

**BEFORE THE ADJUDICATING OFFICER SECURITIES AND EXCHANGE BOARD
OF INDIA [ADJUDICATION ORDER NO. Order/MC/HP/2020-21/9897-9975]**

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

In respect of –

- 1) Pravinbhai Harishbhai Vyas (PAN: AGEPV5853C)** having address at – 1610-2, Sector – 5/C, Gandhinagar, Gujarat, India – 382006.
- 2) Nimishaben Pravinbhai Vyas (PAN: ANWPV9588P)** having address at - 1610-2, Sector 5/C, Gandhinagar, Gujarat, India-382006.
- 3) Sonalben Harishbhai Vyas (PAN: AURPV3617K)** having address at - 1610-2, Sector 5/C, Gandhinagar, Gujarat, India-382006.
- 4) Harishbhai Naranbhai Vyas (PAN: AVAPV0988P)** having address at - 1610-2, Sector 5/C, Gandhinagar, Gujarat, India-382006.
- 5) Shantaben Harishbhai Vyas (PAN: AVAPV0989N)** having address at – 1610-2, Sector 5/C, Gandhinagar, Gujarat, India-382006.
- 6) Sanjaybhai Hiralal Kalal (PAN: AWLPK2492D)** having address at - A-5, Vinayak Apartment, Jivraj Park, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 7) Hetal Hirabhai Kalal (PAN: BGFPK5953C)** having address at - A-5, Vinayak Apartment, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 8) Surendrabhai Hiralal Kalal (PAN: CSBPK9440F)** having address at - A-5, Vinayak Apartment, Vejalpur, Ahmedabad, Gujarat, India-380051
- 9) Joshi Jegnesh B (PAN: AUWPJ0532A)** having address at - 26, Nilkantha Mahadev, Asarva, Ahmedabad, Gujarat, India-380016.
- 10) Mohd Taslim Mohd (PAN: BDZPA6516Q)** having address at - 7, Wasim Park, Near Sundaram Nagar, Rakhial, Ahmedabad, Gujarat, India-380023.
- 11) Mohd Sharif Mohd (PAN: BDZPA6518A)** having address at - 7, Wasim Park, Near Sundaram Nagar, Rakhial, Ahmedabad, Gujarat, India-380023.

- 12) Bhanumatiben Natvarbhai Thakkar (PAN: AGIPT0482H)** having address at - 31 Janta Nagar Society, Opp Dena Bank, B/h Avani Park Jivaraj Park, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 13) Natvarlal Chimanlal Thakkar (PAN: AGUPT8806D)** having address at – 31 Janta Nagar Society, B/h Avani Park, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 14) Vikram Thakor Bhavansinh (PAN: AOBPT6832J)** having address at – B-7, T-8, Divya Appartment, Near shivalay Appartment, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 15) Bhatiya Himanshu (PAN: BFUPB6274F)** having address at – C-97, Part B-2, Yogi Nagar, Tal Nadiad, Kheda, Gujarat, India-387320.
- 16) Amaratbhai Amathabhai Patni (PAN: CPAPP9757C)** having address at – 1, Kacha Huts, Near Revaba School, Opp Jogni Matas Mandir, Kotarpur, Ahmedabad, Gujarat, India-382475.
- 17) Chirag Parmar (PAN: BTXPP2379A)** having address at – Garibnagar, Near Amrutnagar Society, Behrampura, Ahmedabad, Gujarat, India-380022.
- 18) Kamlaben Dilipbhai Joshi (PAN: AGXPJ1224E)** having address at – B/6, Nildhara Society, Jivaraj Park, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 19) Tejas Dilipbhai Joshi (PAN: AICPJ6061A)** having address at – B/6, Nildhara Society, Jivaraj Park, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 20) Malatiben A Darji (PAN: AVHPD1314L)** having address at – S/3, Man Mandir Society, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 21) Sandip Kishor Bhai Khatri (PAN: BAMPK6709D)** having address at – C-19, Chamunda Flats, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 22) Arvindbhai M Bagada (PAN: BAXPB1018B)** having address at – Post-Kumbhara, Tal- Botad, Dist- Bhavnagar, Gujarat, India-364720.
- 23) Bharatkumar Kantilal Patni (PAN: CPMPP1489P)** having address at – 48, Indira Nagar Na Chhapra, Opp Gokul Society, Shahibaug, Ahmedabad, Gujarat, India -380004.
- 24) Rahul Bamkinchandra Shah (PAN: DDVPS9747F)** having address at – 3 Janta Nagar Society, Vejalpur, Ahmedabad, Gujarat, India-380051.

- 25) Kalaji Ambaram Thakor (PAN: AVGPT6676C)** having address at - 214, Nav Ghar No Vas, Tintoda, Dist- Gandhinagar, Gujarat, India-382422.
- 26) Joshi Samir B (PAN: AWAPJ3733D)** having address at - 48,11, Rooms of Nilkanth Mahadev, Asarva, Ahmedabad, Gujarat, India-380016.
- 27) Dharmendra Abhesinh Rajput (PAN: BUAPR3258N)** having address at - At- Vallavpur, Tal- Shahera, Godhra, Gujarat, India-389210.
- 28) Pragnaben Bhupendrakumar Shah (PAN: DAHPS3416Q)** having address at - 401, Ashirwad Apartment, Opp. Shankar Ashram, Narayana Nagar Road, Paldi, Ahmedabad, Gujarat, India 380007.
- 29) Saddamhusain Kamruddin Shaikh (PAN: DFXPS6156A)** having address at 34, Shambhu Patels Chawl, Nr. Baliya Kakka Cross Road, Sukharam Nagar, Rakhiyal Road, Ahmedabad, Gujarat, India-380021.
- 30) Mayuri Ashokbhai Darji (PAN: AVHPD1316J)** having address at - S-3, Man Mandir Society, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 31) Tarunkumar Laxmanbhai Rajput (PAN: ARPPR0302L)** having address at - 38-549, Bhadreshwar Society, Opp. Rajiya Pir Darga, Kotarpur, Ahmedabad, Gujarat, India-382475.
- 32) Sejal Karsanbhai Vaghela (PAN: ATBPV3938Q)** having address at – 142, Gandhinagar Tekro, Tyrewali Chali, Nr. Sorabji Compound, Juna Vadaj, Naranpura, Ahmedabad, Gujarat, India-380013.
- 33) Prakash Chunilal Mudethiya (PAN: AUOPM4259K)** having address at - D1, Punit Nagar Tenament, Rowhouse - Punit Flat, Central Jail Road, Ranip, Ahmedabad, Gujarat, India-382480.
- 34) Bipinkumar Laxmanbhai Marwadi (PAN: AZAPM5295J)** having address at - B-354, Railway Colony, circuit House, Shahibaug, Ahmedabad, Gujarat, India-380004.
- 35) Nawabkhan Imamkhan Baloch (PAN: AZMPB1715G)** having address at - Kuber Nagar, At Post-Vavol, Gandhinagar, Gujarat, India-382016.
- 36) Kintankumar Govindlal Prajapati (PAN: BMBPP4254R)** having address at - 2/6, Jagdish Mandir Ni Chali, At- Jamalpur, Ahmedabad, Gujarat, India-380001

- 37) Javedkhan Imamkhan Baloch (PAN: BQRPB2458R)** having address at - 1409, At Post - Vavol, Gandhinagar, Gujarat, India-382016.
- 38) Harshidaben Prakashbhai Mudethia (PAN: CKWPM9588B)** having address at - D1, Punit Tenaments, Opp Punit Society, Ranip, Ahmedabad, Gujarat, India-382480.
- 39) Fagun Chandrakant Soni (PAN: CUOPS1911E)** having address at - 4/A, Jignasha Society, B/H Vibhavari Society, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 40) Champaben Dahayabhai Raval (PAN: BVLPR2974K)** having address at - 3/143 Vibhag 1 Kanj, Taluka Detroj Rampura Kanj, Ahmedabad, Gujarat, India-382140.
- 41) Salmabanu Kamrudin Shekh (PAN: EKPPS5764E)** having address at - 148, Shambhu Patelni Chali, Gadhavina Dawakhana, Amrapali Road, Ahmedabad, Gujarat, India-380021.
- 42) Harishbhai Chimanbhai Shukla (PAN: DWQPS4742N)** having address at - 3, Patel Bhavan, Juna Vadaj, Sorabji, B/h Bus Stand, Ahmedabad, Gujarat, India-380013.
- 43) Rekhaben Harishbhai Shukla (PAN: EGNPS1650F)** having address at - 3, Patel Bhavan, Juna Vadaj, Sorabji, B/h Bus Stand, Ahmedabad, Gujarat, India-380013.
- 44) Jawanji Bhulaji Thakor (PAN: AVTPT6167F)** having address at - 8, Thakor Vas, Kotarpur, Naroda, Ahmedabad, Gujarat, India-382475.
- 45) Kaliben Javanji Thakor (PAN: AVUPT1781E)** having address at - 8, Thakor Vas, Kotarpur, Naroda, Ahmedabad, Gujarat, India-382475.
- 46) Varshaben Bharatkumar Joshi (PAN: AZLPJ1362L)** having address at - 6-7-17, Juni Mill Ni Chali, Viramgam, Ahmedabad, Gujarat, India-382150.
- 47) Jitendra Amrutlal Prajapati (PAN: BBJPP0725Q)** having address at - Plot No 2228/1, Sector 3/B, Gandhinagar, Gujarat, India-382006
- 48) Nagasih Chhatrasinh Chavada (PAN: BBMPC5100R)** having address at - 66/2, Chavda Vas, Adivada, Gandhinagar, Gujarat, India-382028.

- 49) Saurabh Mahendrabhai Shah (PAN: FJWPS8403K)** having address at - 2708/2 Vasta Ghelaji Ni Pole, Haslim Ni Khadki, Shahpur, Ahmedabad, Gujarat, India-380001.
- 50) Sejal Saurabhbhai Shah (PAN: FJWPS8397Q)** having address at - 2708/2, Vasta Ghelaji Ni Pole, Halim Ni Khadki, Shahpur, Ahmedabad, Gujarat, India-380001.
- 51) Ushaben Sukhdevbhai Joshi (PAN: AZQPJ8829B)** having address at - 6/7/66 Marvadani Chali, Juni Millni Chali, Viramgam, Ahmedabad, Gujarat, India-382150.
- 52) Nipur Bhupendrakumar Shah (PAN: BIPPS9910R)** having address at - 2734, Kuva Vali Pole, Dariyapur, Ahmedabad, Gujarat, India-380001.
- 53) Bakulbhai Dahayabhai Raval (PAN: BNTPR0837H)** having address at - 3/143, Vibhag 1, At post - Kanz, Tal – Detroj Rampura, Dist-Ahmedabad, Gujarat, India-382140.
- 54) Dahayabhai Harchandbhai Raval (PAN: BVLPR2975J)** having address at - 3/143, Vibhag 1, At post - Kanz, Tal – Detroj Rampura, Dist-Ahmedabad, Gujarat, India-382140.
- 55) Mehulkumar Chunilal Mudethiya (PAN: CLGPM8075C)** having address at - D-1, Punit Nagar Tenament, Row House-Punit Flat, Ranip, Ahmedabad, Gujarat, India-382480.
- 56) Chunilal Nathalal Mudethiya (PAN: CLKPM2727B)** having address at - D-1, Punit Nagar Tenament, Row House-Punit Flat, Ranip, Ahmedabad, Gujarat, India-382480.
- 57) Dhaniben Chunilal Mudethiya (PAN: CKWPM9591G)** having address at - D-1, Punit Nagar Tenament Row House-Punit Flat, Ranip, Ahmedabad, Gujarat, India-382480.
- 58) Bharatiben Amaratbhai Patni (PAN: CPAPP9756D)** having address at - 1, Kacha Huts, Near Revaba School, Opp Jogni Matas Mandir, Kotarpur, Ahmedabad, Gujarat, India-382475.
- 59) Nitaben Chandrakant Soni (PAN: EKPPS5766G)** having address at - A-4, Jignasha Society, Vejalpur, Ahmedabad, Gujarat, India-380051.

- 60) Ashaben Naranbhai Dave (PAN: BYPPD3281C)** having address at - 4/13, Giriraj Society, At- Mahsana, Gujarat, India-384001.
- 61) Manubhai Narotambhai Mistri (PAN: BYAPM3945F)** having address at - 24/354, Gita Appartment-1, Ranip, Ahmedabad, Gujarat, India-382480.
- 62) Balbhdrasinh Himatsinh Dabhi (PAN: AMOPD9205A)** having address at - 844, Vaniya Vas, Unava, Gandhinagar, Gujarat, India-382650.
- 63) Manuji Bhavanji Thakor (PAN: AVBPT0158L)** having address at - 295, Lilaji No Vas, At- Tintoda, Gandhinagar, Gujarat, India-382420.
- 64) Ganpatsinh Mavsinh Rathod (PAN: BTZPR7570R)** having address at - Plot No. 905-2, Sector 2-C, Gandhinagar, Gujarat, India-382007.
- 65) Kalaji Bhavanji Thakor (PAN: AVCPT1486G)** having address at - 481, Lilaji No Vas, At - Tintoda, Gandhinagar, Gujarat, India-382420.
- 66) Suresh Dilipkumar Prajapati (PAN: AXHPP4252F)** having address at - 1333, Hari Kishandas Sheth Ni Pole, Manek Chowk, Ahmedabad, Gujarat, India-380001.
- 67) Ashokbhai Chimanlal Parmar (PAN: BGIPP2628E)** having address at - S/3, Man Mandir Society, Near Sunflower School, Jivraj Park, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 68) Kamruddin Mohmadhanif Shaikh (PAN: DDRPS4977M)** having address at - 7/10/1, Shambhu Patel ni Chali, Shaherkotda, Ahmedabad, Gujarat, India-380007.
- 69) Manan Chandrakantbhai Soni (PAN: BMYPS3868P)** having address at - 4/A, Jignasha Society, B/h Vibhavari Society, Vejalpur Road, Ahmedabad, Gujarat, India-380006.
- 70) Chandrakant Ramanikbhai Soni (PAN: DQBPS1768F)** having address at - 4/A, Jignasha Society, B/h Vibhavari Society, Vejalpur, Ahmedabad, Gujarat, India-380051.
- 71) Naranbhai Ramanlal Dave (PAN: AOVPD4781J)** having address at - 4/13, Giriraj Society, At-Mehsana, Gujarat, India-384001.
- 72) Rakesh Nagindas Suthar (PAN: BORPS8358P)** having address at - At - Goral, Tal-Idar, Dis- Sk Himmatnagar, Gujarat, India-383430 **and**

L-24-354, Gita Apartement-1, Opp. Laxminagar Flat, Balkrishna Mandir Road, Ranip, Ahmedabad, Gujarat, India-382480.

- 73) Jignesh Manubhai Suthar (PAN: CNMPS9636M)** having address at - L-24-354, Gita Apartement-1, Balkrishna Mandir Road, Ranip, Ahmedabad, Gujarat, India-382480.
- 74) Pinalben Rakeshkumar Suthar (PAN: EKPPS5773F)** having address at - L-24-354, Gita Apartement-1, Opp. Laxminagar Flat, Balkrishna Mandir Road, Ranip, Ahmedabad, Gujarat, India-382480.
- 75) Vasant Popatlal Prajapati (PAN: BCOPP6490G)** having address at - Block No. 80-1, Sector 30, Gandhinagar, Gujarat, India-382030.
- 76) Baldevbhai Dhayabhai Raval (PAN: BVPPR3871K)** having address at - H No.147, Indira Nagar, Chhapra, Sector 24, Gandhinagar, Gujarat, India-382024.
- 77) Hemlataben Vikrambhai Raval (PAN: BVPPR3872L)** having address at - H No180/2 Rabari Vas, Kanz, Tal-Detroj Rampura, Ahmedabad, Gujarat, India-382140.
- 78) Sukhdevbhai Shankarbhai Joshi (PAN: ARSPJ4951A)** having address at - 6/7/67, Juni Millni Chali, Viramgam, Ahmedabad, Gujarat, India-380001.
- 79) Amitaben Jitendrasinh Rathod (PAN: AVKPR1320H)** having address at - B-44, Jantanagar Society, Vejalpur, Ahmedabad, Gujarat, India - 380051.

LEGAL MEDIA GROUP

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In the matter of Viji Finance Limited

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as, '**SEBI**'), initiated adjudication proceedings against **Pravinbhai Harishbhai Vyas (the Noticee No. 1)**, **Nimishaben Pravinbhai Vyas (the Noticee No. 2)**, **Sonalben Harishbhai Vyas (the Noticee No. 3)**, **Harishbhai Naranbhai Vyas (the Noticee No. 4)**, **Shantaben Harishbhai Vyas, (the Noticee No. 5)**, **Sanjaybhai Hiralal Kalal (the Noticee No. 6)**, **Hetal Hirabhai Kalal (the Noticee No. 7)**, **Surendrabhai Hiralal Kalal (the Noticee No. 8)**, **Joshi Jegnesh B (the Noticee No. 9)**, **Mohd Taslim**

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Mohd (the Noticee No. 10), Mohd Sharif Mohd (the Noticee No. 11), Bhanumatiben Natvarbhai Thakkar (the Noticee No. 12), Natvarlal Chimanlal Thakkar (the Noticee No. 13), Vikram Thakor Bhavansinh (the Noticee No. 14), Bhatiya Himanshu (the Noticee No. 15), Amaratbhai Amathabhai Patni (the Noticee No. 16), Chirag Parmar (the Noticee No. 17), Kamlaben Dilipbhai Joshi (the Noticee No. 18), Tejas Dilipbhai Joshi (the Noticee No. 19), Malatiben A Darji (the Noticee No. 20), Sandip Kishor Bhai Khatri (the Noticee No. 21), Arvindbhai M Bagada (the Noticee No. 22), Bharatkumar Kantilal Patni (the Noticee No. 23), Rahul Bamkinchandra Shah (the Noticee No. 24), Kalaji Ambaram Thakor (the Noticee No. 25), Joshi Samir B (the Noticee No. 26), Dharmendra Abhesinh Rajput(the Noticee No. 27), Praghnaben Bhupendrakumar Shah (the Noticee No. 28), Saddamhusain Kamruddin Shaikh (the Noticee No. 29), Mayuri Ashokbhai Darji (the Noticee No. 30), Tarunkumar Laxmanbhai Rajput (the Noticee No. 31), Sejal Karsanbhai Vaghela (the Noticee No. 32), Prakash Chunilal Mudethiya (the Noticee No. 33), Bipinkumar Laxmanbhai Marwadi (the Noticee No. 34), Nawabkhan Imamkhan Baloch (the Noticee No. 35), Kintankumar Govindlal Prajapati (the Noticee No. 36), Javedkhan Imamkhan Baloch (the Noticee No. 37), Harshidaben Prakasbhai Mudethia (the Noticee No. 38), Fagun Chandrakant Soni (the Noticee No. 39), Champaben Dahayabhai Raval (the Noticee No. 40), Salmabanu Kamrudin Shekh (the Noticee No. 41), Harishbhai Chimanbhai Shukla (the Noticee No. 42), Rekhaben Harishbhai Shukla (the Noticee No. 43), Jawanji Bhulaji Thakor (the Noticee No. 44), Kaliben Javanji Thakor (the Noticee No. 45), Varshaben Bharatkumar Joshi (the Noticee No. 46), Jitendra Amrutlal Prajapati (the Noticee No. 47), Nagasih Chhatrasinh Chavada (the Noticee No. 48), Saurabh Mahendrabhai Shah (the Noticee No. 49), Sejal Saurabhbhai Shah (the Noticee No. 50), Ushaben Sukhdevbhai Joshi (the Noticee No. 51), Nipur Bhupendrakumar Shah (the Noticee No. 52), Bakulbhai Dahayabhai Raval (the Noticee No. 53), Dahayabhai Harchandbhai Raval (the Noticee No. 54), Mehulkumar Chunilal Mudethiya (the Noticee No. 55), Chunilal Nathalal Mudethiya (the Noticee No. 56), Dhaniben Chunilal

Mudethiya (the Noticee No. 57), Bharatiben Amaratbhai Patni (the Noticee No. 58), Nitaben Chandrakant Soni (the Noticee No. 59), Ashaben Naranbhai Dave (the Noticee No. 60), Manubhai Narotambhai Mistri (the Noticee No. 61), Balbhdrasinh Himatsinh Dabhi (the Noticee No. 62), Manuji Bhavanji Thakor (the Noticee No. 63), Ganpatsinh Mavsinh Rathod (the Noticee No. 64), Kalaji Bhavanji Thakor (the Noticee No. 65), Suresh Dilipkumar Prajapati (the Noticee No. 66), Ashokbhai Chimanlal Parmar (the Noticee No. 67), Kamruddin Mohmadhanif Shaikh (the Noticee No. 68), Manan Chandrakantbhai Soni (the Noticee No. 69), Chandrakant Ramanikbhai Soni (the Noticee No. 70), Naranbhai Ramanlal Dave (the Noticee No. 71), Rakesh Nagindas Suthar (the Noticee No. 72), Jignesh Manubhai Suthar (the Noticee No. 73), Pinalben Rakeshkumar Suthar (the Noticee No. 74), Vasant Popatlal Prajapati (the Noticee No. 75), Baldevbhai Dhayabhai Raval (the Noticee No. 76), Hemlataben Vikrambhai Raval (the Noticee No. 77), Sukhdevbhai Shankarbhai Joshi (the Noticee No. 78) and Amitaben Jitendrasinh Rathod (the Noticee No. 79) pursuant to investigation in the matter of trading activities of certain entities in the scrip of Viji Finance Limited (hereinafter referred to as, **Company/VFL/Scrip**). The Noticee 1 to 79 are collectively referred to as '**the Noticees/You**'.

2. Adjudication Proceedings have been initiated against,
- a) Noticee 1 to 78 under section 15HA of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as, '**SEBI Act**') for the alleged violations of Section 12A (a), (b), (c) of SEBI Act read with Regulations 3 (a), (b), (c), (d), 4 (1) and 4 (2) (a), (e) and (g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 (hereinafter referred to as, ('**PFUTP Regulations**').
 - b) Noticee 79 under section 15HA of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as, '**SEBI Act**') for the alleged violations of Section

12A (a), (b), (c) of SEBI Act read with Regulations 3 (a), (b), (c), (d), 4 (1) and 4 (2) (a) and (e) of PFUTP Regulations.

APPOINTMENT OF ADJUDICATING OFFICER

3. The undersigned was appointed as Adjudicating Officer (hereinafter referred to as '**AO**') *vide* order dated June 04, 2019 to inquire into and adjudge under section 15HA of SEBI Act, the aforesaid alleged violation against the Noticees. The appointment of the AO was communicated *vide* order dated June 24, 2019.

SHOW CAUSE NOTICE, REPLY AND HEARING

4. Show Cause Notice No. EAD5/MC/HP/30474/2019 dated November 18, 2019 (hereinafter referred to as '**SCN**'), was issued to the Noticees in terms of Rule 4 (1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as '**Adjudication Rules**'), to show cause as to why an inquiry should not be held and penalty not be imposed against the Noticees in terms of Section 15HA of SEBI Act for the aforesaid alleged violations.
5. The allegations levelled against the Noticees in the SCN are summarized as below:
6. SEBI conducted an investigation in the trading of VFL scrip during the period from April 01, 2014 to April 30, 2015 ('**Investigation Period / IP**').

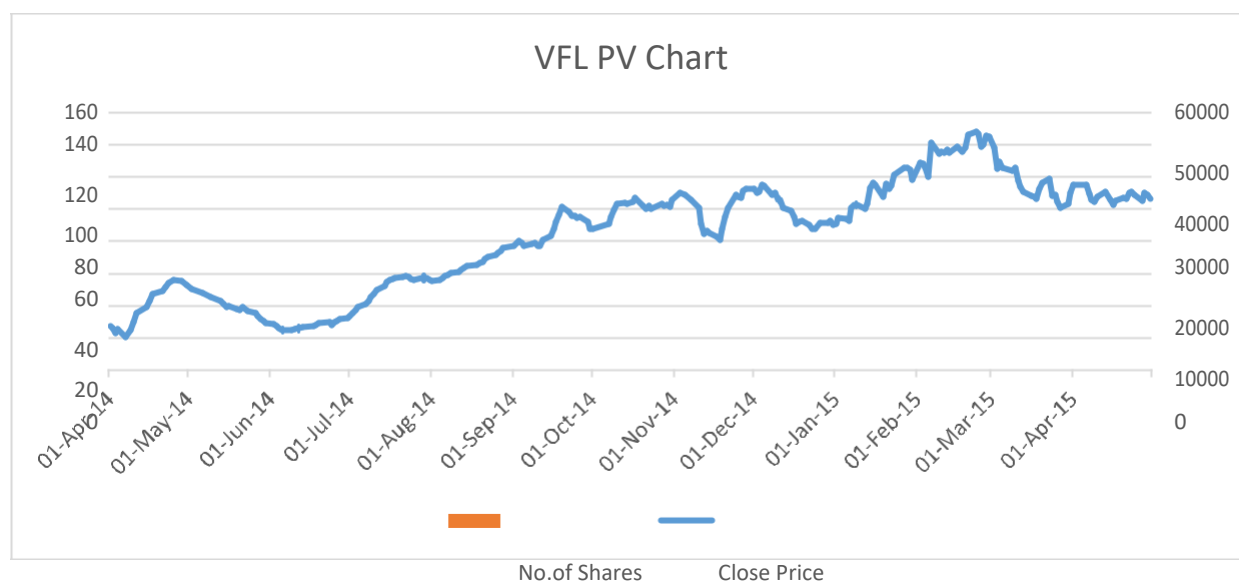
About the Company

7. VFL is engaged in non-banking finance business. The registered office address of the company is 11/12, Usha Ganj, Indore – 452 001.

Price Volume Analysis for the scrip of VFL during the Investigation Period

8. The scrip was listed and traded at BSE during the investigation period. During the IP the price of the scrip on BSE increased from Rs.27.35 to Rs.106.5 registering an increase of Rs. 79.15 (290%). During the same period, Sensex moved from

22,455.23 to 27,011.31 registering an increase of 4,556.08 (20.29%). The price volume chart during IP is as under:



9. SEBI identified that the group of Noticees was connected to each other on the basis of Know Your Client (KYC) documents, unique client code (UCC) database updated by the brokers and off market transfers/transactions. Connection established between the Noticees is as under.

Sr. No.	Name	PAN	Basis of connection
1	Pravinbhai Harishbhai Vyas	AGEPV5853C	As per KYC, entities at sr. no. 1 to 5 share common address– 1610-2 Sector-5C, Gandhinagar, Gujarat – 382006.
2	Nimishaben Pravinbhai Vyas	ANWPV9588P	
3	Sonalben Harishbhai Vyas	AURPV3617K	
4	Harishbhai Naranbhai Vyas	AVAPV0988P	As per KYC, entities at sr. no. 6 to 8 share common address – A5 Vinayak Apt, Jivraj Park, Ahmedabad – 380051
5	Shantaben Harishbhai Vyas	AVAPV0989N	
6	Sanjaybhai Hiralal Kalal	AWLPK2492D	As per KYC, entities at sr. no. 1, 2 & 9 to 12 share common mobile no. 8733913293
7	Hetal Hirabhai Kalal	BGFPA6516Q	
8	Surendrabhai Hiralal Kalal	CSBPK9440F	
9	Joshi Jegnesh B	AUWPJ0532A	As per KYC, entities at sr. no. 1, 2 & 13 to 19 share common mobile no. 9714609630
10	Mohd Taslim Mohd	BDZPA6516Q	
11	Mohd Sharif Mohd	BDZPA6518A	
12	Gitaben Bankimbhai Shah	ELXPS8526K	



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Sr. No.	Name	PAN	Basis of connection
13	Bhanumatiben Natvarbhai Thakkar	AGIPT0482H	As per KYC, entities at sr. no. 1, 2, 9, 15, 20 to 27 & 82 share common mobile no. 9924178339
14	Natvarlal Chimanlal Thakkar	AGUPT8806D	
15	Vikram Thakor Bhavansinh	AOBPT6832J	As per KYC, entities at sr. no. 6, 7, 15, 20, 24 & 28 to 37 share common mobile no. 9825432947
16	Suresh Dilipkumar Prajapati	AXHPP4252F	
17	Bhatiya Himanshu	BFUPB6274F	As per KYC/UCC data, entities at sr. no. 21, 26 & 38 to 45 share common mobile no. 9924133987
18	Amaratbhai Amathabhai Patni	CPAPP9757C	
19	Chirag Parmar	BTXPP2379A	As per KYC, entities at sr. no. 22, 26, 28 & 46 share common mobile no. 9722440654
20	Kamlaben Dilipbhai Joshi	AGXPJ1224E	
21	Tejas Dilipbhai Joshi	AICPJ6061A	As per KYC/UCC data, entities at sr. no. 25, 47, 48, 80 & 81 share common mobile no. 7041873233
22	Malatiben A Darji	AVHPD1314L	
23	Amitaben Jitendrasinh Rathod	AVKPR1320H	As per KYC, entities at sr. no. 35, 36 & 49 share common mobile no. 9601323199
24	Sandip Kishor Bhai	BAMPK6709D	
25	Arvindbhai M Bagada	BAXPB1018B	As per KYC, entities at sr. no. 46, 50 & 51 share common mobile no. 9662618049
26	Ashokbhai Chimanlal	BGIPP2628E	
27	Bharatkumar Kantilal Patni	CPMPP1489P	As per KYC, entities at sr. no. 17 & 50 share common mobile no. 9714937838
28	Rahul Bamkinchandra Shah	DDVPS9747F	
29	Kalaji Ambaram Thakor	AVGPT6676C	As per KYC, entities at sr. no. 39, 41, 52 & 53 share common mobile no. 9904989854
30	Joshi Samir B	AWAPJ3733D	
31	Bhupendra Chinubhai Shah	AZGPS3670P	As per KYC/UCC data, entities at sr. no. 12 & 54 to 59 share common mobile no. 9924491361
32	Bakimcand Dayalal Shah	BGRPS4680Q	
33	Dharmendra Abhesinh	BUAPR3258N	As per KYC, entities at sr. no. 29, 60 & 61 share common mobile no. 9974949628
34	Praghnaben	DAHPS3416Q	
35	Kamruddin Mohmadhanif	DDRPS4977M	As per KYC/UCC data, entities at sr. no. 22, 26 & 37 share common mobile no. 9924979541
36	Saddamhusain Kamruddin	DFXPS6156A	
37	Mayuri Ashokbhai Darji	AVHPD1316J	As per KYC, entities at sr. no. 56, 62 & 63 are having common introducer Hemali Thakkar
38	Tarunkumar Laxmanbhai	ARPPR0302L	
39	Sejal Karsanbhai Vaghela	ATBPV3938Q	As per KYC, entities at sr. no. 31, 34 & 64 share common address – 2734, Kuvavali Pole, Shahpur, Ahmedabad and are having common introducer Siju Thomas
40	Prakash Chunilal Mudethiya	AUOPM4259K	
41	Bipinkumar Laxmanbhai	AZAPM5295J	As per KYC, entities at sr. no. 47, 65 & 66 share common address – 3/143, Vibhang-1, Kanj Kanz, Ta. – Detroj-Rampura, Dist. – Ahmedabad – 382140
42	Nawabkhan Imamkhan	AZMPB1715G	
43	Kintankumar Govindlal	BMBPP4254R	As per KYC, entities at sr. no. 40, 45, 67 & 68 share common address – D-1, Punitnagar
44	Javedkhan Imamkhan	BQRPB2458R	
45	Harshidaben Prakasbhai	CKWPM9588B	As per KYC, entities at sr. no. 40, 45, 67 & 68 share common address – D-1, Punitnagar
46	Fagun Chandrakant Soni	CUOPS1911E	
47	Champaben Dahayabhai	BVLPR2974K	As per KYC, entities at sr. no. 40, 45, 67 & 68 share common address – D-1, Punitnagar
48	Baldevbhai Dhayabhai Raval	BVPPR3871K	
49	Salmabanu Kamrudin Shekh	EKPPS5764E	As per KYC, entities at sr. no. 40, 45, 67 & 68 share common address – D-1, Punitnagar
50	Manan Chandrakantbhai	BMYPs3868P	
51	Chandrakant Ramanikbhai	DQBPS1768F	As per KYC, entities at sr. no. 40, 45, 67 & 68 share common address – D-1, Punitnagar
52	Harishbhai Chimanbhai	DWQPS4742N	
53	Rekhaben Harishbhai Shukla	EGNPS1650F	As per KYC, entities at sr. no. 40, 45, 67 & 68 share common address – D-1, Punitnagar
54	Jawanji Bhulaji Thakor	AVTPT6167F	



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Sr. No.	Name	PAN	Basis of connection
55	Kaliben Javanji Thakor	AVUPT1781E	Tenament Row House, Punit Flat, Ranip, Dist. – Ahmedabad – 382480
56	Varshaben Bharatkumar	AZLPJ1362L	
57	Jitendra Amrutlal Prajapati	BBJPP0725Q	As per KYC, entities at sr. no. 17 & 70 share common address – 1 Kacha Huts, Near Revabhai School, Opp. Jogni Mata Mandir, Kotarpur Gam, Ahmedabad – 382475 and entities at sr. no. 12 & 70 share common mobile no. 9924491361
58	Nagasih Chhatrasinh	BBMPC5100R	
59	Saurabh Mahendrabhai Shah	FJWPS8403K	
60	Hemlataben Vikrambhai	BVPPR3872L	
61	Sejal Saurabhbhai Shah	FJWPS8397Q	
62	Sukhdevbhai Shankarbhai	ARSPJ4951A	As per KYC, entities at sr. no. 51 & 71 share common email – neetasoni1085@gmail.com
63	Ushaben Sukhdevbhai Joshi	AZQPJ8829B	
64	Nipur Bhupendrakumar Shah	BIPPS9910R	As per CDSL, entity at sr. no.72 had off-market transaction with entity at sr. no.4
65	Bakulbhai Dahayabhai Raval	BNTPR0837H	As per KYC, entities at sr. no. 72 & 73 share common address – 413, Giriraj Society, Mehsana, Gujarat - 384001
66	Dahayabhai Harchandbhai	BVLPR2975J	
67	Mehulkumar Chunilal	CLGPM8075C	
68	Chunilal Nathalal	CLKPM2727B	
69	Dhaniben Chunilal	CKWPM9591G	
70	Bharatiben Amaratbhai	CPAPP9756D	As per CDSL, entity at sr. no.74 had off-market transaction with entity at sr. no.7
71	Nitaben Chandrakant Soni	EKPPS5766G	As per KYC, entities at sr. no. 74 to 77 share common address – 24, 354, Gita Apartment, Ranip
72	Naranbhai Ramanlal Dave	AOVPD4781J	
73	Ashaben Naranbhai Dave	BYPPD3281C	
74	Rakesh Nagindas Suthar	BORPS8358P	
75	Jignesh Manubhai Suthar	CNMPS9636M	
76	Pinalben Rakeshkumar Suthar	EKPPS5773F	As per CDSL, entity at sr. no.78 had off-market transaction with entity at sr. no. 17, 19, 44 & 49
77	Manubhai Narotambhai	BYAPM3945F	As per KYC, entities at sr. no. 78 to 79 share common address – 80 – 1, CHH Type, Sector -30, Gandhinagar – 382030
78	Vasant Popatlal Prajapati	BCOPP6490G	
79	Mahendrabhai Popatbhai Prajapati	BKCPP8177L	
80	Balbhdrasinh Himatsinh Dabi	ATBPV3938Q	As per KYC/UCC data, entities at sr. no. 62, 63 & 83 share common mobile no. 9974949337
81	Manuji Bhavanji Thakor	BTWPR5473E	
82	Ganpatsinh Mavsinh Rathod	AOBPT6832J	
83	Kalaji Bhavanji Thakor	CSBPK9440F	

10. Trading details of the Noticees during the IP are as per below table:

Table 1 – Trading details of the Noticees

Sr. No.	Entity Name	Gross Buy	Gross Sell	Net Trade	Gross Buy % to Total Mkt Vol.	Gross Sell % to Total Mkt Vol.
1	Chirag Parmar	148289	148289	0	4.85%	4.85%
2	BhanumatibenNatvarbhai Thakkar	53769	53769	0	1.76%	1.76%



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Sr. No.	Entity Name	Gross Buy	Gross Sell	Net Trade	Gross Buy % to Total Mkt Vol.	Gross Sell % to Total Mkt Vol.
3	Natvarlal Chimanlal Thakkar	51547	51547	0	1.69%	1.69%
4	Kamlaben Dilipbhai Joshi	44749	44749	0	1.46%	1.46%
5	Tejas Dilipbhai Joshi	35828	35828	0	1.17%	1.17%
6	Mohd Sharif Mohd Mustkeem Ansari	29529	29529	0	0.97%	0.97%
7	Balbhdrasinh Himatsinh Dabhi	28725	28725	0	0.94%	0.94%
8	Mahendrabhai Prajapati	27960	27960	0	0.91%	0.91%
9	Dharmendra Abhesinh Rajput	27949	27949	0	0.91%	0.91%
10	Mohd Taslim Mohd Mustkeem Ansari	26776	26776	0	0.88%	0.88%
11	Arvindbhai Mohanbhai Bagada	26296	26296	0	0.86%	0.86%
12	Ganpatsinh Mavsinh Rathod	26068	26068	0	0.85%	0.85%
13	Nitaben Chandrakant Soni	24394	24394	0	0.80%	0.80%
14	Manuji Bhavanji Thakor	23920	23920	0	0.78%	0.78%
15	Joshi Jegnesh B	22539	22539	0	0.74%	0.74%
16	Gitaben Bankimbhai Shah	22493	22493	0	0.74%	0.74%
17	Javedkhan Imamkhan Baloch	21646	21646	0	0.71%	0.71%
18	Pragnaben Bhupendrakumar Shah	21621	21621	0	0.71%	0.71%
19	Kaliben Javanji Thakor	21224	21224	0	0.69%	0.69%
20	Rekhaben Harishbhai Shukla	21139	21139	0	0.69%	0.69%
21	Fagun Chandrakant Soni	21016	21016	0	0.69%	0.69%
22	Joshi Samir B	21005	21005	0	0.69%	0.69%
23	Kalaji Bhavanji Thakor	21004	21004	0	0.69%	0.69%
24	Manan Chandrakantbhai Soni	20730	20730	0	0.68%	0.68%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Entity Name	Gross Buy	Gross Sell	Net Trade	Gross Buy % to Total Mkt Vol.	Gross Sell % to Total Mkt Vol.
25	Kintankumar Govindlal Prajapati	20611	20611	0	0.67%	0.67%
26	Champaben Dahayabhai Raval	20312	20312	0	0.66%	0.66%
27	Bhupendra Chinubhai Shah	19890	19890	0	0.65%	0.65%
28	Shah Bakimcand Dayalal	19794	19794	0	0.65%	0.65%
29	Thakor Vikram Bhavansinh	19783	19783	0	0.65%	0.65%
30	Nawabkhan Imamkhan Baloch	19656	19656	0	0.64%	0.64%
31	Prakash C Mudethiya	19533	19533	0	0.64%	0.64%
32	Saurabh Mahendrabhai Shah	19352	19352	0	0.63%	0.63%
33	Bharatkumar Kantilal Patni	18960	18960	0	0.62%	0.62%
34	Jawanji Bhulaji Thakor	18489	18489	0	0.60%	0.60%
35	Harshidaben Prakashbhai Mudethia	18456	18456	0	0.60%	0.60%
36	Nipur Bhupendrakumar Shah	18439	18439	0	0.60%	0.60%
37	Chunilal Nathalal Mudethiya	18330	19141	-811	0.60%	0.63%
38	Shantaben Harishbhai Vyas	17222	17222	0	0.56%	0.56%
39	Bharatiben Amaratbhai Patni	17100	17100	0	0.56%	0.56%
40	Himanshu Sureshbhai Bhatiya	16662	16662	0	0.54%	0.54%
41	Pravinbhai Harishbhai Vyas	16445	16445	0	0.54%	0.54%
42	Mehulkumar Mudethiya Mehulkumar	15920	15920	0	0.52%	0.52%
43	Saddamhusain Kamruddin Shaikh	15764	15764	0	0.52%	0.52%
44	Tarunkumar Laxmanbhai Rajput	15745	15745	0	0.51%	0.51%
45	Malatiben Ashokbhai Darji	15436	15436	0	0.50%	0.50%
46	Dhaniben Chunilal Mudethiya	15296	15296	0	0.50%	0.50%
47	Nimishaben Pravinbhai Vyas	15221	15221	0	0.50%	0.50%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Entity Name	Gross Buy	Gross Sell	Net Trade	Gross Buy % to Total Mkt Vol.	Gross Sell % to Total Mkt Vol.
48	Manubhai Narotambhai Mistri	15219	15219	0	0.50%	0.50%
49	Shah Rahul Bamkinchandra	14958	14958	0	0.49%	0.49%
50	Bakulbhai Dahayabhai Raval	14791	14791	0	0.48%	0.48%
51	Harishbhai Naranbhai Vyas	14749	14749	0	0.48%	0.48%
52	Kamruddin Mohamadhanif Shaikh	14667	14667	0	0.48%	0.48%
53	Amaratbhai Amathabhai Patni	14617	14617	0	0.48%	0.48%
54	Surendrabhai Hiralal Kalal	14527	14530	-3	0.48%	0.48%
55	Ashaben Naranbhai Dave	14136	14136	0	0.46%	0.46%
56	Sejal Saurabhbhai Shah	14088	14088	0	0.46%	0.46%
57	Pinalben Rakeshkumar Suthar	14014	14014	0	0.46%	0.46%
58	Sonalben Harishbhai Vyas	13859	13859	0	0.45%	0.45%
59	Nagasih Chhatrasinh Chavada	13854	13854	0	0.45%	0.45%
60	Rakesh Nagindas Suthar	13668	13668	0	0.45%	0.45%
61	Dahayabhai Harchandbhai Raval	13622	13622	0	0.45%	0.45%
62	Jitendra Amrutlal Prajapati	13604	13604	0	0.44%	0.44%
63	Ashokbhai Chimanlal Parmar	13400	13400	0	0.44%	0.44%
64	Darji Mayuri Ashokbhai	13357	13357	0	0.44%	0.44%
65	Jignesh Manubhai Suthar	13314	13314	0	0.44%	0.44%
66	Salmabanu K Shekh	12866	12866	0	0.42%	0.42%
67	Hetal Hirabhai Kalal	11718	11718	0	0.38%	0.38%
68	Sanjaybhai Hiralal Kalal	10617	10617	0	0.35%	0.35%
69	Sejal Karsanbhai Vaghela	10276	10276	0	0.34%	0.34%
70	Sukhdevbhai Shankarbhai Joshi	9422	9422	0	0.31%	0.31%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Entity Name	Gross Buy	Gross Sell	Net Trade	Gross Buy % to Total Mkt Vol.	Gross Sell % to Total Mkt Vol.
71	Bipinkumar Laxhanbhai Marwadi	8784	8784	0	0.29%	0.29%
72	Sandip Kishor Bhai Khatri	7891	7891	0	0.26%	0.26%
73	Harishbhai Chimanbhai Shukla	7834	7834	0	0.26%	0.26%
74	Vasant Popatlal Prajapati	7791	7791	0	0.25%	0.25%
75	Baldevbhai Dhayabhai Raval	5035	5035	0	0.16%	0.16%
76	Naranbhai Ramanlal Dave	4267	4267	0	0.14%	0.14%
77	Hemlataben Vikrambhai Raval	3775	3775	0	0.12%	0.12%
78	Ushaben Sukhdevbhai Joshi	3773	3773	0	0.12%	0.12%
79	Kalaji Ambaram Thakor	3528	3528	0	0.12%	0.12%
80	Varshaben Bharatkumar Joshi	3015	3015	0	0.10%	0.10%
81	Rathod Amitaben Jitendrasinh	1503	1503	0	0.05%	0.05%
82	Suresh Dilipkumar Prajapati	1251	1251	0	0.04%	0.04%
83	Chandrakant Ramanikbhai Soni	1208	1208	0	0.04%	0.04%
	Group Total	1571630	1572444	-814	51.40%	51.42%
	Market Total	3057826	3057826	0	100.00%	100.00%

Table 2 – Summary of Trading by the aforesaid Noticees

Market Volume	Total no. of shares bought by the Noticees	Total no. of shares sold by the Noticees	Total traded qty. among the Noticees	Traded qty among the Noticees as a % of mkt. vol.	Sum of LTP contribution through trading among the Noticees
3057826	1571630	1572444	1223841	40.02%	-24.10

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

11. It was observed that the Noticees had purchased 15,71,630 shares (51.40% of total market volume) and sold 15,72,444 shares (51.42% of total market volume) during IP. Further, the Noticees entered into trades among themselves for 12,23,841 shares in the scrip, constituting 40.02% of the total market volume.

12. Upon analysis of synchronized trades (where the buy and sell order quantity and rate were identical and orders for these transactions were placed within time gap of one minute) it was observed that the Noticees (except Noticee 79) had executed synchronized trades for 8,60,359 shares (28.14% of the market volume) among themselves during the IP. Thus, Noticee 1 to 78 were alleged to have entered into synchronized trades among themselves which did not result in any change in beneficial ownership and created misleading appearance of trading in the scrip.

13. Summary of such Synchronized trades is given in below table:

Table 3 – Summary of Synchronized trades by Noticees

Gross Buy Qty of the Noticees	Gross Sell Qty of the Noticees	Total traded qty among the Noticees	Synchronized traded qty. by the Noticees	Sync Trades as % of Total market volume
1571630	1572444	1223841	860359	28.14%

14. In view of the above, it was alleged that the **Noticee 1 to 78** have used manipulative device of entering into synchronized trades to create an impression of trading, without any change in beneficial ownership, in a fraudulent manner and hence have contravened Section 12A (a), (b), (c) of SEBI Act read with Regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (g) of PFUTP Regulations.

15. During investigation, the price movement of the scrip was divided into following four patches as given below:

Table 4 - Price Volume Movement

Period	Dates		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)
During Investigation Period	Patch – 1 (01/04/2014 - 28/04/2014)	Price	27.35 (01/04/2014)	55.05 (28/04/2014)	20.50 (07/04/2014)	57 (25/04/2014)	16,701 (1,044)
		Vol	10 (01/04/2014)	20 (28/04/2014)	10 (01/04/2014)	4525 (25/04/2014)	
	Patch – 2 * (29/04/2014 - 09/06/2014)	Price	52.30 (30/04/2014)	24.50 (09/06/2014)	24.50 (05/06/2014)	53.90 (30/04/2014)	24,284 (1,056)
		Vol	650 (30/04/2014)	100 (09/06/2014)	1 (13/05/2014)	5310 (19/05/2014)	
	Patch – 3 (10/06/2014 - 23/02/2015)	Price	25 (10/06/2014)	148.50 (23/02/2015)	25 (10/06/2014)	162 (16/02/2015)	22,76,748 (13,393)
		Vol	2000 (10/06/2014)	13820 (23/02/2015)	10 (22/07/2014)	55143 (10/10/2014)	
	Patch – 4 (24/02/2015 - 30/04/2015)	Price	147 (24/02/2015)	106.50 (30/04/2015)	87 (10/04/2015)	153 (28/02/2015)	7,40,093 (16,447)
		Vol	14041 (24/02/2015)	17973 (30/04/2015)	10094 (21/04/2015)	47375 (03/03/2015)	
		Vol	17277 (01/05/2015)	14298 (31/07/2015)	25 (15/07/2015)	21634 (26/05/2015)	

* There was no trading on 29/04/2014 as per BSE Price Volume Data

16. Patch-3 (June 10, 2014 to February 23, 2015):

The price of the scrip increased from Rs. 25 to Rs.148.50 (Rs.123.50 increase) during patch 3 of the IP. SEBI examined the Last Traded Price contribution of **Noticee 1, 3, 6, 9, 11, 12, 14, 17, 20, 22, 23, 24, 27, 28, 29, 30, 32, 34, 36, 37, 40, 42, 43, 44, 45, 46, 48, 49, 50, 51, 54, 55, 57, 59, 61, 62, 63, 64, 65, 66, 67, 68, 70, 73, 74, 79** during Patch-3. Summary of LTP contribution by the aforesaid Noticees is provided in below table:

Table 5 – Summary of LTP Contribution by the aforesaid Noticees

Sr. No.	Name	Noticee No.	All Trades			LTP Diff.>0			LTP Diff.<0			LTP Diff.=0		% of positive LTP to Total Market Positive LTP
			Sum of LTP diff	Sum of Qty	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Qty Traded	No. of Trades	
1	Chirag Parmar	Noticee No.-17	28.80	138499	582	72.65	57010	145	-43.85	35537	84	45952	353	3.00%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Name	Noticee No.	All Trades			LTP Diff.>0			LTP Diff.<0			LTP Diff.=0		% of positive LTP to Total Market Positive LTP
			Sum of LTP diff	Sum of Qty	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Qty Traded	No. of Trades	
2	Arvindbhai Mohanbhai Bagada	Noticee No.-22	18.30	20014	57	25.95	9771	26	-7.65	4183	12	6060	19	1.07%
3	Manubhai Narotambhai Mistri	Noticee No.-61	9.75	12693	32	14.15	8493	23	-4.40	3700	8	500	1	0.58%
4	Manuji Bhavanji Thakor	Noticee No.-63	9.60	18870	66	19.60	7913	25	-10.00	9045	19	1912	22	0.81%
5	Jignesh Manubhai Suthar	Noticee No.-73	8.10	10796	30	14.50	6469	18	-6.40	4326	11	1	1	0.60%
6	Rekhaben Harishbhai Shukla	Noticee No.-43	7.45	16112	79	10.20	6114	16	-2.75	2892	7	7106	56	0.42%
7	Harishbhai Chimanbhai Shukla	Noticee No.-42	6.70	6576	62	6.85	3620	18	-0.15	440	1	2516	43	0.28%
8	Nitaben Chandrakant Soni	Noticee No.-59	6.65	19371	99	14.85	8992	21	-8.20	4089	19	6290	59	0.61%
9	Malatiben Ashokbhai Darji	Noticee No.-20	6.60	14178	36	10.45	7021	16	-3.85	5927	13	1230	7	0.43%
10	Thakor Vikram Bhavansinh	Noticee No.-14	6.40	14623	39	12.20	6588	16	-5.80	3155	8	4880	15	0.50%
11	Bhanumatiben Natvarbhai Thakkar	Noticee No.-12	5.90	43692	175	17.20	21535	49	-11.30	14214	30	7943	96	0.71%
12	Balbhdrasinh Himatsinh Dabhi	Noticee No.-62	5.75	25061	122	33.80	10422	32	-28.05	8021	22	6618	68	1.40%
13	Ganpatsinh Mavsinh Rathod	Noticee No.-64	5.65	21835	55	10.40	8389	18	-4.75	6224	12	7222	25	0.43%
14	Bipinkumar Laxhanbhai Marwadi	Noticee No.-34	5.60	7529	18	6.40	4729	12	-0.80	1050	2	1750	4	0.26%
15	Sanjaybhai Hiralal Kalal	Noticee No.-6	5.30	8101	21	6.70	4746	11	-1.40	2200	5	1155	5	0.28%
16	Mehulkumar Mudethiya Mehulkumar	Noticee No.-55	5.10	12139	36	12.25	6224	14	-7.15	3122	6	2793	16	0.51%
17	Saurabh Mahendrabhai Shah	Noticee No.-49	4.75	15568	36	9.25	8264	15	-4.50	4400	6	2904	15	0.38%
18	Pinalben Rakeshkumar Suthar	Noticee No.-74	4.60	11484	30	12.50	7948	20	-7.90	3522	8	14	2	0.52%
19	Nagasih Chhatrasinh Chavada	Noticee No.-48	4.35	8826	22	7.70	4844	12	-3.35	1742	4	2240	6	0.32%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Name	Noticee No.	All Trades			LTP Diff.>0			LTP Diff.<0			LTP Diff.=0		% of positive LTP to Total Market Positive LTP
			Sum of LTP diff	Sum of Qty	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Qty Traded	No. of Trades	
20	Bharatkumar Kantilal Patni	Noticee No.-23	3.80	13915	71	6.55	4956	12	-2.75	2775	8	6184	51	0.27%
21	Dahayabhai Harchandbhai Raval	Noticee No.-54	3.70	9812	24	8.45	6665	16	-4.75	3147	8	0	0	0.35%
22	Kintankumar Govindlal Prajapati	Noticee No.-36	3.65	14307	146	5.30	4149	11	-1.65	1300	5	8858	130	0.22%
23	Shah Bakimchand Dayalal	-	3.50	12505	25	8.75	5729	11	-5.25	3384	8	3392	6	0.36%
24	Sejal Saurabhbhai Shah	Noticee No.-50	3.50	10312	22	9.05	5701	13	-5.55	2700	4	1911	5	0.37%
25	Ashokbhai Chimanlal Parmar	Noticee No.-67	3.15	12142	26	8.90	7327	15	-5.75	4493	10	322	1	0.37%
26	Dhaniben Chunilal Mudethiya	Noticee No.-57	2.90	10251	25	5.50	4709	10	-2.60	3200	7	2342	8	0.23%
27	Gitaben Bankimbhai Shah	-	2.85	14937	37	5.95	5439	12	-3.10	6674	11	2824	14	0.25%
28	Jawanji Bhulaji Thakor	Noticee No.-44	2.75	12182	34	6.60	7137	15	-3.85	3770	9	1275	10	0.27%
29	Javedkhan Imamkhan Baloch	Noticee No.-37	2.65	16612	44	5.30	6278	12	-2.65	4576	11	5758	21	0.22%
30	Praghnaben Bhupendrakumar Shah	Noticee No.-28	2.60	16596	56	7.65	6334	14	-5.05	4899	13	5363	29	0.32%
31	Sejal Karsanbhai Vaghela	Noticee No.-32	2.45	7751	19	5.60	3757	8	-3.15	2411	6	1583	5	0.23%
32	Champaben Dahayabhai Raval	Noticee No.-40	2.30	15258	36	8.45	7623	18	-6.15	6415	13	1220	5	0.35%
33	Saddamhusain Kamruddin Shaikh	Noticee No.-29	2.20	12551	91	8.40	4108	12	-6.20	2564	11	5879	68	0.35%
34	Mohd Sharif Mohd Mustkeem Ansari	Noticee No.-11	2.10	21334	50	5.05	9113	22	-2.95	4104	9	8117	19	0.21%
35	Mahendrabhai Prajapati	-	1.85	23171	54	13.45	9668	19	-11.60	7459	14	6044	21	0.56%
36	Pravinbhai Harishbhai Vyas	Noticee No.-1	1.85	13933	26	3.45	6555	12	-1.60	5543	9	1835	5	0.14%
37	Kalaji Bhavanji Thakor	Noticee No.-65	1.70	14818	42	12.05	8034	18	-10.35	4847	10	1937	14	0.50%
38	Joshi Jegnesh B	Noticee No.-9	1.35	18765	78	6.45	5056	13	-5.10	4252	11	9457	54	0.27%
39	Ushaben Sukhdevbhai Joshi	Noticee No.-51	1.30	1264	3	1.30	1260	2	0.00	0	0	4	1	0.05%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Name	Noticee No.	All Trades			LTP Diff.>0			LTP Diff.<0			LTP Diff.=0		% of positive LTP to Total Market Positive LTP
			Sum of LTP diff	Sum of Qty	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Qty Traded	No. of Trades	
40	Dharmendra Abhesinh Rajput	Noticee No.-27	1.15	21058	89	8.70	8784	24	-7.55	5328	14	6946	51	0.36%
41	Sonalben Harishbhai Vyas	Noticee No.-3	1.00	8818	22	7.70	4583	9	-6.70	3382	9	853	4	0.32%
42	Kamruddin Mohamadhanif Shaikh	Noticee No.-68	1.00	10892	24	3.10	4008	11	-2.10	4901	9	1983	4	0.13%
43	Varshaben Bharatkumar Joshi	Noticee No.-46	0.50	1755	4	0.50	755	2	0.00	0	0	1000	2	0.02%
44	Darji Mayuri Ashokbhai	Noticee No.-30	0.40	9579	24	4.65	4674	10	-4.25	3327	8	1578	6	0.19%
45	Chanrakant Ramanikbhai Soni	Noticee No.-70	0.35	1208	6	0.40	99	1	-0.05	700	1	409	4	0.02%
46	Shah Rahul Bamkinchandra	Noticee No.-24	0.25	12425	23	5.85	3536	8	-5.60	3553	8	5336	7	0.24%
47	Rathod Amitaben Jitendrasinh	Noticee No.-79	0.20	1503	11	0.20	525	2	0.00	0	0	978	9	0.01%
48	Suresh Dilipkumar Prajapati	Noticee No.-66	0.15	1251	3	0.15	699	1	0.00	0	0	552	2	0.01%
49	Kaliben Javanji Thakor	Noticee No.-45	0.05	13446	52	5.55	5843	16	-5.50	4763	11	2840	25	0.23%
Group Total			212.55	780318	2764	496.60	352196	856	-284.05	222256	514	205866	1394	20.50%
Market Total			124.00	2276748	11433	2422.45	911647	3040	2298.45	688859	2375	676242	6018	100.00%

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17. It was observed that the Noticees mentioned at above table contributed Rs. 496.60 to positive LTP as buyers out of Rs. 2422.45 market positive LTP during patch 3 of the IP. Further, out of aforesaid 856 trades executed by the aforesaid Noticees, counterparties for 662 trades were **Noticee 1 to 50, 52 to 65, 67 to 75** and they together contributed Rs. 371.20 to market positive LTP (15.32% of market positive LTP) during patch 3. Thus, **Noticee 1 to 75 and 79** allegedly contributed to price rise by trading among themselves.

18. Trade details of counterparty Noticees to the Noticees mentioned at Table 5 are as per below table:

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Table 6 – Trade Details of counterparty Notices:

Sr. No.	Counter Party Name	Noticee No.	Positive LTP	Qty Traded	No. Of Trades	% of positive LTP to Total Market Positive LTP
1	Chirag Parmar	Noticee No.-17	39.75	31748	71	1.64%
2	Natvarlal Chimanlal Thakkar	Noticee No.-13	17.6	13145	26	0.73%
3	Bharatkumar Kantilal Patni	Noticee No.-23	13.4	5313	24	0.55%
4	Harishbhai Naranbhai Vyas	Noticee No.-4	13	1460	3	0.54%
5	Tejas Dilipbhai Joshi	Noticee No.-19	12.6	8650	21	0.52%
6	Joshi Jegnesh B	Noticee No.-9	12.6	8985	28	0.52%
7	Saddamhusain Kamruddin Shaikh	Noticee No.-29	12.25	3679	10	0.51%
8	Balbhdrasinh Himatsinh Dabhi	Noticee No.-62	11.25	5939	15	0.46%
9	Kamlaben Dilipbhai Joshi	Noticee No.-18	9.7	7047	15	0.40%
10	Sandip Kishor Bhai Khatri	Noticee No.-21	9.3	2568	7	0.38%
11	Arvindbhai Mohanbhai Bagada	Noticee No.-22	9.2	6789	14	0.38%
12	Tarunkumar Laxmanbhai Rajput	Noticee No.-31	8.9	2764	5	0.37%
13	Shah Bakimcand Dayalal	-	8.75	3020	9	0.36%
14	Kintankumar Govindlal Prajapati	Noticee No.-36	8.65	3116	9	0.36%
15	Hetal Hirabhai Kalal	Noticee No.-7	8.3	4870	11	0.34%
16	Mehulkumar Mudethiya	Noticee No.-55	7.95	3558	6	0.33%
17	Dahayabhai Harchandbhai Raval	Noticee No.-54	7.8	2525	6	0.32%
18	Sanjaybhai Hiralal Kalal	Noticee No.-6	6.7	3573	8	0.28%
19	Bhanumatiben Natvarbhai Thakkar	Noticee No.-12	6.45	7333	19	0.27%
20	Ganpatsinh Mavsinh Rathod	Noticee No.-64	6.45	6028	11	0.27%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Counter Party Name	Noticee No.	Positive LTP	Qty Traded	No. Of Trades	% of positive LTP to Total Market Positive LTP
21	Nawabkhan Imamkhan Baloch	Noticee No.- 35	6.35	3476	9	0.26%
22	Saurabh Mahendrabhai Shah	Noticee No.- 49	6.35	4605	8	0.26%
23	Rakesh Nagindas Suthar	Noticee No.- 72	6.15	5636	7	0.25%
24	Champaben Dahayabhai Raval	Noticee No.- 40	6	3277	8	0.25%
25	Gitaben Bankimbhai Shah	-	6	7577	18	0.25%
26	Nitaben Chandrakant Soni	Noticee No.- 59	5.95	5749	14	0.25%
27	Surendrabhai Hiralal Kalal	Noticee No.- 8	5.4	6713	17	0.22%
28	Mohd Sharif Mohd Mustkeem Ansari	Noticee No.- 11	5.25	5399	10	0.22%
29	Kamruddin Mohamadhanif Shaikh	Noticee No.- 68	5.25	5487	12	0.22%
30	Shah Rahul Bamkinchandra	Noticee No.- 24	4.65	3427	9	0.19%
31	Manuji Bhavanji Thakor	Noticee No.- 63	4.55	1866	6	0.19%
32	Sejal Karsanbhai Vaghela	Noticee No.- 32	4.45	1375	3	0.18%
33	Pinalben Rakeshkumar Suthar	Noticee No.- 74	4.15	5409	12	0.17%
34	Mahendrabhai Prajapati	-	3.45	3150	7	0.14%
35	Thakor Vikram Bhavansinh	Noticee No.- 14	3.35	4675	11	0.14%
36	Kalaji Ambaram Thakor	Noticee No.- 25	3.3	1750	3	0.14%
37	Himanshu Sureshbhai Bhatiya	Noticee No.- 15	3.3	2917	6	0.14%
38	Amaratbhai Amathabhai Patni	Noticee No.- 16	3.2	2202	6	0.13%
39	Fagun Chandrakant Soni	Noticee No.- 39	3.1	5228	12	0.13%
40	Varshaben Bharatkumar Joshi	Noticee No.- 46	3	500	1	0.12%
41	Javedkhan Imamkhan Baloch	Noticee No.- 37	2.5	2332	5	0.10%
42	Chunilal Nathalal Mudethiya	Noticee No.- 56	2.4	2523	6	0.10%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Counter Party Name	Noticee No.	Positive LTP	Qty Traded	No. Of Trades	% of positive LTP to Total Market Positive LTP
43	Nimishaben Pravinbhai Vyas	Noticee No.- 2	2.3	2707	6	0.09%
44	Vasant Papatlal Prajapati	Noticee No.- 75	2.2	1914	5	0.09%
45	Nipur Bhupendrakumar Shah	Noticee No.- 52	2	1827	5	0.08%
46	Mohd Taslim Mohd Mustkeem Ansari	Noticee No.- 10	1.9	3278	10	0.08%
47	Manan Chandrakantbhai Soni	Noticee No.- 69	1.9	1710	4	0.08%
48	Rekhaben Harishbhai Shukla	Noticee No.- 43	1.85	2865	6	0.08%
49	Bhupendra Chinubhai Shah	-	1.85	2012	6	0.08%
50	Harshidaben Prakashbhai Mudethia	Noticee No.- 38	1.85	2994	7	0.08%
51	Kaliben Javanji Thakor	Noticee No.- 45	1.7	2075	5	0.07%
52	Ashaben Naranbhai Dave	Noticee No.- 60	1.65	3353	7	0.07%
53	Kalaji Bhavanji Thakor	Noticee No.- 65	1.6	2531	5	0.07%
54	Jawanji Bhulaji Thakor	Noticee No.- 44	1.6	3162	7	0.07%
55	Bipinkumar Laxhanbhai Marwadi	Noticee No.- 34	1.6	1407	3	0.07%
56	Jignesh Manubhai Suthar	Noticee No.- 73	1.5	1166	3	0.06%
57	Jitendra Amrutlal Prajapati	Noticee No.- 47	1.4	1873	4	0.06%
58	Nagasih Chhatrasinh Chavada	Noticee No.- 48	1.4	1822	3	0.06%
59	Dharmendra Abhesinh Rajput	Noticee No.- 27	1.35	1560	3	0.06%
60	Chanrakant Ramanikbhai Soni	Noticee No.- 70	1.2	105	2	0.05%
61	Salmabanu K Shekh	Noticee No.- 41	1.2	2625	8	0.05%
62	Pragnaben Bhupendrakumar Shah	Noticee No.- 28	1.1	2449	7	0.05%
63	Bakulbhai Dahayabhai Raval	Noticee No.- 53	1.1	1723	5	0.05%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Counter Party Name	Noticee No.	Positive LTP	Qty Traded	No. Of Trades	% of positive LTP to Total Market Positive LTP
64	Joshi Samir B	Noticee No.-26	1.05	1925	5	0.04%
65	Sejal Saurabhbhai Shah	Noticee No.-50	0.95	2151	4	0.04%
66	Sonalben Harishbhai Vyas	Noticee No.-3	0.9	3086	8	0.04%
67	Bharatiben Amaratbhai Patni	Noticee No.-58	0.8	1054	3	0.03%
68	Dhaniben Chunilal Mudethiya	Noticee No.-57	0.7	1175	3	0.03%
69	Naranbhai Ramanlal Dave	Noticee No.-71	0.6	1677	3	0.02%
70	Harishbhai Chimanbhai Shukla	Noticee No.-42	0.6	2505	6	0.02%
71	Shantaben Harishbhai Vyas	Noticee No.-5	0.6	1300	3	0.02%
72	Pravinbhai Harishbhai Vyas	Noticee No.-1	0.5	204	1	0.02%
73	Prakash C Mudethiya	Noticee No.-33	0.5	350	1	0.02%
74	Darji Mayuri Ashokbhai	Noticee No.-30	0.4	655	2	0.02%
75	Ashokbhai Chimanlal Parmar	Noticee No.-67	0.4	555	2	0.02%
76	Malatiben Ashokbhai Darji	Noticee No.-20	0.15	431	1	0.01%
77	Manubhai Narotambhai Mistri	Noticee No.-61	0.1	20	1	0.00%
Group Total			371.20	279629	662	15.32%
Market Total			2422.45	911647	3040	100.00%

19. In view of the above, **Noticee 1 to 75 and 79** were alleged to have manipulated the price in fraudulent manner and created misleading appearance of trading in the scrip and hence have contravened Section 12A (a), (b), (c) of SEBI Act read with Regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (e) of PFUTP Regulations.

20. Patch-3 (June 10, 2014 to February 23, 2015):

The details of the first trades carried out by **the Noticee 6, 24, 32, 34, 36, 61, 72** who had contributed to the net positive LTP variation is as per below table:

Table 7 – Summary of First trades by the Noticees:

Sr. No.	Entity Name		No. of First trades	First trade volume	Sum of positive LTP through FT	% to mkt +ve LTP through FT
1	Manubhai Narotambhai Mistri	Noticee No.-61	2	800	5.70	2.62%
2	Shah Bakimchand Dayalal	-	2	1000	5.45	2.50%
3	Sejal Karsanbhai Vaghela	Noticee No.-32	1	600	4.30	1.97%
4	Shah Rahul Bamkinchandra	Noticee No.-24	1	600	2.95	1.35%
5	Kintankumar Govindlal Prajapati	Noticee No.-36	2	900	1.60	0.73%
6	Sanjaybhai Hiralal Kalal	Noticee No.-6	1	400	1	0.46%
7	Gitaben Bankimbhai Shah	-	1	500	1	0.46%
8	Bipinkumar Laxhanbhai Marwadi	Noticee No.-34	1	600	0.50	0.23%
9	Rakesh Nagindas Suthar	Noticee No.-72	1	400	0.25	0.11%
Group Total				5800	22.75	10.44%
Total				22556	217.85	100.00%

21. It was observed from the above table that **the Noticee 6, 24, 32, 34, 36, 61, 72** contributed Rs. 22.75 to positive LTP (10.44% of the market positive LTP through first trades during Patch 3) through 12 trades:

22. Trade details of counterparty Noticees to the Noticees mentioned at Table 7 are as per below table:

Table 8 – Trade details of counterparty Noticees

Sr. No.	Entity Name	Counterparty Name	No. of First trades	First trade volume	Sum of positive LTP through FT	% to mkt +ve LTP through FT
1	Manubhai Narotambhai Mistri	Tarunkumar Laxmanbhai Rajput	1	400	4.60	2.11%
2	Sejal Karsanbhai Vaghela	Chirag Parmar	1	600	4.30	1.97%
3	Shah Bakimchand Dayalal	Rakesh Nagindas Suthar	1	500	3.35	1.54%
4	Shah Rahul Bamkinchandra	Saurabh Mahendrabhai Shah	1	600	2.95	1.35%
5	Gitaben Bankimbhai Shah	Sanjaybhai Hiralal Kalal	1	500	1	0.46%
6	Kintankumar Govindlal Prajapati	Jignesh Manubhai Suthar	1	400	0.50	0.23%
Group Total			6	3000	16.70	7.67%
Total			101	22556	217.85	100.00%

23. It was observed from the above table No. 7 and 8 that out of 12 trades executed by **the Noticee 6, 24, 32, 34, 36, 61, 72**, counterparties for 6 trades were **the Noticee 6, 17, 31, 49, 72 and 73** and they together had contributed Rs.16.70 to positive LTP (7.67% of the market positive LTP through first trades) during Patch 3.

24. In view of the above, it was alleged that **the Noticee 6, 17, 24, 31, 32, 34, 36, 49, 61, 72 and 73** have contributed to price rise by trading among themselves. The same Noticees, *inter alia*, were alleged to have manipulated price of the scrip during Patch 4 by contributing to negative LTP as detailed below.

25. Patch-4 (February 24, 2015 to April 30, 2015):

The price of the scrip fell from Rs.147 to Rs.106.50 (Rs.40.50 decrease) during patch 4 of IP. LTP analysis of sellers for Patch 4 of IP revealed that the Noticee 1, 2, 4, 6, 7, 9, 10, 11, 14, 15, 16, 17, 18, 21, 22, 23, 25, 26, 27, 29, 30, 31, 32, 33, 34, 35, 40, 41, 42, 44, 47, 48, 50, 51, 52, 54, 56, 57, 61, 62, 76, 77 and 78 contributed to net negative

market LTP as sellers. Details of LTP contribution of aforesaid 46 Noticees are tabulated below:

Table 9 – Summary of LTP contribution by 46 Noticees

Sr. No.	Name	Noticee No.	All Trades			LTP Diff.>0			LTP Diff.<0			LTP Diff.=0		% of Negative LTP to Total Market Negative LTP
			Sum of LTP diff	Sum of Qty	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Qty Traded	No. of Trades	
1	Sukhdevbhai Shankarbhai Joshi	Noticee No.-78	-20.60	7557	379	1.50	2712	6	-22.10	4038	8	807	365	1.67%
2	Nagasih Chhatrasinh Chavada	Noticee No.-48	-20.40	5028	10	0.80	1308	2	-21.20	1671	4	2049	4	1.60%
3	Nimishaben Pravinbhai Vyas	Noticee No.-2	-19.00	5042	12	1.90	3333	7	-20.90	1700	3	9	2	1.58%
4	Mohd Sharif Mohd Mustkeem Ansari	Noticee No.-11	-17.20	8195	19	3.30	2656	6	-20.50	5072	9	467	4	1.55%
5	Thakor Vikram Bhavansinh	Noticee No.-14	-16.30	5160	68	29.60	999	25	-45.90	2800	34	1361	9	3.47%
6	Shah Bakimchand Dayalal	-	-14.40	7289	16	2.60	2511	5	-17.00	3221	6	1557	5	1.28%
7	Dharmendra Abhesinh Rajput	Noticee No.-27	-13.20	7391	23	1.40	2056	4	-14.60	3224	10	2111	9	1.10%
8	Amaratbhai Amathabhai Patni	Noticee No.-16	-12.40	3778	11	1.00	70	1	-13.40	1950	5	1758	5	1.01%
9	Kamlaben Dilipbhai Joshi	Noticee No.-18	-12.00	5036	11	0.90	1421	3	-12.90	3614	7	1	1	0.97%
10	Pravinbhai Harishbhai Vyas	Noticee No.-1	-11.40	3012	16	5.90	510	4	-17.30	2443	9	59	3	1.31%
11	Hetal Hirabhai Kalal	Noticee No.-7	-9.50	2513	6	1.90	1513	4	-11.40	1000	2	0	0	0.86%
12	Chirag Parmar	Noticee No.-17	-8.70	9790	33	6.80	1880	5	-15.50	3685	12	4225	16	1.17%
13	Nawabkhan Imamkhan Baloch	Noticee No.-35	-8.60	6284	16	4.20	1050	2	-12.80	4161	9	1073	5	0.97%
14	Baldevbhai Dhayabhai Raval	Noticee No.-76	-7.60	5035	13	0.30	1268	3	-7.90	2350	3	1417	7	0.60%
15	Saddamhusain Kamruddin Shaikh	Noticee No.-29	-6.60	3213	6	0.80	1998	3	-7.40	560	1	655	2	0.56%
16	Salmabanu Shekh	Noticee No.-41	-6.50	2518	10	1.00	900	1	-7.50	1260	2	358	7	0.57%
17	Champaben Dahayabhai Raval	Noticee No.-40	-5.50	5054	13	1.20	1233	3	-6.70	1850	4	1971	6	0.51%

Sr. No.	Name	Noticee No.	All Trades			LTP Diff.>0			LTP Diff.<0			LTP Diff.=0		% of Negative LTP to Total Market Negative LTP
			Sum of LTP diff	Sum of Qty	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Qty Traded	No. of Trades	
18	Tarunkumar Laxmanbhai Rajput	Noticee No.-31	-5.50	3774	10	3.40	2557	6	-8.90	1217	4	0	0	0.67%
19	Dahayabhai Harchandbhai Raval	Noticee No.-54	-4.70	3810	11	0.30	1250	3	-5.00	1153	3	1407	5	0.38%
20	Prakash Mudethiya	Noticee No.-33	-3.80	3768	10	1.70	2459	4	-5.50	800	2	509	4	0.42%
21	Joshi Samir B	Noticee No.-26	-3.60	5553	15	1.40	1566	4	-5.00	3578	8	409	3	0.38%
22	Jitendra Amrutlal Prajapati	Noticee No.-47	-3.20	2510	7	0.90	1102	3	-4.10	1350	3	58	1	0.31%
23	Himanshu Sureshbhai Bhatiya	Noticee No.-15	-3.10	2517	6	0.70	606	2	-3.80	796	2	1115	2	0.29%
24	Mohd Taslim Mustkeem Ansari	Noticee No.-10	-2.80	8319	27	2.70	2531	6	-5.50	3918	9	1870	12	0.42%
25	Kalaji Ambaram Thakor	Noticee No.-25	-2.50	1760	5	0.00	0	0	-2.50	498	2	1262	3	0.19%
26	Darji Mayuri Ashokbhai	Noticee No.-30	-2.40	3778	13	2.90	1776	6	-5.30	1850	3	152	4	0.40%
27	Bharatkumar Kantilal Patni	Noticee No.-23	-2.20	5045	12	2.80	2622	5	-5.00	1200	3	1223	4	0.38%
28	Jawanji Bhulaji Thakor	Noticee No.-44	-2.00	6307	16	1.30	1738	4	-3.30	3150	6	1419	6	0.25%
29	Sejal Karsanbhai Vaghela	Noticee No.-32	-2.00	2525	7	1.00	1000	2	-3.00	1068	3	457	2	0.23%
30	Joshi Jegnesh B	Noticee No.-9	-1.80	4274	14	1.90	1416	4	-3.70	1600	3	1258	7	0.28%
31	Ushaben Sukhdevbhai Joshi	Noticee No.-51	-1.80	2509	7	1.60	1009	3	-3.40	1500	4	0	0	0.26%
32	Balbhdrasinh Himatsinh Dabhi	Noticee No.-62	-1.70	3664	10	0.20	856	2	-1.90	1200	2	1608	6	0.14%
33	Mahendrabhai Prajapati	-	-1.60	4789	9	1.30	1678	3	-2.90	1150	2	1961	4	0.22%
34	Hemlataben Vikrambhai Raval	Noticee No.-77	-1.40	3775	8	0.30	1818	3	-1.70	1900	3	57	2	0.13%
35	Bhupendra Chinubhai Shah	-	-1.30	5531	15	4.10	2758	5	-5.40	1458	4	1315	6	0.41%
36	Harishbhai Chimanbhai Shukla	Noticee No.-42	-1.20	1258	4	0.30	722	2	-1.50	450	1	86	1	0.11%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Name	Noticee No.	All Trades			LTP Diff.>0			LTP Diff.<0			LTP Diff.=0		% of Negative LTP to Total Market Negative LTP
			Sum of LTP diff	Sum of Qty	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Sum of LTP diff	Qty Traded	No. of Trades	Qty Traded	No. of Trades	
37	Sejal Saurabh Shah	Noticee No.-50	-0.90	3776	9	0.60	1200	2	-1.50	1255	2	1321	5	0.11%
38	Nipur Bhupendrakumar Shah	Noticee No.-52	-0.70	6303	15	3.50	3720	6	-4.20	2210	5	373	4	0.32%
39	Arvindbhai Mohanbhai Bagada	Noticee No.-22	-0.50	6282	17	2.10	2819	6	-2.60	1657	4	1806	7	0.20%
40	Chunilal Nathalal Mudethiya	Noticee No.-56	-0.50	1758	4	1.00	858	2	-1.50	400	1	500	1	0.11%
41	Manubhai Narotambhai Mistri	Noticee No.-61	-0.50	2526	6	0.70	1258	3	-1.20	768	2	500	1	0.09%
42	Harishbhai Naranbhai Vyas	Noticee No.-4	-0.40	5679	12	6.60	3553	5	-7.00	2063	4	63	3	0.53%
43	Bipinkumar Laxhanbhai Marwadi	Noticee No.-34	-0.40	1255	3	0.10	600	1	-0.50	600	1	55	1	0.04%
44	Dhaniben Chunilal Mudethiya	Noticee No.-57	-0.40	5045	13	4.00	3831	9	-4.40	1150	2	64	2	0.33%
45	Sanjaybhai Hiralal Kalal	Noticee No.-6	-0.40	2516	6	1.00	1258	3	-1.40	1258	3	0	0	0.11%
46	Sandip Kishor Bhai Khatri	Noticee No.-21	-0.10	2509	5	0.30	1307	2	-0.40	600	1	602	2	0.03%
	Suspected Entities Total		-263.30	205010	958	113.80	77286	190	-377.10	86396	220	41328	548	28.49%
	Market Total		-40.50	740093	2685	1283.10	315529	794	-1323.60	275422	772	149142	1119	100.00%

26. It was observed that the Noticees mentioned in above table have contributed Rs. 377.10 to negative LTP out of Rs.1323.60 market negative LTP as sellers during patch 4. Further, out of aforesaid 220 trades executed by aforesaid 46 Noticees, counterparties for 134 trades were the Noticee 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 17, 18, 19, 20, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 36, 37, 38, 39, 40, 41, 43, 45, 46, 47, 48, 49, 50, 53, 54, 55, 58, 59, 60, 61, 62, 63, 64, 65, 76, 77, 78 . The aforesaid Noticees together contributed Rs.195.30 to market negative LTP (14.76% of market negative LTP) during patch 4. Hence, aforesaid Noticees allegedly contributed to price fall by trading among themselves.

27. Trade details of counterparty Noticees to the Noticees mentioned at Table 9 are as per below table:

Table 10 – Trade details of counterparty Noticees

Sr. No.	Counter Party Name	Noticee No.	Negative LTP	Qty Traded	No. Of Trades	% of negative LTP to Total Market Negative LTP
1	Rekhaben Harishbhai Shukla	Noticee No.-43	-19.4	600	1	1.47%
2	Sanjaybhai Hiralal Kalal	Noticee No.-6	-11.5	1257	3	0.87%
3	Harishbhai Naranbhai Vyas	Noticee No.-4	-10.9	3208	4	0.82%
4	Hetal Hirabhai Kalal	Noticee No.-7	-7.5	1400	3	0.57%
5	Bakulbhai Dahayabhai Raval	Noticee No.-53	-7.5	1260	2	0.57%
6	Salmabanu K Shekh	Noticee No.-41	-7.5	610	2	0.57%
7	Shah Bakimchand Dayalal	-	-7.3	800	2	0.55%
8	Joshi Jegnesh B	Noticee No.-9	-6.8	1450	2	0.51%
9	Mohd Sharif Mohd Mustkeem Ansari	Noticee No.-11	-6.7	1551	5	0.51%
10	Natvarlal Chimanlal Thakkar	Noticee No.-13	-6.7	3260	6	0.51%
11	Malatiben Ashokbhai Darji	Noticee No.-20	-6.5	658	2	0.49%
12	Bhanumatiben Natvarbhai Thakkar	Noticee No.-12	-5.7	2093	7	0.43%
13	Hemlataben Vikrambhai Raval	Noticee No.-77	-5.3	2058	4	0.40%
14	Manubhai Narotambhai Mistri	Noticee No.-61	-5	858	2	0.38%
15	Praghnaben Bhupendrakumar Shah	Noticee No.-28	-4.4	2412	5	0.33%
16	Balbhdrasinh Himatsinh Dabhi	Noticee No.-62	-4.2	1600	3	0.32%
17	Kintankumar Govindlal Prajapati	Noticee No.-36	-4	1698	4	0.30%
18	Chirag Parmar	Noticee No.-17	-3.9	1066	4	0.29%
19	Nimishaben Pravinbhai Vyas	Noticee No.-2	-3.8	796	2	0.29%
20	Kamlaben Dilipbhai Joshi	Noticee No.-18	-3.6	1316	3	0.27%
21	Fagun Chandrakant Soni	Noticee No.-39	-3.5	2734	5	0.26%
22	Arvindbhai Mohanbhai Bagada	Noticee No.-22	-3.5	700	1	0.26%
23	Mahendrabhai Prajapati	-	-3.5	1150	2	0.26%
24	Surendrabhai Hiralal Kalal	Noticee No.-8	-3.4	605	2	0.26%
25	Jitendra Amrutlal Prajapati	Noticee No.-47	-3	600	1	0.23%
26	Tejas Dilipbhai Joshi	Noticee No.-19	-2.6	2411	5	0.20%
27	Javedkhan Imamkhan Baloch	Noticee No.-37	-2.6	800	2	0.20%
28	Champaben Dahayabhai Raval	Noticee No.-40	-2.2	1729	4	0.17%
29	Nagasih Chhatrasinh Chavada	Noticee No.-48	-2	1300	2	0.15%
30	Varshaben Bharatkumar Joshi	Noticee No.-46	-1.9	1260	2	0.14%
31	Prakash C Mudethiya	Noticee No.-33	-1.9	450	1	0.14%
32	Mehulkumar Mudethiya	Noticee No.-55	-1.9	700	1	0.14%

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

Sr. No.	Counter Party Name	Noticee No.	Negative LTP	Qty Traded	No. Of Trades	% of negative LTP to Total Market Negative LTP
33	Nitaben Chandrakant Soni	Noticee No.-59	-1.9	500	1	0.14%
34	Mohd Taslim Mohd Mustkeem Ansari	Noticee No.-10	-1.7	850	2	0.13%
35	Tarunkumar Laxmanbhai Rajput	Noticee No.-31	-1.6	1000	2	0.12%
36	Joshi Samir B	Noticee No.-26	-1.6	500	1	0.12%
37	Kalaji Bhavanji Thakor	Noticee No.-65	-1.5	723	2	0.11%
38	Pravinbhai Harishbhai Vyas	Noticee No.-1	-1.2	1467	3	0.09%
39	Saddamhusain Kamruddin Shaikh	Noticee No.-29	-1.2	400	1	0.09%
40	Sonalben Harishbhai Vyas	Noticee No.-3	-1.1	2009	3	0.08%
41	Shantaben Harishbhai Vyas	Noticee No.-5	-1.1	607	2	0.08%
42	Manuji Bhavanji Thakor	Noticee No.-63	-1	1100	2	0.08%
43	Bhupendra Chinubhai Shah	Noticee No.-25	-1	450	1	0.08%
44	Ganpatsinh Mavsinh Rathod	Noticee No.-64	-1	900	2	0.08%
45	Dahayabhai Harchandbhai Raval	Noticee No.-54	-1	600	1	0.08%
46	Ashaben Naranbhai Dave	Noticee No.-60	-1	450	1	0.08%
47	Bharatiben Amaratbhai Patni	Noticee No.-58	-1	218	1	0.08%
48	Darji Mayuri Ashokbhai	Noticee No.-30	-0.9	750	1	0.07%
49	Gitaben Bankimbhai Shah	-	-0.9	910	2	0.07%
50	Sukhdevbhai Shankarbhai Joshi	Noticee No.-78	-0.6	1399	3	0.05%
51	Sejal Saurabhbhai Shah	Noticee No.-50	-0.6	900	1	0.05%
52	Kaliben Javanji Thakor	Noticee No.-45	-0.5	258	1	0.04%
53	Dharmendra Abhesinh Rajput	Noticee No.-27	-0.5	1000	1	0.04%
54	Baldevbhai Dhayabhai Raval	Noticee No.-76	-0.5	600	1	0.04%
55	Saurabh Mahendrabhai Shah	Noticee No.-49	-0.5	920	1	0.04%
56	Sejal Karsanbhai Vaghela	Noticee No.-32	-0.4	1257	2	0.03%
57	Harshidaben Prakashbhai Mudethia	Noticee No.-38	-0.4	900	1	0.03%
58	Shah Rahul Bamkinchandra	Noticee No.-24	-0.4	600	1	0.03%
	Group Total		-195.30	65658	134	15.32%
	Market Total		-1323.60	275422	772	100.00%

28. In view of the above the Noticee 1 to 65, 76, 77 and 78 were alleged to have manipulated the price in fraudulent manner and created misleading appearance of trading in the scrip and hence contravened Section 12A (a), (b), (c) of SEBI Act read with Regulations 3(a), (b), (c), (d), 4(1) and 4(2) (a) and (e) of PFUTP Regulations.

29. The aforesaid alleged violations, if established, make the Noticees liable for monetary penalty under Section 15HA of SEBI Act.
30. The SCN was served upon the Noticees 1 to 9, 12 to 30, 32 to 51, 53 to 57, 59, 60, 62 to 67, 69 to 72 and 75 to 79 through Speed Post Acknowledgement (SPAD)/Email. Further, the SCN was affixed at the last known addresses of the Noticees 31, 52, 58, 61, 68, 73 and 74. The SCN and Hearing Notice was served upon the Noticees 10 and 11 through newspaper publication. In the interest of justice, an opportunity of personal hearing was provided to the Noticees 1 to 9 and 12 to 79 several times. Considering various requests received from the Noticees 1 to 9 and 12 to 79 for extension of time to make their submissions to the SCN, sufficient time was provided to them in the interest of natural justice.
31. Replies have been received from Noticees **1 to 9, 12 to 17, 21, 23 to 29, 33, 35 to 39, 41, 49, 50, 52, 55 to 61, 64, 68 to 74 and 76** vide emails received in November and December 2020. The Noticees in their emails sought for opportunity of hearing which was again provided to them on various days in November and December 2020. However, the Noticees did not appear for hearing on the dates provided to them and some of the Noticees stated that their written submissions may be considered to decide the matter.
32. No reply was received from Noticees 10, 11, 18, 19, 20, 22, 30, 31, 32, 34, 40, 42 to 48, 51, 53, 54, 62, 63, 65, 66, 67, 75, 77, 78 and 79.
33. I note that, through the SCN and the hearing notices, the Noticees were advised to furnish their reply, if any, within stipulated time, failing which, it shall be presumed that the Noticees have no reply to submit and the matter will be proceeded on the basis of the material available on record in terms of sub-rule (7) of rule (4) of the Adjudication Rules.

34. As sufficient opportunity was given to the Noticees 10, 11, 18, 19, 20, 22, 30, 31, 32, 34, 40, 42 to 48, 51, 53, 54, 62, 63, 65, 66, 67, 75, 77, 78 and 79 to submit reply and appear for hearing and no response was received from them the adjudication proceedings against the said Noticees are undertaken *ex-parte* on the basis of material available on record.

35. In the replies made by Noticee **1 to 9, 12 to 17, 21, 23 to 29, 33, 35 to 39, 41, 49, 50, 52, 55 to 61, 64, 68 to 74 and 76**, several submissions were common across some or all of the Noticees. The common submissions are summarized as below:

36. Common Submissions of the Noticee 1 to 9, 12 to 17, 21, 23 to 29, 33, 35 to 39, 41, 49, 50, 52, 55 to 61, 64, 68 to 74 and 76:

37. Noticees requested for an opportunity of inspection of documents, as inspection of documents is an essential element of fair and equitable justice since the documents sought by them are crucial to understand the allegations leveled against them. However, out of all the documents sought only the relevant portion of the Investigation Report and the trade log was sent to them through email. In this regard, they relied upon the Order of Hon'ble Supreme Court in the matter of SEBI v Price Waterhouse ((in Civil Appeal No. 60001-60002 and 60003-60004 of 2012) and decision taken by SEBI in connection with this order of Hon'ble Supreme Court in terms of inspection of documents.

38. Noticees submitted that this matter is very old and from the time of alleged manipulation till date, the Noticees have not received a single warning or probe notice from BSE or SEBI. Further, almost 6 years have passed since the alleged violation took place and initiating proceedings against the Noticees after almost a period of 6 years is against the principles of law as it is barred by the limitation period. Thus, no proceedings should be initiated in such an old matter keeping in mind the delay.

39. With respect to allegation of synchronized trading, Noticees stated that in many such matters of synchronized trades, where such trades were said to have created artificial volume and give an impression that these transactions are non-genuine, SEBI has issued caution letters or warning letters to those entities that had entered into synchronized trades. In this regard, they relied upon various instances where SEBI issued administrative warning letters or caution letters to the entities that had carried out Synchronized Trades in the matters of Wellworth Overseas Ltd., BSEL Infrastructure Reality Ltd., Wockhardt Limited., Shah Alloys Ltd., Tasc Pharmaceuticals Ltd., Gulshan Polyols Ltd., Godawari Power and Ispat Ltd., Pondy Oxides and Chemicals Ltd., Pranav Securities Pvt. Ltd., Jitendra J Bhabhera, M/s Vijay Bhagandas & Company, Parklight Investment Pvt. Ltd. and several others.

40. Noticees also relied upon Order in the matter of manipulation in the scrip of Crazy Infotech Limited WTM/SR/IVD/ID-3/20/02/2015 dated February 10, 2015 passed by the Whole Time Member, SEBI. In this matter, after analyzing the pattern of transactions executed by the connected entities, WTM found that the connected entities had indulged in self trades and also traded in circular/reversal/synchronized/structured pattern, creating artificial volume and price rise in the scrip of Crazy Infotech. The Whole Time Member thought it was reasonable enough to only give an administrative warning in this matter.

41. The most relevant facts of the matter are as mentioned below -

“SEBI after analyzing the pattern of transactions executed by the connected entities, it had found that the connected entities had indulged in self trades and also traded in circular/ reversal/ synchronized/ structured pattern, creating artificial volume and price rise in the scrip of Crazy Infotech. Out of the entire 823 connected entities identified by the investigation (Paragraph No. 2.2), 780 entities were found to have either traded individually on 10 or less number of instances during the 653 days on which the scrip was traded on the exchange

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

(BSE) during the investigation period, or traded on more than 10 instances but bought/sold less than 75,000 shares in market and/or off-market. On the basis of the said criteria, SEBI issued administrative warning to the aforesaid 780 entities in May 2011, advising the entities to take care in future and to be more vigilant, in the manner they execute trades, so the their trades do not compromise market integrity in any manner.

Out of the remaining 42 entities, 37 entities were alleged to have traded in both market and offmarket and bought/sold at least 75,000 or more shares in market and/or in off-market during the investigation period in circular/reversal/synchronized/structured trades in connivance with other connected entities, which resulted in artificial volumes and rise in price of the scrip of Crazy Infotech. The remaining 5 entities were found to have indulged only in off-market transactions and were an important off-market link between the other connected entities trading in market, thereby completing the circular pattern of trading among themselves and creating artificial volume in the market. These five entities were selected based on criteria that they had either totally bought or sold 75,000 shares or more in the off-market trading in more than 10 instances.

However, after hearing the remaining entities, the WTM in exercise of the powers conferred upon him by virtue of Section 19 read with Section 11 and 11B of the SEBI Act, 1992 and Regulation 11 of the PFUTP Regulations, 2003, warned Noticees Nos. 1 to 8 and Noticees Nos. 10 to 42 to be cautious in their future dealings and exercise due care and diligence in the conduct of their dealings as participants in the securities market (for the reasons mentioned at Paragraph No. 5.1 above) which reads as “The material provided in the SCNs narrates instances of unusual trading pattern amongst the 823 connected entities including the Noticees casting doubt on the intent of the Noticees, in respect of the impugned transactions. However, considering the large number of transactions involving many entities, spread over many days during the investigation period, coupled with the fact that 780 of the 823 connected entities have been issued

administrative warning by SEBI, I am of the view that, for the sake of uniformity, Noticees Nos. 1 to 42 also be afforded the same treatment.

42. The point 5.2 of this Order reads *“In view of the discussions above, I am constrained to observe that a warning would be reasonable for the Noticees in respect of the reversed/circular, synchronized trades and the off -market transactions alleged to have executed by them, in the scrip of Crazy Infotech.”*

43. Noticees further stated that, in the present matter the Noticees had indulged in synchronized trades accounting for only 28.14% of the market volume. However, in the matter of Crazy Infotech, the trades which were done by the connected Noticees amounted to 73.07% of the total market volume. Further, in the instant case there are only 82 entities that have been alleged of doing synchronized trading and have been alleged for price manipulation both on the buying and selling side. They have not crossed the threshold of 75000, based on which SEBI had issued only an administrative warning because the entities had not traded in more than 75000 shares in the matter of Crazy Infotech and therefore, they have to be treated in an equal manner based on the Order passed by WTM in the matter of Crazy Infotech by issuing an administrative warning. Also, the trade volume out of the total market volume is way less than the trade volume of the entities who were alleged in the scrip of Crazy Infotech.

44. Noticees stated that synchronized trades typically happen by simultaneously placing the orders by the buying / selling brokers. This alleged irregularity of synchronized trade cannot happen without the brokers' trading terminals. To enter into a synchronized trade, the infrastructure required is only available with a broker. In this SCN, none of the brokers have been charged, if the broker is not being punished in the instant matter, the SCN issued against the Noticees should also be disposed of in the interest of equity and fairness.

45. Noticees have gathered from SEBI that for individual entities, SEBI considers a threshold of 5% or above to initiate proceedings in cases involving allegation of synchronized trading. They requested that the said threshold should be relied upon before passing any order in the instant case, as their individual percentage of synchronized trade is less than 5%, whereas SEBI has marked a threshold of 5% for an individual.
46. Noticees submitted that in a synchronized trade, quantity, time and price are important factors and in respect of the trades executed by them, the quantity does not match. Also, the total traded quantities of shares by the alleged connected entities were 12,23,841 out of which 8,60,359 shares have been alleged to have been traded in a synchronized manner. There was no meeting of mind between them and other Noticees, if there was, the total quantities of shares traded by the suspected entities would have been the same as the quantity traded in a synchronized manner. Therefore, the matching of trades was coincidental and not deliberate.
47. Noticees stated that in economics, price of a product is determined by forces of demand and supply. As increase in supply reduces, the price reduces, if not accompanied by increased demand and an increase in demand will raise prices unless accompanied by increase in supply. If they would have traded with a manipulative intent to increase the price of the scrip their daily net buying would have been higher, since cornering the buy side will lead to an increase in demand. Thus, the price was not artificially manipulated by them nor they were part of any such illicit act. Their net position is zero every day and across IP.
48. With respect to allegation that the price of the scrip was manipulated (rise and fall) by the Noticee's fraudulent trades, Noticees have stated that, an artificially manipulated price cannot sustain itself in the inter-play of market forces unless the price is artificially and fraudulently sustained. If the price of any share fluctuates due to manipulation, the moment such manipulation stops, the price of the share

will also go back to its original traded value. The share price of VFL increased from Rs. 25 to Rs.148.50 during the period June 10, 2014 to February 23, 2015 and decreased from Rs.146 to Rs.106.5 during the period February 24, 2014 to April 30, 2015. After the end of the investigation period i.e. post April 30, 2015, the share price of VFL remained at the same level, which is not possible if the price was artificially manipulated. SCN does not mention that there was manipulation in the scrip of VFL after that. Further, there was no major change in the public and promoter shareholding of the company during the investigation period, which proves that there was no manipulation per se in the scrip.

49. Noticees submitted that there are no investor complaints in this matter. Further, there is no allegation of any loss having being caused to any investors or they have not made any ill-gotten gains and their transactions have not prejudiced the investors or the integrity of the market.

50. Submissions specific to the Noticees are given below:

51. Noticee 1 to 5:

- a) Noticees have submitted that Noticee 1 is the sole earning member of the family, whose annual income is Rs. 2.4 lakh per annum only. Noticee 2, 3, 5 are his wife, sister and mother respectively, and Noticee 4 is his father who is retired. Further, the trades for them are usually done through their personal funds, which are not regular trades but they have traded when they were informed about some good investment opportunity by friends and families.
- b) The Noticees 1 to 5 traded in the scrip for just 49 days in the whole investigation period and total traded quantity of the Noticees 1 to 5 (cumulative) is approximately 2.5% of the total market volume which is miniscule.

- c) The cumulative synchronized trades volume of Noticee 1 to 5 is only 2.53 percent of the total market volume.
- d) Further, they together have contributed to positive LTP of 11.15% and negative LTP of -8.3% which leaves them with a net positive LTP of 2.85% which is 0.46% of total market positive LTP of 2422.45 during Patch - 3 of the investigation period.
- e) SEBI has given a summary of the top 10 LTP contributors in Patch - 1 of the investigation but had issued the SCN to only 2 entities out of 10 entities.
- f) Further, out of total 48 trades during Patch - 3, only 21 trades matched with other 48 entities who have contributed to market positive LTP as buyers, which resulted into a minuscule rise of LTP which is equivalent to only 0.71% of positive LTP (as a percentage of total market LTP). This reflects that there was no connivance between the alleged 48 entities and Noticee 1 to 5.
- g) Price of the scrip of VFL started moving upwards from April 2014 and the first trade was carried out by Noticee 1 on August 4, 2014. Noticee 1 took a call on investing in the scrip of VFL after seeing the upward trend which continued till October 2014. Noticee 1 was desirous of making some profit for himself and his family, as a result of which he placed orders as a prudent investor. Total profit made by Noticee 1 to 5 from their trades in VFL is approximately Rs. 40,000/-. In case the trades were carried out with manipulative intent, the amount of profit made would have been higher.

52. Noticee 6 to 8:

- a) Noticee 6 to 8 submitted that they seldom trade in stock market. They trade on advice/suggestion of their broker. Therefore, the allegation of synchronized

trade and contributing to price rise and fall is merely by chance and not intended.

- b) With respect to synchronized trade, Noticee 6 to 8 stated that their (combined) percentage to Total Market Value is 1.21%. In this regard, they relied upon Adjudication Order dated November 02, 2017 in respect of Parimal Raj in the matter of Sungold Capital Limited, wherein, the AO had observed “synchronized trades amounting to 3.12% of market volume, have been concluded as ‘insignificant percentage’ in the Investigation Report”. Further, they stated that they fail to understand the basis of alleged charge against them for violation of SEBI PFUTP Regulations, 2003, although their percentage is minuscule.
- c) Further, Noticee 6 to 8 submitted that their family average annual income is of barely Rs. 3,60,000. Noticee 6 works as Executive in a Company, Noticee 7 is a house wife who does not play a vital role in income matters of the family and Noticee 8 is an Auto Driver.

53. Noticee 9 and 26:

- a) Noticee 9 and 26 submitted that they work as Executives in a Company, and trade in stock market in order to save money out of their small earnings. Their consolidated average annual income is Rs.4,00,000. Further, they never ever intended a false gain or alike. Therefore, LTP Contribution and Synchronized Trades as alleged in the SCN is just a coincidence and not with any insincere intention.
- b) Noticee 9 and 26 submitted that their percentage of synchronized trades have been minuscule to the extent of 0.74% to Total Market Volume (in case of Noticee 9) and 0.69% Total Market Volume (in case of Noticee 26).

54. Noticee 12 and 13:

- a) Noticee 12 and 13 submitted that, they are retired and are now doing occasional trading in the stock market. Noticee 12 is a housewife and her account is managed by Noticee 13 and typically do not have much of a role in money matters / investment decisions of the house. Their average annual income, if combined is only Rs. 10 Lakhs per annum.
- b) Further, percentage of their alleged synchronized trade is only 2.06% of the total market volume of VFL during the Investigation Period. In this regard, they relied upon SEBI order no. AO/SG-DP/EAD/82/2017 dated November 02, 2017, wherein it was observed that, *“synchronized trades amounting to 3.12% of market volume, have been concluded as ‘insignificant percentage’ in the Investigation Report”*. Therefore, they fail to understand the basis of charging them for violation of SEBI PFUTP Regulations, 2003.
- c) Noticee 12 and 13 stated that it has been simply alleged that the Noticees have contributed to price rise and fall but, nowhere the SCN has been able to demonstrate the benefit the Noticees have derived from the alleged act of manipulation. Further, judicial precedents are binding on all judicial bodies and all judicial bodies should follow such precedents in similar matter without any reservations. Even the Hon’ble Securities Appellate Tribunal has held in numerous cases that in adjudicating proceedings, if a party relies on any adjudication order passed in another case, then judicial discipline demands that the Adjudicating Officer considers that order and thereafter passes an order either to follow or distinguish the earlier order or disagree with the order by recording reasons as to how that ought not to be followed. They relied upon Order of Hon’ble SAT in the matter of RM Shares Trading Private Limited vs. SEBI (dated August 7, 2014). They also relied upon Order dated April 20, 2016 of Hon’ble SAT in the matter of Krishna Enterprises v SEBI, wherein it was held that passing conflicting orders would not promote the development of securities

market and would not be in the interest of the securities market. Therefore, in the present matter, SEBI must apply the principle of Judicial discipline, in light of its own decision taken in the matter of Crazy Infotech and other cases where only an administrative warning has been issued by SEBI and drop the SCN against the Noticees.

- d) With respect to allegation of price manipulation Noticee 12 and 13 stated that, they have traded in the scrip and had booked gross profit of Rs. 9,679/- by these transactions. Their dealings have not contributed to the rise and fall in the scrip price during the Investigation period and if at all it has, they contributed to minuscule positive LTP of 0.71% in Patch - 3 and in Patch - 4 to negative LTP of 0.94 % as a counter party.
- e) In this regard, they relied upon few instances, where SEBI had found entities guilty for LTP contribution and have exonerated them by just giving an administrative warning, as mentioned below:

In the scrip of Chamatkar.net (India) Ltd. (IVD/ID2/PS/BS/CNIL/132990/08) dated July 24, 2008 – From the LTP analysis, it was observed that the noticee, namely, B.R. Mehta & Sons Shares Stock & Finance Brokers Pvt Ltd. it was observed that during the investigation period the price increased by 1% or more than the last traded price on 56 instances. These trades executed by you influenced the price significantly and gave an impression that these transactions were not genuine. The Investigation Department held that “The matter has been viewed seriously and you advised to be careful in future to avoid recurrence of such instances, failing which action may be initiated in accordance with the provisions of SEBI Act 1992 and Rules and Regulations framed there under.” (Copy enclosed)

In the scrip of Chamatkar.net (India) Ltd. (IVD/ID2/PS/BS/CNIL/132989/08) dated July 24, 2008 - From the LTP analysis, it was observed that the noticee, namely, Babubhai Purshottamdas Stock Brokers Pvt Ltd. it was observed that

during the investigation period the price increased by 1% or more than the last traded price on 56 instances. These trades executed by you influenced the price significantly and gave an impression that these transactions were not genuine. The Investigation Department held that “The matter has been viewed seriously and you advised to be careful in future to avoid recurrence of such instances, failing which action may be initiated in accordance with the provisions of SEBI Act 1992 and Rules and Regulations framed there under.”

- f) Further, in illiquid options cases, the Hon'ble AO has levied a penalty of just a few thousand rupees for every PFUTP violation in separate securities. Noticee 12 and 13 mentioned certain instances in 5 such cases.

55. Noticee 14:

- a) Noticee 14 stated that he is an Auto driver having an annual income of Rs. 1,80,000/-. He invests in his savings in the stock market to get some return on his savings.
- b) He further submitted that he is not aware of any such trades done by him in the scrip of VFL. He further requested to provide him the details of the brokers from whom such trading information was obtained. He submitted that his apparent trades in VFL led to a loss of Rs. 13,069.40. Since, there is no element of ill-gotten gains, such trades were not done with any manipulative intent.
- c) Noticee 14 further stated that even for LTP contribution, SEBI had issued an Administrative warning to BR Jalan Securities Pvt Ltd vide letter no. IVD/ID2/PKB/BS/ BLFL/119465/2008 for dealing in the scrip of Brij Laxmi Leasing and Finance Limited on behalf of its clients.

56. Noticee 15:

- a) Noticee 15 submitted that he is doing a private job in a company at Aanand, Gujarat and he is earning around Rs. 2,50,000 per annum.
- b) He submitted that he traded in VFL based on market tip and suggestion from his broker. He further stated that there was no single warning/objection raised either by BSE or SEBI pertaining to trades carried out by him in the scrip.
- c) With respect to allegation of synchronized trading, he submitted that he had traded total shares of 16662 during the IP, which is 0.54% of total market volume. Out of which 11231 shares are synchronized, thus many of his trades were not synchronized.
- d) With respect to allegation of positive and negative contribution to LTP, He stated that in Patch - 3 he had not participated actively and in Patch - 3 he traded as counter party to other Noticee for 6 trades and contribution to LTP is merely Rs. 3.30, which is very miniscule compared to total contribution to LTP.
- e) Further, in Patch - 4, where the fall in the price of stock was observed, out of his 6 trades, only 2 trades contributed to negative LTP by Rs. 3.10 (0.24 % of total market negative LTP) which is very miniscule compared to total contribution to LTP.

57. Noticee 16, 23 and 58:

- a) Noticee 16, 23 and 58 submitted that they work as vegetable vendors and their average annual income is barely Rs. 3,00,000. Further, they do not trade in stock market on a regular basis. Noticee 58 being a house wife, her account is managed by Noticee 16. She does not have much role in the money matters.

- b) They further stated that they trade as and when their broker guides them to do. In the instant matter also, their broker had advised them to invest in the shares of VFL, and the alleged act of LTP contribution and Synchronized trades are merely coincidental.
- c) They have submitted that percentage of their alleged synchronized trades are only 1.66% of the total market volume of VFL during the Investigation Period.

58. Noticee 17:

- a) Noticee 17 submitted that he is merely an executive in a private company, having an annual income of Rs. 2,40,000/- per annum and very occasionally on being advised he carry out some stock market trades. Further, most of the times the transactions are done as advised by his friends.
- b) With regard to the allegation of LTP contribution, he stated that SEBI has selectively taken action against some entities and not punished certain other LTP contributors. SEBI has identified top 10 LTP contributors in patch one but has only issued SCN to two such entities despite having traded in similar manner.
- c) With his trading in the scrip, he only made a gross profit of Rs. 12,045 /-, which is very miniscule amount.
- d) He submitted that if he had the intention to artificially manipulate the price of the scrip, his net buy position would have been higher than his net sell position since he would have to corner the buy side to increase the price. However, his net position during the investigation period was zero. Further, it has been simply alleged that the noticees have contributed to price rise and fall but, nowhere in the SCN demonstrates the benefit, the noticees have derived from the alleged act of manipulation.

59. Noticee 21:

- a) Noticee 21 submitted that he is working in private company as a sales executive and earning around Rs. 2,00,000 per annum as salary. Further, he does part time trading or occasional trading in stock market. He stated that he traded based on his broker advise or his friend's advise and some time he follow and track price movement of the stock and then trade accordingly.
- b) He submitted that it has been alleged in the SCN that he has made a contribution to price rise in the patch – 3. If he would have contributed to the LTP, he would have sold the shares at the higher price than he had purchased the shares and for that he needed to carry a stock for some time. As per the data given in the annexure, he stated that he had not taken a delivery of any shares and made only a gross profit of Rs. 4157.8/-, which is very minuscule.
- c) He submitted that his trades in the scrip have earned him a profit of only Rs. 4157.8/- His trades in the scrip were only to invest his savings in some favorable stocks. If at all he intended to manipulate the price of the scrip he would have made more profit than what he had made. In case AO decides to impose a penalty, the same should commensurate with the amount of profit made by them. He stated that, this principle was laid down and applied by the Supreme Court in the matter of SEBI Vs. Rakhi Trading (Civil Appeal No, 1969 of 2011) dated 8th February, 2018 who confirmed the penalty equal to the amount of profit/loss adjustment made by the broker by entering into synchronized trades.

60. Noticee 24:

- a) Noticee 24 submitted that the instant matter relates to the trading done in the said scrip in the year 2014-15 and the SCN is being issued after a period of five years, and therefore it would not be justifiable to take the current proceedings

forward against him, when his parents Gitaben bankimbhai Shah and Bakimchand Dayalal Shah (who were Noticees in the SCN) have passed away.

- b) He further stated that his average annual income is Rs. 2 Lakh only. He is working in the capacity of an Executive in a private Company. He stated that the alleged trades were done merely on an acquaintance's suggestion. He and his parents traded for 14958, 22493 and 19749 respectively out of the total market volume of 3057826 shares. Their combined percentage of synchronized trades is 1.88% of Total Market Volume.

61. Noticee 25:

- a) With respect to allegation of synchronized trades, Noticee 25 submitted that in a synchronized trade, quantity, time and price are important factors and in respect of the trades executed by him, the quantity does not match. Also, the total traded quantities of shares by the alleged connected entities were 12,23,841 out of which 8,60,359 shares have been alleged to have been traded in a synchronized manner. He stated that there is no meeting of mind between him and other Noticees, since, the total quantities of shares traded by the suspected entities is not the same as the quantity traded in a synchronized manner. Therefore, matching of trades were coincidental and not deliberate.
- b) He stated that the cumulative volume of his synchronized trades is only 1722 shares which is 0.20 % of total synchronized volume and his total volume is 3528 (which is 0.12% to total market volume), which is very miniscule compared to the total market volume.
- c) Further, in Patch – 3, he did not contribute directly but as a counterparty to other Noticees, wherein only 3 trades were matched with other Noticees and total LTP contribution out of these trades is only Rs. 3.30 (which is 0.14 % of total

market positive LTP), which is very minuscule as compared to total market positive LTP.

- d) In Patch - 4 he executed 5 trades, out of which 2 trades contributed to negative LTP, which is merely coincidental.
- e) He submitted that he has made total gross profit of Rs. 747/- in the scrip.

62. Noticee 27:

- a) Noticee 27 stated that he works as a farmer and has an average annual income of Rs. 2 Lakh only. He trades in the Stock Market occasionally, that too in order to save some amount out of his small earnings. Further, that his trading activity is based on his broker's suggestions/advice.
- b) In respect of the allegation of violation of PFUTP Regulations, he submitted that he has traded in 27949 shares of VFL, which amounts to 0.91% of the total market volume of the scrip. Further, 89 trades executed by him in the scrip contributed to 0.36% of positive LTP to total market positive LTP. Therefore, his trades form a minuscule part of the total trades done in this scrip.

63. Noticee 28 and 52:

Noticee 28 and 52 submitted that Noticee 52 is working as an Executive in a Private Company, and has an annual average income of Rs. 3,00,000/- only, and Noticee 28 is a house wife and has no source of income. Further, the trading activities are done occasionally and only on their broker's suggestion/advice.

64. Notices 29, 41 and 68:

- a) Noticee 29, 41 and 68 submitted that Noticee 68 and 29 are both in private job with the annual income of Rs. 1,50,000/- and Rs. 2,00,000/- respectively. Noticee 41 is daughter of Noticee 68 and she is housewife having no annual income, thus dependent on the father and brother for her livelihood. They invest on advice given by friends and family and do not trade regularly.
- b) They further submitted that their trades in the scrip have earned them a profit of only Rs. 12,220. Their trades in VFL were only to invest their savings in some favorable stocks. If at all they intended to manipulate the price of the scrip they would have made more profit than what they have made. They stated that in case AO decides to impose a penalty on them, the same should commensurate with the amount of profit made by them. This principle was laid down and applied by the Supreme Court in the matter of SEBI Vs. Rakhi Trading (Civil Appeal No, 1969 of 2011) dated February 08, 2018 who confirmed the penalty equal to the amount of profit/loss adjustment made by the broker by entering into synchronized trades.
- c) In this regard, they also relied upon Order dated April 20, 2016 of Hon'ble SAT in the matter of Krishna Enterprises v SEBI, wherein it was held that passing conflicting orders would not promote the development of securities market and would not be in the interest of the securities market.
- d) They have submitted that they have traded only for 30 days in the scrip and have contributed to a very small percentage to the total market positive LTP. Further, if at all they intended to manipulate the price of the scrip, they would have had a higher net buy position during the investigation period since cutting off the supply would lead to increase in demand which would further lead to increase in price, but that was not the case in their matter.

65. Noticees 33, 38, 55, 56 and 57:

- a) Noticees 33, 38, 55, 56 and 57 submitted that Noticee 33 and 55 are executives in a private company. Noticee 38 and 57 are housewives, and Noticee 56 is a retired official. Therefore, the livelihood of the family is managed by Noticee 33 and 55 with an earning of Rs. 2.5 Lakh and Rs. 1.8 Lakh per annum respectively.
- b) They have submitted that there are total 3502 synchronized trades in the period under consideration for quantity of around 15.8 lakh shares by and between 210 persons. However, SCN is not issued to all the 210 entities for alleged synchronized trades.

66. Noticee 35 and 37:

- a) Noticee 35 and 37 submitted that Noticee 35 is a carpenter and Noticee 37 is a fabricator. They have further submitted that their collective annual income is only Rs. 4,40,000/-. Further, they just trade on the advice given by friends and well-wishers and their investing in the stock market is only to park savings in a fruitful channel.
- b) SEBI has given a summary of the top 10 LTP contributors in Patch - 1 of the investigation but had issued the SCN to only 2 entities out of 10 entities.
- c) Further, it has been simply alleged that the noticees have contributed to price rise and fall but, nowhere the SCN demonstrates the benefit the noticees have derived from the alleged act of manipulation. They have submitted that with their trading in the scrip, they have incurred a loss of almost Rs. 20,000/-.

67. Noticee 36:

Noticee 36 submitted that he is an executive in a private company with an average annual income of Rs. 2,40,000/-. Further, he does not trade in the stock market on a regular basis.

68. Noticees 39, 59, 69 and 70:

Noticees 39, 59, 69 and 70 submitted that Noticee 39, 69 and 70 runs a small business from home, whereas Noticee 59 is a house-wife, and their cumulative average annual income is of Rs. 4,50,000/-. Further, they do not trade in the stock market on a regular basis and they only participate when advised by their Broker.

69. Noticee 49 and 50:

- a) Noticee 49 submitted that he is an executive in a private company with an annual salary of Rs. 3,00,000/-, and his wife, Noticee 50 is a home maker and does not have any income. He does not trade regularly in the stock market and, he makes his trading decisions on the basis of information shared from his friends and relatives.
- b) Noticee 49 and 50 submitted that they have not contributed to LTP on purpose or with an intention to manipulate the price of the scrip. If any person wants to increase the price of the shares intentionally, the first step he / she would take will be purchasing the shares of a company in huge quantities so that the supply would be limited and price will increase. Their net buy and sell position is zero.

70. Noticee 60 and 71:

Noticee 60 and 71 submitted that they trade in the stock market occasionally. Further, Noticee 71 is sole earning source among them, and their average annual income is of Rs. 1,75,000.

71. Noticee 61, 72, 73 and 74:

- a) They have submitted that Noticee 72 owns a small business of glass fabrication and Noticee 73, brother in law of Noticee 72, also owns the same business. Annual income of Noticee 72 and 73 is Rs. 2,00,000/- and Rs. 3,00,000/-respectively. Noticee 74 is wife of Noticee 72 and has no income since she is a house wife. Noticee 61 is the dependent father of Noticee 72. Their trading decisions are based on tips received from various sources like friends, relatives, clients, etc.
- b) They have further stated that the price of the scrip started rising from April 2014. First trade of Noticee 74 in the scrip was executed on September 02, 2014. Their decision to invest in VFL was prudent investment decision and upon references received from some known people. If at all their trades were manipulative, SEBI should have raised queries at that time. However, the SCN is issued after almost 5 years from the investigation period.
- c) With respect to allegation that they have violated the provisions of SEBI PFUTP Regulations, 2003 on the ground that they have allegedly entered into synchronized trades, they have stated that percentage of their alleged synchronized trade was only 1.85% of the total market volume during the entire Investigation Period.
- d) They have further submitted that, they simply sold the shares of VFL and have made a loss of Rs. 15,900 approximately by these transactions. During Patch - 4 of the IP out of their 6 trades only 2 trades have matched with other 45 entities who have contributed to market negative LTP as seller and resulted into a small price fall of Rs. 5 in the LTP, which is equivalent to 0.38 % of total negative LTP. Further, their dealings have not contributed to the rise in the price of the scrip during the Investigation period.

- e) It is alleged in the SCN that the Noticees have contributed to price rise and fall but nowhere it demonstrates the benefit the Noticees have derived from the alleged act of manipulation.
- f) They relied upon order no. AO/SG-DP/EAD/82/2017 dated November 02, 2017, where it was observed that, “synchronized trades amounting to 3.12% of market volume, have been concluded as ‘insignificant percentage’ in the Investigation Report”. Therefore, the basis of alleged violation of SEBI PFUTP Regulations, 2003 for synchronized trading is not clear.

72. Noticee 64:

- a) Noticee 64 submitted that he is not aware of these trades carried out by him. He is an electrician and earn a very nominal annual income of Rs. 1,50,000/-. He does not trade regularly and he make his trading decisions on the basis of information shared from his friends and relatives.
- b) With respect to allegation of contribution to positive and negative LTP, he stated that his LTP contribution is very miniscule. He made a gross profit of Rs. 236 /-only from trading in VFL. If at all he had an intention to manipulate the scrip, he would have sold his shares at a higher price and made more profit which is not the case here. There is no evidence to show benefit derived by him by trading in the scrip.
- c) He further submitted that he had not contributed to LTP on purpose or with an intention to manipulate the price of the scrip. If any investor wants to increase the price of the shares intentionally, the first step he / she would take will be purchasing the shares of a company in huge quantities so that the supply would be limited and price will increase. In the instant case, his net buy and sell position is zero, which does not prove that he had tried to intentionally create a scarcity of the shares of VFL.

73. Noticee 76:

- a) Noticee 76 submitted that he is a laborer who is engaged in colour painting of houses. He is not a regular trader and had traded in the stock of VFL with a gap of almost a month and his annual income is Rs. 1,60,000/-. His trading is based on the information which is available in the news, which he come to know through his friends.
- b) With respect to allegation of contribution to negative LTP in Patch - 4 that, the price declined from Rs. 147 to Rs. 106.05. He submitted that out of his 13 trades, 10 trades did not contribute to negative LTP and only 3 trades resulted into a positive LTP. It is erroneously construed as negative LTP in the SCN. Even if, there was a contribution to the negative LTP, the same amounted to 0.57% which is very miniscule. Further, he made a profit of Rs. 4,660/- only from trading in the scrip of VFL.
- c) Noticee 76 stated if his intention was to manipulate the scrip, he would have sold his shares at a higher price and made more profit which is not the case here. Further, there is no evidence to substantiate that he had derived benefit by trading in the scrip.
- d) With respect to allegation of synchronized trades, he submitted that he had traded for total quantity of 5035 shares during the investigation period out of which 2554 shares were synchronized. If there were any intention to synchronize the trades, at least 80% of the trades would have been synchronized, which is not the case in his matter.

74. As the inquiry in the matter has been completed, I now proceed to decide the case based on the SCN, replies received and the material available on record.

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

CONSIDERATION OF ISSUES AND FINDINGS

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

Issue No. I Whether the Noticees 1 to 78 have violated the provisions of Section 12A (a), (b), (c) of SEBI Act read with Regulation 3 (a), (b), (c), (d), 4 (1) and 4 (2) (a), (e) and (g) of PFUTP Regulations and

Whether the Noticee 79 has violated the provisions of Section 12A (a), (b), (c) of SEBI Act read with Regulation 3 (a), (b), (c), (d), 4 (1) and 4 (2) (a), (e) of PFUTP Regulations

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

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

Issue No. I **Whether the Noticees have violated the aforesaid SEBI Regulations**

76. Before proceeding with the merits of the case, I will address the preliminary objections raised by the Noticees. Noticees submitted that out of all the documents sought by them for inspection, only the relevant portion of the Investigation Report and the trade log was sent to them through email. In this regard, they relied upon the Order of Hon'ble Supreme Court in the matter of SEBI v Price Waterhouse and decision taken by SEBI in connection with this order of Hon'ble Supreme Court in terms of inspection of documents. Here I note that the judgement cited by Noticees

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

is specific to the case. The Supreme Court order in Civil Appeal No(s). 6003-6004/2012 [SEBI v. Price Waterhouse] has been placed in appropriate context by the Securities Appellate Tribunal in its order dated May 12, 2017 where it observed that –*“There can be no dispute that while determining the rights and obligations of the parties the quasi-judicial authority must adhere to the principles of natural justice which inter alia, includes the obligation to furnish requisite documents on the basis of which charges are framed and permit cross-examination of the persons whose statements are relied upon and further provide reasonable opportunity of personal hearing”*. Further, the Tribunal has noted that - *“Apex Court in case of Price Waterhouse has specifically recorded that the directions given in that case are general directions given as and by way of clarifications without going into the merits of the case. Therefore, directions given in the facts of Price Waterhouse cannot be said to be the ratio laid down by the Apex Court applicable to all other cases.”*

77. I further note that SAT in its order dated February 12, 2020 in the matter of Shruti Vora vs. SEBI has stated regarding inspection of documents that “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.” I note that all material relied upon for the allegations made against the Noticees has been provided to them, and thus principles of natural justice have been complied with.

78. Noticees have also submitted that this matter is very old and from the time of alleged manipulation till date, the Noticees have not received a single warning or probe notice from BSE or SEBI. Further, almost 6 years have passed since the

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited

alleged violation took place and initiating proceedings against the Noticees after almost a period of 6 years is against the principles of law as it is barred by the limitation period. Thus, no proceedings should be initiated in such an old matter keeping in mind the delay. In this regard, I note that SEBI Act does not provide for any limitation period for initiation of proceedings, issuance of SCN or for completion of the Adjudication Proceedings. In this respect, reference may be made to the order passed by Hon'ble SAT in the matter of Metex Marketing Pvt. Ltd. vs. SEBI (order dated June 4, 2019) wherein Hon'ble SAT held that: "This Tribunal has consistently held that in the absence of any specific provision in the SEBI Act or in the Takeover Regulations, the fact that there was a delay on the part of SEBI in initiating proceedings for violation of any provision of the Act cannot be a ground to quash the penalty imposed for such violation".

79. As all relevant information relied upon for the allegations levelled against the Noticees has been provided to the Noticees, I am of the view that principles of natural justice have been adequately complied with in the present matter.

80. The allegations against the Noticees are based on the fact that they were found to be connected to each other on the basis of common address or common mobile numbers or email-ids or due to off market transfers between some of them. The connected Noticees were responsible for 40.02% of the trading volume during the investigation period, of which 28.14% was through synchronized trades. While the scrip price was rising during the IP, the net LTP contribution by the Noticees was negative Rs.24.10. In view of the significant proportion of synchronized trades amongst themselves, the Noticees are alleged to have created artificial trading volumes by trading among themselves through synchronized trades. As depicted in the table below, the Noticees were responsible for 51.4% of buy trades and 51.42% of sell trades during the IP.

Summary of Trading by the Noticees

Market Volume	Total no. of shares bought by the Noticees	Total no. of shares sold by the Noticees	Total traded qty. among the Noticees	Traded among the Noticees as a % of mkt. vol.	Sum of LTP contribution through trading among the Noticees
3057826	1571630	1572444	1223841	40.02%	-24.10

81. The summary of Synchronized trades amongst Noticees 1 to 78 is given below:

Summary of Synchronized trades by Noticees 1 to 78

Gross Qty of Noticees	Buy the	Gross Sell Qty of the Noticees	Total traded qty among the Noticees	Synchronized traded qty. by the Noticees	Sync Trades as % of Total market volume
1571630		1572444	1223841	860359	28.14%

82. I have perused the replies submitted by the Noticees **1 to 9, 12 to 17, 21, 23 to 29, 33, 35 to 39, 41, 49, 50, 52, 55 to 61, 64, 68 to 74 and 76**. I note that in their replies, Noticees have not denied the connections alleged in the SCN.

83. With respect to allegation of synchronized trading, the Noticees have submitted that in many similar matters of synchronized trades, where such trades were said to have created artificial volumes and given an impression that the transactions were non-genuine, SEBI has issued caution letters or warning letters to the entities that entered into synchronized trades. To support this contention, Noticees relied upon administrative warning letters or caution letters issued by SEBI to the entities that had carried out Synchronized Trades in the matters of Wellworth Overseas Ltd., BSEL Infrastructure Reality Ltd., Wockhardt Limited., Shah Alloys Ltd., Tasc Pharmaceuticals Ltd., Gulshan Polyols Ltd., Godawari Power and Ispat Ltd., Pandy

Oxides and Chemicals Ltd. and several others. I have perused the copies of such letters submitted by the Noticees.

84. Noticees have also relied upon Order no. WTM/SR/IVD/ID-3/20/02/2015 in the matter of manipulation in the scrip of Crazy Infotech Limited dated February 10, 2015 passed by the Whole Time Member, SEBI. In this matter, after analyzing the pattern of transactions executed by the connected entities, WTM found that the connected entities had indulged in self trades and also traded in circular/reversal/synchronized/structured pattern, creating artificial volume and price rise in the scrip of Crazy Infotech. The Whole Time Member thought it was reasonable enough to only give an administrative warning in this matter to 42 entities in respect of the reversed/circular, synchronized trades and the off market transactions alleged to have executed by them.

85. One of the Noticees has also submitted that there are total 3502 synchronized trades in the period under consideration for quantity of around 15.8 lac shares by and between 210 persons. However, SEBI itself has consciously decided to not charge vast majority of around 130 persons and no SCN has been issued to them.

86. In the context of the submissions made and precedents cited by the Noticees, I have examined the trade log and the pattern of trading in the scrip during the IP, and note that:

- i. A total of 3502 trades took place during IP which were synchronized in terms of price, quantity and time. The quantity of shares traded through such synchronized trades was 15,80,981 shares.
- ii. A total 175 persons on the buy side and 189 persons on the sell side participated in these synchronized trades. As these persons were both buying and selling, a total of 210 persons carried out synchronized trades during the IP, including the 78 Noticees.

- iii. The number of shares traded through synchronized trades by the 78 Noticees is 8,60,359 which is 54.4% of the total synchronized trades in the scrip.
- iv. Of the total of 210 persons who have engaged in synchronized trades in the scrip during the period, 82 have been charged in the SCN on the basis of connections.
- v. Total 577 persons traded in the scrip during the IP. 30,57,826 shares were traded during the IP of which 15,80,981 or 51.7% of the shares were traded in a synchronized manner.

87. The data above supports the contention by the Noticees that they were not the only persons who engaged in synchronized trades. More than half the trades in the scrip were synchronized and 36.4% of the total persons who traded in the scrip engaged in synchronized trades.

88. From the replies of the various Noticees, I note that they include auto drivers, farmers, vegetable vendors, laborer, electrician, house painter, small business owners, house wives, retired persons and executives in private companies. The trading in the names of the individual Noticees is in small quantities with small amount of profits or losses made, with profits being in the range of a few hundred rupees to about Rs.12220, as stated by them in their replies.

89. With regard to the submission by the Noticees that the trading volume continued at the same level even after the period of investigation. I find from BSE website that the trading volumes in the scrip were as follows after the IP, which was till April 2015. I note that the trading volumes dipped in June and July 2015 before rising again.

Month	Close Price	No. of	No. of
		Shares	Trades
Mar-15	109.9	3,91,088	3,074
Apr-15	106.5	2,84,527	1,738
May-15	133.5	2,37,991	1,305
Jun-15	84.5	1,16,434	785
Jul-15	92.25	1,50,671	836
Aug-15	113.45	3,21,050	2,743
Sep-15	115.4	4,38,557	2,347
Oct-15	100.4	4,88,718	1,805
Nov-15	76.1	4,21,124	1,150
Dec-15	52.3	3,60,571	1,216

90. With regard to the Noticees submission that synchronized trades cannot happen without brokers' trading terminals, and in the SCN none of the brokers have been charged, I note that Noticees have traded through a diverse set of brokers and role of brokers in carrying out synchronized trades is not part of the SCN. I further note that the most of the Noticees are based in Ahmedabad or Gandhinagar. While individually, the Noticees trades are insignificant, together they have contributed to significant volumes through synchronized trades. Considering that trades can only be synchronized by persons who are punching the trades, based on the pattern of trading, connections established in the SCN and the replies submitted by Noticees, I find that the 78 Noticees appear to be name lenders or mule accounts in whose names trades have been carried out in a coordinated manner to create an artificial impression of active trading in the scrip. Nearly 70% of the traded quantity amongst the Noticees is through synchronized trades. However, it is noteworthy that similar quantities have been traded in synchronized manner by as many as 130 other persons who have not been charged in the SCN.

91. While synchronized trades are not per se illegal, it is pertinent that in this case, the Noticees 1 to 78 have enabled trades to take place in their accounts in a premeditated and synchronized manner, giving an artificial impression of large

trading volumes in the scrip, thereby violating provisions of Section 12A(b) of SEBI Act read with Regulation 3(c) and 4(2)(a) of PFUTP Regulations.

92. With regard to allegation of price manipulation against the Noticees, I note that during the IP, the price increased from Rs.27.35 in January 2014 to Rs.106.50 by end April 2015. For reference, the patch wise price volume movement is reproduced below:

Period	Dates		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)
During Investigation Period	Patch – 1 (01/04/2014 - 28/04/2014)	Price	27.35 (01/04/2014)	55.05 (28/04/2014)	20.50 (07/04/2014)	57 (25/04/2014)	16,701 (1,044)
		Vol	10 (01/04/2014)	20 (28/04/2014)	10 (01/04/2014)	4525 (25/04/2014)	
	Patch – 2 (29/04/2014 - 09/06/2014)	Price	52.30 (30/04/2014)	24.50 (09/06/2014)	24.50 (05/06/2014)	53.90 (30/04/2014)	24,284 (1,056)
		Vol	650 (30/04/2014)	100 (09/06/2014)	1 (13/05/2014)	5310 (19/05/2014)	
	Patch – 3 (10/06/2014 - 23/02/2015)	Price	25 (10/06/2014)	148.50 (23/02/2015)	25 (10/06/2014)	162 (16/02/2015)	22,76,748 (13,393)
		Vol	2000 (10/06/2014)	13820 (23/02/2015)	10 (22/07/2014)	55143 (10/10/2014)	
	Patch – 4 (24/02/2015 - 30/04/2015)	Price	147 (24/02/2015)	106.50 (30/04/2015)	87 (10/04/2015)	153 (28/02/2015)	7,40,093 (16,447)
		Vol	14041 (24/02/2015)	17973 (30/04/2015)	10094 (21/04/2015)	47375 (03/03/2015)	
		Vol	17277 (01/05/2015)	14298 (31/07/2015)	25 (15/07/2015)	21634 (26/05/2015)	

93. During Patch 3, price of the scrip increased from Rs. 25 to Rs. 148.50 and in Patch 4 price of the scrip fell from Rs. 147 to Rs. 106.50. Hence, for the total period considering Patch 3 and Patch 4, the price of the scrip increased from Rs. 25 to Rs. 106.50. I note that during Patch 3, the price of the scrip had already increased from Rs. 25 to Rs. 62.80, when the first trade was executed by the Noticees on August 14, 2014. Hence, there was no involvement of the Noticees in increase in the price of the scrip from Rs. 25 to Rs. 62.80.

94. On examining the LTP contribution by the Noticees in Patch 3, I note that in several instances wherein Noticees have contributed to positive LTP, the scrip price has remained stable and not moved in line with the positive LTP contribution by the Noticees. This trading pattern shows that the trades by the Noticees were at best maintaining the price of the scrip rather than increasing the price as alleged in the SCN. A few such instances are as stated below:

- i. During September 05, 2014 to September 08, 2014, positive LTP contribution of the Noticees was Rs. 6.10. While, the price has moved in the range of Rs. 74.05 to Rs. 82.9, it remained at around Rs. 78.50 on the basis of opening on September 05, 2014 and closing on September 08, 2014 despite the positive LTP contribution by the Noticees.
- ii. During October 10, 2014 to October 23, 2014, positive LTP contribution of the Noticees was Rs. 43.90. While, the price has moved in the range of Rs. 97 to Rs. 112, it remained at around Rs. 99 on the basis of opening on October 10, 2014 and closing on October 23, 2014 despite the positive LTP contribution by the Noticees.
- iii. During November 07, 2014 to November 18, 2014, positive LTP contribution of the Noticees was Rs. 43.9. However, the price fell from Rs. 110.10 to Rs. 80.85. Hence, the positive LTP contribution by the Notices did not cause the price to rise.
- iv. During December 23, 2014 to December 31, 2014, positive LTP contribution of the Noticees was Rs. 41.65. While, the price moved in the range of Rs. 86 to Rs. 93.95, it remained at Rs. 90 on the basis of opening on December 23, 2014 and closing on December 31, 2014. Hence, despite the positive LTP contribution by the Noticees, the price fell.

95. From the aforesaid, it becomes clear that even though the trade-wise LTP contribution of all Noticees appears significant in Patch 3 at Rs. 371.20, the actual impact on price rise of the trades by the Noticees was not seen due to constant up and down movement in the price, and over certain periods, the price fell despite positive LTP contribution by the Noticees trades. In other words, the price spikes which caused upward price movement were not caused by the trades of the Noticees.

96. With regard to allegation of price rise in Patch 3 and subsequent price fall in Patch 4, I note that the Noticees are alleged to have acted together in a concerted manner over the investigation period. Based on net LTP contribution, the Noticees did not contribute to price rise and had a net negative LTP of Rs.24.10 during the investigation period when the scrip price increased from Rs.27.35 to Rs.106.50. Hence, the role of the trades by the Noticees cannot be seen selectively based on LTP contribution in certain periods to allege price rise or price fall. Moreover, if the Noticees were trading in a manner so as to cause increase in price, then the allegation that same set of Noticees would cause artificial price fall does not appear credible. No reasoning is presented as to why a group of persons would collude to first cause a price rise and then cause it to fall. I also note that price has continued to rise after the IP in May 2015 before falling again in June 2015 without explicit role of the Noticees. Hence, in view of the lack of correlation between price movement and LTP contribution by the Noticees, and the opposing allegations in consecutive periods against the same set of Noticees, I find that the allegation of causing artificial price rise followed by artificial price fall by Noticees 1 to 79 is not established.

97. I note that the Adjudication Proceedings initiated against four Noticees in the SCN namely Gitaben Bankimbhai Shah, Mahendrabhai Popatbhai Prajapati, Bhupendra Chinubhai Shah and Bakimchand Dayalal Shah were disposed off *vide* Order dated

March 23, 2020, upon considering the death certificates submitted by their relatives after their demise.

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

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

98. As it has been established that the Noticees 1 to 78 have violated provisions of Section 12A (b) of SEBI Act read with Regulation 3 (c) and 4 (2) (a) of PFUTP Regulations, Noticees 1 to 78 are liable for levy of monetary penalty under Section 15HA of SEBI Act.

SEBI Act:

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.*

99. While determining the quantum of penalty under section 15HA of SEBI Act, the following factors stipulated in Section 15J of the SEBI Act have to be given due regard:

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.

100. The material on record has not brought out any disproportionate gain made by the Noticees or loss caused to investors by the Noticees. The Noticees in their replies have admitted to making small amounts of profits or losses through their trades. The profits are in the range of a few hundred rupees to around Rs.12000 for some of the Noticees. The losses are in similar range. The total number of participants in the scrip during the IP were 577, of which 210, including the 78 Noticees were trading in a synchronized manner. This indicates the number of investors who may have been affected by the trading volumes in the scrip during the time. I also take note of the precedent in the case of WTM order no. WTM/SR/IVD/ID-3/20/02/2015 dated February 10, 2015 in the matter of Crazy Infotech where similar instances of synchronized trades were observed.

101. In view of the above, I am of the view that a penalty of Rs.15 lakhs under Section 15HA of SEBI Act payable jointly and severally by Noticees 1 to 78 for violation of Section 12A(b) of SEBI Act read with Regulation 3(c) and 4(2)(a) of PFUTP Regulations, shall be commensurate with the violations committed.

ORDER

102. 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 Adjudication Rules, I hereby impose the penalty of Rs. 15,00,000/- (Rupees Fifteen Lakh only) upon the Noticees 1 to 78 under section

15HA of SEBI Act for the violation of Section 12A (b) of SEBI Act read with Regulation 3 (c) and 4 (2) (a) of PFUTP Regulations to be paid jointly and severally.

103. 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 SEBI website www.sebi.gov.in on the following path, by clicking on the payment link

ENFORCEMENT → **Orders** → **Orders of AO** → **PAY NOW**

104. The Noticees shall forward said Demand Draft or the details / confirmation of penalty so paid to the Enforcement Department – Division of Regulatory Action – III of SEBI. The Noticees shall provide the following details while forwarding DD/ payment information:

- a) Name and PAN of the entity (Noticee)
- 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

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

DATE: December 24, 2020

PLACE: MUMBAI

MANINDER CHEEMA

ADJUDICATING OFFICER

Adjudication Order in the matter of trading activities of certain entities in the scrip of Viji Finance Limited