79	384	0.98
13	BKQPG8186E	Elizabeth Peter Gonsalves	1	0.18	1.9	0.52	1	0.00
14	BPWPK3680Q	Amarender Kumar	3	0.53	0.3	0.08	27	0.07
15	CGUPP2139R	Preeti	2	0.36	0.4	0.11	498	1.28
16	DWFPS0045P	Ganesh Sunar	38	6.77	4.5	1.22	1051	2.69
	<b>Total</b>		<b>311</b>	<b>55.44</b>	<b>103.35</b>	<b>28.08</b>	<b>10521</b>	<b>26.97</b>

44. I note from the above that all the Noticees except Noticee-4 and Noticee-9 by way of trading among themselves contributed to the NHP which was 28% of the total market NHP. The above observation further corroborates findings that the connected entities manipulated the scrip price and created misleading appearance of trading in the scrip of Synergy.

45. I note that the Noticees have not disputed the facts of the matter. It is not the case of the Noticees that the alleged trading has not been done in their trading accounts. Noticee-5, Noticee-6, Noticee-11 and Noticee-16 in their common reply have *inter alia* stated that they were employees of M/s Shriti Enterprises, a proprietorship concern of Noticee-1. Noticee-2 has stated that he was a family friend of Noticee-1, while Noticee-18 has stated that she was a relative of Noticee-1. Noticee-2, Noticee-5, Noticee-6, Noticee-11, Noticee-16 and Noticee-18 have *inter alia* stated that they were approached by Noticee-1 for investment opportunity in Synergy and that funds would be transferred into their bank accounts for carrying out the same. As they did not have the financial means or the aptitude to partake in the investment plan by themselves, they allowed



Notictee-1 to undertake everything that was needed for proceeding with the investment plan, since they trusted Notictee-1.

46. Similarly, I also note that Notictee-7 and Notictee-8 have stated that that the trading in their accounts was done by Notictee-1. Notictee-9 has stated that he was duped by Notictee-1 into buying shares of Synergy. I further note that Notictee-3 and Notictee-4 are respectively the wife and the daughter of Notictee-1 and Notictee-1 has stated in his letter that he was responsible for the trades of Notictee-3 and Notictee-4.

47. Notictee-10, Notictee-12, Notictee-13 and Notictee-14 have stated that the trading in their account was done by Notictee-15. Notictee-12 further stated during hearing that he had received some money from Notictee-15 in respect of the trading done in his account. I note that Notictee-15 has not replied to the allegations in the SCN.

48. In view of the above, I note that Notictee-1 has approached Notictee-2, Notictee-3, Notictee-4, Notictee-5, Notictee-6, Notictee-7, Notictee-8, Notictee-9, Notictee-11, Notictee-16 and Notictee-18 for trading in the scrip of Synergy in their accounts. Similarly, Notictee-10, Notictee-12, Notictee-13 and Notictee-14 have stated that the trading in their account was done by Notictee-15. I note that Notictee-15 is ultimately connected to Notictee-1 by way of financial transactions among the various Noticees.

49. In this regard, Noticee-1 in his submissions has stated that Promoters of Synergy, approached him for an investment opportunity in Synergy. However, I note that Noticee-1 did not use his own funds for the said investments whereas as per admitted facts the money was sourced from the Promoters into the account of Noticee-1. In this connection, it is evident from the submissions of the Noticees and the pattern of transactions that Noticee-1 has induced other Noticees including his relatives and employees as mentioned above to deal in the scrip of Synergy with the intention of earning profit through the above scheme of investment. As per submissions of Noticee-1, he had received approximately Rs. 7 crore in the bank account of his proprietary firm Shriti Enterprises. I also note that this money has been utilized for the trading in the scrip of Synergy through various Noticees as mentioned above paragraphs, which contributed to manipulation of volume and price in the scrip of Synergy. I note that Noticee-1 has stated that he had allowed the promoters to use his trading and bank accounts. However, it is apparent that operation of these accounts cannot be possible without the signatures of Noticee-1. I also note that the funds used for such transactions admittedly was not his own funds. Therefore, I am of the view that Noticee-1 would have been aware that the funds received from promoters utilized for the trading in the scrip of Synergy, even though as per his submissions the accounts used for trades were not done by him. The above pattern of dealings cannot qualify as an investment plan contrary to the submissions of Noticee-1 that he had agreed to receive the funds as part of investment plan, but

can be said to be scheme of manipulative trades. Therefore, I find that there is no merit in the submissions of Noticee-1.

50. Noticee-1 has further stated that the Promoters manipulated the markets to their benefit and left behind the Noticees with dues/losses to be paid to the stock brokers. Noticee-1 has also submitted that he has filed police complaint against the Promoters in the year 2017 and requested stock brokers for additional information in the year 2020. I am of the view that Noticee-1 has willingly become part of the above scheme and just because the expected profits did not materialize, he is now conveniently claiming that entire scheme of manipulative trades was done by other persons, which would not have been the case had he received promised profits from the above scheme. I note that the impugned transactions had were done during the period of 2015-16, while the police complaint was filed by Noticee-1 in the year 2017. Further, Noticee-1 has now sought details from the stock brokers in the year 2020 after the issuance of show cause notice. Such a delayed action on part of Noticee-1 indicate that the said actions by Noticee-1 are a mere afterthought to escape the regulatory action initiated by SEBI. In view of the above, I am not inclined to accept the above contention of Noticee-1

51. I also note from the submissions of other Noticees, as discussed above, that they have voluntarily lent their demat and bank account to enable third parties to

operate their accounts. I am of the view that the said Noticees cannot avoid the

responsibility for misuse of their accounts by third parties by merely stating that they were not aware of the purpose for which their accounts were used. The Noticees have clearly stated that they allowed other parties to use their accounts in hopes of profits. Name lending is a serious offence which enables manipulators to carry out their nefarious activities by masking their identity and the ultimate beneficiary of manipulative scheme of things. In the instant case, even if it is accepted that third parties had used the bank / demat accounts of Noticees, there are no documents on record of any of their dealings in the scrip of Synergy and therefore had escaped the regulatory supervision / surveillance which not only threatens the integrity of the market but also adversely affects the interest of investor, if such activities remain unchecked. Therefore, I am not inclined to view the acts of voluntary name lending by Noticees leniently, as such acts have facilitated market operators to devise and deploy deceptive, fraudulent and manipulative schemes in the scrip of Synergy. In this regard, I take note of the observation of The Hon'ble Securities Appellate Tribunal in *Rahul H. Shah Vs. SEBI* (Appeal No. 83 of 2012 decided on May 11, 2012) wherein, Hon'ble SAT observed that name lending "is a fraudulent activity and requires to be curbed for maintaining the sanctity of the securities market". Therefore, I am not inclined to take into account the submissions made by the aforesaid Noticees about lending of their bank / demat / trading accounts.

52. I note that Regulation 3 of PFUTP Regulations, 2003 prevents any person from buying, selling or dealing in securities in fraudulent manner, use or employ any

manipulative or deceptive device in contravention to the provisions of the Act, employ any device, scheme or artifice to defraud in connection with dealing in securities or engage in any act, practice, course of business which operates as fraud or deceit upon any person in connection with any dealing in or issue of securities. Regulation 4(1) of PFUTP Regulations, 2003 provides that no person shall indulge in a fraudulent or an unfair trade practice in securities. Regulation 4(2)(a) of PFUTP Regulations, 2003, prohibits a person from indulging in an act which creates false or misleading appearance of trading in the securities market. Regulation 4(2)(e) of PFUTP Regulations, 2003, prohibits a person from indulging in any act or omission amounting to manipulation of the price of a security. Regulation 4(2)(g) of PFUTP Regulations, 2003, prohibits entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security.

53. In this regard, I would also like to refer to the observations of the Hon'ble

Securities Appellate Tribunal (SAT) in its order dated July 14, 2006 in Ketan Parekh Vs. SEBI, wherein it was held that: *"When a person takes part in or enters into transactions in securities with the intention to artificially raise or depress the price he thereby automatically induces the innocent investors in the market to buy /sell their stocks. The buyer or the seller is invariably influenced by the price of the stocks and if that is being manipulated the person doing so is necessarily influencing the decision of the buyer / seller thereby inducing him to buy or sell depending upon how the market has been manipulated. We are therefore of the view that inducement to any person to*

*buy or sell securities is the necessary consequence of manipulation and flows therefrom. In other words, if the factum of manipulation is established it will necessarily follow that the investors in the market had been induced to buy or sell and that no further proof in this regard is required. The market, as already observed, is so wide spread that it may not be humanly possible for the Board to track the persons who were actually induced to buy or sell securities as a result of manipulation and law can never impose on the Board a burden which is impossible to be discharged. This, in our view, clearly flows from the plain language of Regulation 4(a) of the Regulations.”*

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

55. Further, Hon'ble Supreme Court of India in the matter of SEBI v Kishore Ajmera (order dated February 23, 2016), had observed that: *“It is a fundamental principle*

*of law that proof of an allegation levelled against a person may be in the form of direct substantive evidence or, as in many cases, such proof may have to be inferred by a logical process of reasoning from the totality of the attending facts and circumstances surrounding the allegations/charges made and levelled. While direct evidence is a more certain basis to come to a conclusion, yet, in the absence thereof the Courts cannot be helpless. It is the judicial duty to take note of the immediate and proximate facts and circumstances surrounding the events on which the charges/allegations are founded and to reach what would appear to the Court to be a reasonable conclusion therefrom. The test would always be that what inferential process that a reasonable / prudent man would adopt to arrive at a conclusion...”*

56. The trading pattern of the Noticees does imply fraudulent intent to create artificial volume and manipulation of price in the scrip of Synergy. The participants involved in such trades make use of their prior knowledge and enter orders knowing that those orders will be covered by reverse orders of similar size, time and price. This increases the trading volumes in the underlying security and generates interest from other investors. I am of the view that the only intention behind such buying or selling is for raising or depressing prices of the underlying securities by increasing trading volumes.

57. Keeping in mind the dicta of the Hon'ble SAT and Hon'ble Supreme Court as reproduced above, I am of the considered view that this scheme, plan, device and artifice exhibited in the said pattern of trading tantamount to fraud in the securities market in as much as it involves manipulative transactions in securities



and misuse of the securities market. The manipulative transactions of the Noticees are, *prima-facie*, covered under the definition of 'fraud' and the dealings of the Noticees as discussed herein above were "fraudulent", as defined under regulation 2(1)(c) of the PFUTP Regulations, 2003 and prohibited under the provisions of regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), (e) and (g) of PFUTP Regulations, 2003 read with Section 12A (a),(b) & (c) of the SEBI Act. Therefore, I conclude that the trades of the Noticees created misleading appearance of trading and contributed to increase in the scrip price of Synergy in a manipulative manner. Therefore, I note that the Noticees have violated the provisions of regulations 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a), (e) and (g) of PFUTP Regulations, 2003 read with Section 12A (a),(b) & (c) of the SEBI Act.

58. The Hon'ble Supreme Court of India in the case of SEBI v. Rakhi Trading Pvt.

Ltd., (2018) 13 SCC 753 has appreciated that fairness, integrity and transparency are the hallmarks of the stock market in India and the stock market is not a platform for any fraudulent or unfair trade practice. The Hon'ble Apex Court has further observed that: - "*The SEBI Act, 1992 was enacted to protect the interest of the investors in securities. Protection of interest of investors should necessarily include prevention of misuse of the market.*"

59. Hon'ble Supreme Court of India in the matter of SEBI Vs. Shri Ram Mutual Fund

[2006] 68 SCL 216(SC) held that - "*In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the*

*Regulations is established and hence the intention of the parties committing such violation becomes wholly irrelevant...”.*

60. In view of the same, I am convinced that it is a fit case for imposition of monetary penalty on the Noticees under the provisions of Section 15HA of the SEBI Act, which reads as under:

***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.*

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

***Factors to be taken into account by the adjudicating officer.***

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

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

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

*(c) the repetitive nature of the default.*

*Explanation.—For the removal of doubts, it is clarified that the power of an adjudicating officer to adjudge the quantum of penalty under sections 15A to 15E, clauses (b) and (c) of section 15F, 15G, 15H and 15HA shall be and shall always be deemed to have been exercised under the provisions of this section.*

62. I note that on the basis of data available on record, it is difficult, in cases of such nature, to quantify exactly the disproportionate gain or unfair advantage enjoyed by the Noticee and the consequent losses suffered by the investors. Further the amount of loss to an investor or group of investors also cannot be quantified on the basis of available facts and data. Even though the monetary loss to the investors cannot be computed, any manipulation in the volume or price of the stocks caused by vested interest always erodes investor confidence in the market so that investors find themselves at the receiving end of market manipulators. The PFUTP Regulations aim to preserve and protect the market integrity in order to boost investor confidence in the securities market. By executing manipulative trades, as has been executed by the Noticees in the instant matter, the price discovery system itself is affected. It also has an adverse impact on the fairness, integrity and transparency of the stock market.

### **ORDER**

63. Having considered all the facts and circumstances of the case, the material available on record, the factors mentioned in Section 15J of the SEBI Act and in exercise of the powers conferred upon me under Section 15-I of the SEBI Act

read with Rule 5 of the SEBI Adjudication Rules, I hereby impose the following penalty on the Noticees under Section 15HA of the SEBI Act:

<b>S. No.</b>	<b>Name of the Noticee</b>	<b>Penalty</b>
1.	Jinesh Bhatt	Rs. 15,00,000 (Rupees Fifteen Lakh Only)
2.	Deepak Pandurang Vikhape	Rs. 8,00,000 (Rupees Eight Lakh Only)
3.	Pooja Jinesh Bhatt	Rs. 7,00,000 (Rupees Seven Lakh Only)
4.	Shriti Jignesh Bhatt	Rs. 5,00,000 (Rupees Five Lakh Only)
5.	Nagmaheshwar Balraj Yellamelli	Rs. 8,00,000 (Rupees Eight Lakh Only)
6.	Yogesh Bhawansingh Bisht	Rs. 7,00,000 (Rupees Seven Lakh Only)
7.	Rajnish Tiwari	Rs. 7,00,000 (Rupees Seven Lakh Only)
8.	Avinash Tiwari	Rs. 6,00,000 (Rupees Six Lakh Only)
9.	Sanjay Saha	Rs. 5,00,000 (Rupees Five Lakh Only)
10.	Amarender Kumar	Rs. 6,00,000 (Rupees Six Lakh Only)
11.	Slesha Pradeep Ghosh	Rs. 8,00,000 (Rupees Eight Lakh Only)
12.	Sanjay Gupta	Rs. 7,00,000 (Rupees Seven Lakh Only)
13.	Anji Reddy Vanga	Rs. 7,00,000 (Rupees Seven Lakh Only)
14.	Ravindra Nath Mishra	Rs. 7,00,000 (Rupees Seven Lakh Only)
15.	Vineet Sinha	Rs. 7,00,000 (Rupees Seven Lakh Only)
16.	Ganesh Nainsingh Sunar	Rs. 7,00,000 (Rupees Seven Lakh Only)
17.	Vishal Anand	Rs. 7,00,000 (Rupees Seven Lakh Only)
18.	Elizabeth Peter Gonsalves	Rs. 7,00,000 (Rupees Seven Lakh Only)
19.	Shweta Asthana	Rs. 6,00,000 (Rupees Six Lakh Only)
20.	Ruben Chetty	Rs. 6,00,000 (Rupees Six Lakh Only)

21.	Preeti	Rs. 8,00,000 (Rupees Eight Lakh Only)
22.	Lalit	Rs. 7,00,000 (Rupees Seven Lakh Only)

64. I am of the view that the said penalty is commensurate with the lapse/omission on the part of the Noticees. The Noticees shall remit / pay the said amount of penalty within 45 days of receipt of this order either by way of Demand Draft in favour of "SEBI - Penalties Remittable to Government of India", payable at Mumbai, OR through online payment facility available on the website of SEBI, i.e., [www.sebi.gov.in](http://www.sebi.gov.in) on the following path, by clicking on the payment link: ENFORCEMENT -> Orders -> Orders of AO -> PAY NOW. In case of any difficulties in payment of penalties, the Noticees may contact the support at [portalhelp@sebi.gov.in](mailto:portalhelp@sebi.gov.in).

65. The Noticees shall forward said Demand Draft or the details / confirmation of penalty so paid to the "The Division Chief, EFD-1, DRA-II, SEBI, SEBI Bhavan 2, Plot No. C -7, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai -400 051". The Noticee shall provide the following details while forwarding DD/ payment information:

- a) Name and PAN of the entity
- b) Name of the case / matter
- c) Purpose of Payment – Payment of penalty under AO proceedings
- d) Bank Name and Account Number
- e) Transaction Number

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

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



**Date: December 15, 2020**

**Place: Mumbai**

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BY THE PEOPLE. FOR THE PEOPLE. OF THE PEOPLE

**B J DILIP**

**ADJUDICATING OFFICER**