

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: Dr. T.C. NAIR, WHOLE TIME MEMBER**

In the matter of Promoter entities of Adani Exports Ltd.:

- 1. Adani Agro Pvt. Ltd.**
- 2. Adani Impex Pvt. Ltd.**
- 3. Crown International**
- 4. Shahi Property Developers Pvt. Ltd.**
- 5. Adani Properties Pvt. Ltd.**
- 6. Advance Exports**
- 7. Intercontinental India**

Date of hearing: September 1, 2006

Appearances:

For noticee: Dr. Pravin P. Shah, C.A.
Shri. Somasekhar Sundaresan, Advocate
Shri. Devraj Desai, CFO
Shri. Birna Patel, Company Secretary
Shri. Sameer Gajjar, C.A.

For SEBI: Shri P K Nagpal, Chief General Manager/Executive
Director
Shri Ansuman Dev Pradhan, Manager
Ms. Kshama Chavan, Legal Officer

ORDER

Under Section 11 and 11B of SEBI Act 1992 read with SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003

1.0 Background

1.1 Adani Exports Ltd. (hereinafter referred to as “Adani/AEL”) is an Ahmedabad based company having its registered office at “Adani House”, Navrangpura, Ahmedabad. The shares of the company are

listed on The Bombay Stock Exchange Limited (BSE), The National Stock Exchange of India Limited (NSE) and Ahmedabad Stock Exchange (ASE).

- 1.2 In the wake of excessive volatility during the period from October 1999 to March 2001, SEBI conducted investigation into the buying, selling and dealings into the scrip of Adani Exports Limited (Adani/AEL) (now known as Adani Enterprises Ltd.) Investigation revealed that at BSE, the share price of Adani moved up sharply from the opening price of Rs.495/- on November 01, 1999 to reach a high of Rs. 1300/- in December 1999. Then the price of the scrip started falling and reached a low of Rs.570 in the month of May 2000. The price of the scrip again started increasing and reached a high of Rs.1111/- in the month of July 2000. Then the price of the scrip primarily witnessed declining trend and reached a low of Rs. 209/- in March 2001.
- 1.3 It was found in the investigation that entities connected/associated with Shri Ketan Parekh (KP entities) had indulged in certain manipulative activities such as synchronized trading/ circular trading and creation of artificial volume to influence the price in the scrip of Adani. Investigations further revealed that there was movement of shares as well as funds between the Adani group and KP entities. Such funds and shares were used by KP entities for the purpose of manipulating the securities market and for making payment at the time of settlements in the stock exchanges. It was also found that the promoter entities of Adani, named above, traded in the scrip of Adani during the relevant period.

1.4 Further, it was noted that there was a close association between KP entities and Adani group. Adani Group entities involved in the transactions with KP entities were as under:

- i. Adani Agro Pvt. Ltd.
- ii. Adani Impex Pvt. Ltd.
- iii. Shahi Property Developers Pvt. Ltd.
- iv. Adani Properties Pvt. Ltd.
- v. Advance Exports
- vi. Intercontinental India
- vii. Crown International
- viii. Adani Finance
- ix. Adani Investment
- x. Excel Finstock
- xi. Eko Finstock
- xii. Ezy Finstock
- xiii. Esteem Finstock and
- xiv. Ellite Finstock.

(It is pertinent to note that various investment companies of the Adani group viz. Adani Finance, Excel Finstock, Eko Finstock, Ezy Finstock, Esteem Finstock and Ellite Finstock got amalgamated with Adani Agro Ltd with effect from October 1, 1999 pursuant to approval of the Hon'ble High Court of Gujarat vide its order dated October 10, 2000).

1.5 KP entities involved in these transactions were as under :

- i. Triumph International Finance India Ltd. (Triumph International / TIFIL)

- ii. Panther Fincap & Management Services Ltd. (Panther Fincap/PFMSL)
- iii. Classic Credit Ltd. (Classic Credit / CCL)
- iv. Panther Investrade Ltd. (Panther Investrade / PIL)
- v. Chitrakut Computers Pvt. Ltd. (Chitrakut)
- vi. Goldfish Computers Pvt. Ltd. (Goldfish)
- vii. Nakshatra Software Pvt. Ltd. (Nakshatra)
- viii. Classic Share & Stock Broking Services Ltd. (CSSB)
- ix. NH Securities Ltd. (NH Securities)
- x. Triumph Securities Ltd. (Triumph Securities/TSL) and
- xi. Luminant Investments Pvt. Ltd. (Luminant)

1.6 During the investigation it was noted that promoters of Adani group aided and abetted K P entities in manipulating the market. Therefore, it was alleged that promoters of Adani group had violated Regulation 4 (a), (b), (c), and (d) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 1995 (hereinafter referred to as 'PFUTP Regulations').

2.0 Show Cause Notice, Reply and Personal hearing

2.1 Accordingly, a show cause notice dated January 3, 2005 was issued to the aforesaid seven Adani promoter entities asking them to show cause within 21 days of the date of receipt of the notice, as to why suitable directions under Section 11 and 11B of the SEBI Act, 1992 read with PFUTP Regulations, including a direction to prohibit them from dealings in securities for a particular duration should not be passed against them.

2.2 Adani group (Advance Exports, Crown International, Adani Agro Pvt. Ltd, Adani Properties Pvt. Ltd., Inter continental (India), Shahi Property Developers Pvt. Ltd., Adani Impex Pvt. Ltd.) vide their letters dated January 27, 2005 while seeking additional time to submit their replies, submitted that they have neither aided and abetted KP entities in the alleged market manipulation in the scrip of Adani nor violated the provisions of Regulation 4 of PFUTP Regulations.

2.3 Vide letter dated February 3, 2005, SEBI advised Adani group to indicate if they require any document relied upon by SEBI. In response to this, vide letter dated February 10, 2005, Adani group requested SEBI to provide list of documents like order log, trade log, etc. for submitting their replies. SEBI vide letter dated July 1, 2005 furnished additional and relevant documents to Adani group and advised them to submit their replies latest by July 11, 2005. Adani group vide their letters dated July 5, 2005, September 9, 2005 and November 29, 2005 requested for extension of time for submitting their detailed reply which was acceded to. After seeking several extensions for submitting their detailed replies to the show cause notices issued by SEBI, Adani group finally, vide their letter dated December 19, 2005, forwarded their detailed reply. They also requested for personal hearing. In the said reply the Adani Group inter alia made the following submissions :

- (i) With regard to sale of shares of Adani by Adani group, it was submitted that Adani group embarked upon an ambitious port

development project at Mundra. Adani group sold the shares of AEL since they needed funds for investment in the said port project and for other business purposes. They sold the said shares through the screen-based trading system of the NSE at the prevailing market price during the period from November 2, 1999 to December 14, 1999.

- (ii) During the said period i.e. November 02, 1999 to December 14, 1999, Adani group did not have any transactions with KP entities. They neither paid any money to KP entities / any other broker for the purpose of acquiring shares of Adani or for any other shares for any manipulation of prices and therefore there was no nexus between the sale by Adani group and the alleged price rigging by KP entities.
- (iii) They were not and/or could not have been aware of the identity of the counter party to the transaction. Further, the identity of the counter party did not matter to Adani group and therefore, the Adani group can not be held responsible for the alleged price rigging by KP entities.
- (iv) With regard to allegation of payments of funds to KP entities and association between Adani group and KP entities, it was submitted that during the period from February 4, 2000 to August 2, 2000 when Adani group gave funds to KP group, SEBI did not allege any market manipulation in Adani shares either by Adani group or by KP entities. This payment was pursuant to an MoU for reciprocal financing arrangement between the two groups.

- (v) With regard to transactions of purchase and sale of Adani shares with KP entities, it was submitted by the Adani group that:
 - a. In order to raise funds for their business purposes, on May 26, 2000, the group sold 12 lakh shares of Adani to KP entities. Thereafter, when Adani group had surplus cash, they consolidated their holdings in AEL by purchasing back 8 lakh shares from the KP entities on July 11, 2000.
 - b. The aforesaid transactions were off-market transactions which could not have had any impact on the market price of AEL shares. In fact, on May 26, 2000 and July 11, 2000, SEBI has not alleged any market manipulation in Adani shares either by Adani group or by the KP entities.
- (vi) With regard to stake of KP entities in Adani Port Ltd., it was submitted by the Adani group that:
 - a. in the first quarter of the year 2000, KP entities acquired 32 lakh shares of Adani Port Ltd. – a closely held unlisted company. The transaction was carried out on commercial basis.
 - b. the aforesaid transaction relates to KP entity's acquisition of shares of Adani Port Ltd., and not of Adani shares. Therefore, it was contended that there can not be any nexus between the aforesaid acquisition of shares of Adani Port Ltd. and the alleged price rigging in Adani shares by the KP entities.

2.5 An opportunity of personal hearing was granted to Adani group on September 1, 2006. As requested, they were given time to file written

submissions and accordingly Adani group filed their written submissions vide their letter dated September 11, 2006. On perusal of the said written submissions, I note that they were by and large the same as were submitted vide their letter dated December 19, 2005. Some of additional submissions made by way of written submissions were as under:

- (i) SEBI's show cause notice reported 189 trades in Adani shares entered into by KP entities however the total purchases made by KP entities were only 52,600 shares. The majority of trades were of small quantities of 1,00, 200 and 300 shares. As against this small quantity of 52,600 shares contained in the examples, the Adani group sold 15.88 lakh shares.
- (ii) The sale of shares was soon after the declaration of 1:1 bonus by Adani. The Board meeting for the purpose was held on July 30, 1999 and the AGM was held on September 6, 1999.
- (iii) With regard to movement of funds, Adani group submitted the following:
 - a. The movement of funds between Adani group and KP entities took place during less than six months from February 4, 2000, much after the period (Nov/Dec 1999) of alleged price rigging in Adani shares by KP entities.
 - b. Adani group was a growing group and hence Adani group was regularly in need of funds. Shri. Ketan Parekh, at that time, was a well known person in the finance and investment circle and he was capable of providing funds from his own resources as well as from outside sources.

Adani group, therefore, entered into a reciprocal financing arrangement with KP entities on 11/1/2000, and under that arrangement the alleged fund movement took place.

- c. A part of funds were meant for purchase of the shares of AEL or Adani Port Ltd. from KP entities. Rs.52.20 crore was given to Triumph Securities Ltd., a BSE broker, towards transactions in the shares other than AEL shares. The balance funds were provided for short-term loans ranging from a period of 38 days to 174 days.
- (iv) With regard to purchase of 32 lakh shares of Adani Port Limited by KP entities, it was submitted that:
 - a. the date of acquisition of the said shares is December 29, 2000, i.e. after the alleged price rigging by KP entities.
 - b. during the period, KP was a very renowned investor with investments in several unlisted companies.

3.0 CONSIDERATION OF ISSUES AND FINDINGS

3.1 I have carefully considered the facts of the case, the investigation report, material relied upon and referred to in the show cause notice, the oral and written submissions made by the Adani group and other material available on record of SEBI.

3.2 I note that during the period November to December 1999, large quantities of shares of Adani (15.88 lakh shares) were sold by promoters of Adani at NSE and the aforesaid sale of shares by Adani group were carried out only through Triumph International, a broker closely associated with Shri Ketan Parekh. Further, except for 400 all

these shares were bought by two KP entities – Classic Credit and Panther Fincap in cross deals through Triumph International. The details of such transactions during the settlements 43 to 50 (from October 27 to December 21, 1999) are given in the following table:

Entity	Settlement No			
	43	48	49	50
Adani Finance	-96600		-297500	
Adani Investment	0			-96800
Intercontinental	0	-325000		
Excel Finstock	-112500		-56900	-14500
Eko Finstock	-70000		-34200	-9200
Ezy Finstock	-64600		-109200	-7800
Esteem Finstock	-111000	-15800	-43400	-8100
Ellite Finstock	-45300	-59200		-10600
Total Sale by promoters	-500000	-400000	-541200	-147000
	15,88,200 shares sold			
Shares bought by				
Classic Credit Ltd.	250000*	200000*	541200*	147000*
Panther Fincap and Management Services Ltd.	250000*	200000*	0	0
Total purchase by KP Entities	500000	400000	541200	147000
	15,88,200 shares purchased			

* - through NSE broker Triumph International Finance India Ltd.

3.3 From the above table, it is evident that during settlement no. 43, Adani group sold a total of 5,00,000 shares which were bought by Ketan Parekh group entities namely, Classic Credit and Panther Fincap to the extent of 2,50,000 shares each. Similar cross deals were executed in settlements number 48, 49 and 50.

3.4 I note that the average market price at NSE during the settlement of aforesaid transactions was as under :

Sett. end date	Sett. No.	No. of shares sold	Avg. market price (in Rs.)
2/11/99	43	500000	895
7/12/99	48	400000	1253
14/12/99	49	541200	1167
21/12/99	50	147000	955
Total		1588200	

Further, It would be pertinent to mention the settlement wise transactions details of Adani group as under:

In settlement No 43

Date	Time	Trade ID	Rate	Qty	Buy order	Buy Broker	Sell order	Sell Broker
2-11-99	13:33:40	199911020318654	905	25000	199911020494324	TIFIL	199911020494312	TIFIL
2-11-99	13:33:55	199911020318830	905	25000	199911020494643	TIFIL	199911020494654	TIFIL
2-11-99	13:34:09	199911020319008	905	25000	199911020494948	TIFIL	199911020494959	TIFIL
2-11-99	13:34:24	199911020319217	905	25000	199911020495277	TIFIL	199911020495296	TIFIL
2-11-99	13:34:36	199911020319371	905	25000	199911020495537	TIFIL	199911020495544	TIFIL
2-11-99	13:34:47	199911020319496	905	25000	199911020495779	TIFIL	199911020495775	TIFIL
2-11-99	13:35:05	199911020319776	905	25000	199911020496191	TIFIL	199911020496200	TIFIL
2-11-99	13:35:24	199911020320099	905	25000	199911020496597	TIFIL	199911020496630	TIFIL
2-11-99	13:35:54	199911020320546	905	25000	199911020497309	TIFIL	199911020497288	TIFIL
2-11-99	13:36:06	199911020320771	905	25000	199911020497584	TIFIL	199911020497592	TIFIL
2-11-99	13:36:16	199911020320916	905	25000	199911020497815	TIFIL	199911020497822	TIFIL
2-11-99	13:36:28	199911020321102	905	25000	199911020498100	TIFIL	199911020498119	TIFIL
2-11-99	13:36:39	199911020321371	905	25000	199911020498399	TIFIL	199911020498409	TIFIL
2-11-99	13:36:56	199911020321679	905	25000	199911020498817	TIFIL	199911020498836	TIFIL
2-11-99	13:37:06	199911020321895	905	25000	199911020499105	TIFIL	199911020499110	TIFIL
2-11-99	13:37:21	199911020322195	905	25000	199911020499518	TIFIL	199911020499526	TIFIL
2-11-99	13:37:31	199911020322439	905	25000	199911020499814	TIFIL	199911020499829	TIFIL
2-11-99	13:37:42	199911020322639	905	25000	199911020500147	TIFIL	199911020500160	TIFIL
2-11-99	13:39:36	199911020324456	905	25000	199911020503130	TIFIL	199911020503115	TIFIL
2-11-99	13:39:47	199911020324669	905	25000	199911020503382	TIFIL	199911020503390	TIFIL
				500000				

In settlement No. 48

Date	Time	Trade ID	Rate	Qty	Buy order	Buy Broker	Sell order	Sell Broker
6-12-99	15:27:46	199912060457117	934	40000	199912060690523	TIFIL	199912060690518	TIFIL
6-12-99	15:27:59	199912060457610	934	40000	199912060691011	TIFIL	199912060690980	TIFIL

Date	Time	Trade ID	Rate	Qty	Buy order	Buy Broker	Sell order	Sell Broker
6-12-99	15:28:10	199912060457952	934	40000	199912060691446	TIFIL	199912060691403	TIFIL
6-12-99	15:28:20	199912060458416	934.5	100	199912060637337	Chanakya Ltd	199912060691824	TIFIL
6-12-99	15:28:21	199912060458438	934	39900	199912060691841	TIFIL	199912060691824	TIFIL
6-12-99	15:28:35	199912060459122	935	40000	199912060692409	TIFIL	199912060692384	TIFIL
6-12-99	15:28:49	199912060459701	935	40000	199912060692906	TIFIL	199912060692816	TIFIL
6-12-99	15:28:57	199912060460069	935	40000	199912060693272	TIFIL	199912060693263	TIFIL
6-12-99	15:29:06	199912060460499	935	40000	199912060693624	TIFIL	199912060693625	TIFIL
6-12-99	15:29:17	199912060460890	935	40000	199912060694031	TIFIL	199912060694049	TIFIL
6-12-99	15:29:26	199912060461328	935	40000	199912060694489	TIFIL	199912060694435	TIFIL
				400000				

A careful examination of the above table reveals that on December 6, 1999, Adani group sold total of 4,00,000 shares and except for 100 shares, all the aforesaid shares were purchased in cross deals by Classic Credit and Panther Fincap through Triumph International on behalf of KP entities.

In Settlement No. 49

Date	Time	Trade ID	Rate	Qty	Buy order	Buy Broker	Sell order	Sell Broker
9-12-99	10:20:49	199912090041218	1115	20000	199912090088255	TIFIL	199912090088225	TIFIL
9-12-99	10:21:04	199912090041791	1115	20000	199912090089087	TIFIL	199912090089126	TIFIL
9-12-99	10:21:22	199912090042424	1115	25000	199912090090185	TIFIL	199912090090205	TIFIL
9-12-99	10:21:53	199912090043745	1112	25000	199912090092190	TIFIL	199912090092072	TIFIL
9-12-99	10:22:13	199912090044604	1112	25000	199912090093444	TIFIL	199912090093429	TIFIL
9-12-99	10:22:27	199912090045174	1112	25000	199912090094331	TIFIL	199912090094189	TIFIL
9-12-99	10:22:45	199912090045858	1113	25000	199912090095501	TIFIL	199912090095461	TIFIL
9-12-99	10:22:58	199912090046320	1113	25000	199912090096335	TIFIL	199912090096311	TIFIL
9-12-99	10:30:48	199912090062465	1121	25000	199912090124468	TIFIL	199912090124421	TIFIL
9-12-99	10:31:00	199912090062817	1121	25000	199912090125047	TIFIL	199912090125140	TIFIL
9-12-99	10:32:22	199912090065194	1125	25000	199912090129657	TIFIL	199912090129661	TIFIL
9-12-99	10:33:04	199912090066319	1124	15000	199912090131805	TIFIL	199912090131804	TIFIL
9-12-99	10:33:17	199912090066621	1125	20000	199912090132481	TIFIL	199912090132478	TIFIL
10-12-99	10:46:29	199912100085367	1259.5	21100	199912100161513	TIFIL	199912100161490	TIFIL
10-12-99	10:48:30	199912100088232	1250	25000	199912100166839	TIFIL	199912100166838	TIFIL
10-12-99	10:48:44	199912100088515	1250	25000	199912100167448	TIFIL	199912100167418	TIFIL
10-12-99	10:49:03	199912100088925	1250	25000	199912100168226	TIFIL	199912100168246	TIFIL
10-12-99	10:52:10	199912100092892	1250	25000	199912100175773	TIFIL	199912100175782	TIFIL
10-12-99	10:52:22	199912100093160	1250	25000	199912100176271	TIFIL	199912100176274	TIFIL
10-12-99	10:52:35	199912100093493	1250	25000	199912100176782	TIFIL	199912100176789	TIFIL
10-12-99	10:52:47	199912100093781	1250	25000	199912100177263	TIFIL	199912100177253	TIFIL
10-12-99	10:53:13	199912100094394	1250	25000	199912100178329	TIFIL	199912100178297	TIFIL

Date	Time	Trade ID	Rate	Qty	Buy order	Buy Broker	Sell order	Sell Broker
10-12-99	10:53:45	199912100095113	1250	16200	199912100179661	TIFIL	199912100179649	TIFIL
10-12-99	13:30:06	199912100287757	1259	500	199912100478145	TIFIL	199912100161490	TIFIL
10-12-99	13:30:06	199912100287759	1259	100	199912100478145	TIFIL	199912100161490	TIFIL
10-12-99	13:36:46	199912100293977	1259	300	199912100487834	Master Cap	199912100161490	TIFIL
10-12-99	11:12:15	199912140116927	1135	3000	199912140211815	TIFIL	199912140211824	TIFIL
				541200				

From the above table , I find that the promoters sold 5,41,200 shares of Adani and except 300, all shares were bought in cross deals by Classic Credit and Panther Fincap through Triumph International.

Similar cross deals to the extent of 1,47,000 shares were observed in settlement no. 50.

I note that the Adani group had contended that they were not aware about the counter party for the sale transactions of 15.88 lakh shares executed through the broker, Triumph International. In this regard, considering the fact that the same KP entities were the counter party clients in all these sell transactions of 15.88 lakh shares (except for 400 shares) spread over a period of two months, the contention of Adani is devoid of merits and this can, by no stretch of imagination, be considered as a coincidence. Further, the very nature of these transactions makes me to believe that all these transactions were executed with a premeditated design/arrangement between the buyers and sellers. By these transactions, KP entities cornered a substantial chunk of the shares of Adani to use the same for market manipulation subsequently.

On examination of the trading in Adani during this period, I note that there was a pattern wherein Ketan Parekh entities regularly placed buy orders at NSE at prices much higher than the previous traded prices. These orders were put through Ketan Parekh related brokers viz., Triumph International, NH Securities and CSSB who were found to had put orders on self account or on behalf of other Ketan Parekh entities. A tabulation of such orders which were placed at a price of at least 0.5% higher than the previous trade price is given below:

(i) Orders put by CSSB

Date	Time	Prev. trd. Time	Prev. Trd. Price	Pre v Trd. Qty	Prev buy member name	Prev sell member name	Buy Order Time	Buy Memb er Name	Buy Order Number	Buy Orig inal Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	645.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	646.25	1.87	200
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	647.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	648.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	648.00	1.87	300
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	648.50	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	650.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	650.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	650.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	652.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	653.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	654.80	1.87	300
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	655.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	655.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	655.00	1.87	100
17/11 /99	10:51:30	10:50:10	643.000	200	Tracom	Anagram	10:51:30	CSSB	19991117 0170782	2500	655.00	655.00	1.87	500
17/11 /99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	19991117 0171847	2500	660.00	655.00	0.76	500

Date	Time	Prev. trd. Time	Prev. Trd. Price	Pre v Trd. Qty	Prev buy member name	Prev sell member name	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	656.00	0.76	100
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	657.00	0.76	100
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	658.00	0.76	200
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	658.95	0.76	100
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	659.00	0.76	100
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	659.00	0.76	100
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	659.00	0.76	300
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	660.00	0.76	100
17/11/99	10:52:02	10:51:30	655.000	500	Cssb	Alacrit y	10:52:02	CSSB	199911170171847	2500	660.00	660.00	0.76	900

(ii) Orders put by NH Securities

a. Orders put on 25.10.99

Date	Time	Prev Traded Time	Prev Trade Price	Prev Buy member Name	Pre v Trade Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
25-10-99	10:31:59	12:00:03	866.05	PFIL	100	10:31:59	NH	199910250124305	2000	900.00	894.85	3.92	100
25-10-99	10:31:59	12:00:03	866.05	PFIL	100	10:31:59	NH	199910250124305	2000	900.00	895.00	3.92	100
25-10-99	10:31:59	12:00:03	866.05	PFIL	100	10:31:59	NH	199910250124305	2000	900.00	895.45	3.92	100
25-10-99	10:31:59	12:00:03	866.05	PFIL	100	10:31:59	NH	199910250124305	2000	900.00	895.95	3.92	100
25-10-99	10:31:59	12:00:03	866.05	PFIL	100	10:31:59	NH	199910250124305	2000	900.00	896.00	3.92	400
25-10-99	10:31:59	12:00:03	866.05	PFIL	100	10:31:59	NH	199910250124305	2000	900.00	900.00	3.92	100
25-10-99	10:31:59	12:00:03	866.05	PFIL	100	10:31:59	NH	199910250124305	2000	900.00	900.00	3.92	100
25-10-99	10:31:59	12:00:03	866.05	PFIL	100	10:31:59	NH	199910250124305	2000	900.00	900.00	3.92	100

b. Orders put on 3.11.99

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP% at order entry time	Trd Qty
3-11-99	14:05:40	14:02:35	520.00	M. SONA	200	14:05:40	NH	19911030541035	5000	525.00	522.00	0.96	100
3-11-99	14:05:40	14:02:35	520.00	M. SONA	200	14:05:40	NH	19911030541035	5000	525.00	522.90	0.96	100
3-11-99	14:05:40	14:02:35	520.00	M. SONA	200	14:05:40	NH	19911030541035	5000	525.00	523.00	0.96	200
3-11-99	14:05:40	14:02:35	520.00	M. SONA	200	14:05:40	NH	19911030541035	5000	525.00	523.90	0.96	100
3-11-99	14:05:40	14:02:35	520.00	SONA	200	14:05:40	NH	19911030541035	5000	525.00	524.50	0.96	100
3-11-99	14:05:40	14:02:35	520.00	M. SONA	200	14:05:40	NH	19911030541035	5000	525.00	525.00	0.96	200
3-11-99	14:05:40	14:02:35	520.00	M. SONA	200	14:05:40	NH	19911030541035	5000	525.00	525.00	0.96	100
3-11-99	15:07:19	14:02:35	520.00	M. SONA	200	14:05:40	NH	19911030541035	5000	525.00	525.00	0.96	100
3-11-99	14:05:46	14:05:40	525.00	NH	100	14:05:46	NH	19911030541210	2000	530.00	530.00	0.95	100
3-11-99	14:06:18	14:05:40	525.00	NH	100	14:05:46	NH	19911030541210	2000	530.00	530.00	0.95	100
3-11-99	14:08:56	14:05:40	525.00	NH	100	14:05:46	NH	19911030541210	2000	530.00	530.00	0.95	200
3-11-99	14:09:05	14:05:40	525.00	NH	100	14:05:46	NH	19911030541210	2000	530.00	530.00	0.95	200
3-11-99	14:13:13	14:05:40	525.00	NH	100	14:05:46	NH	19911030541210	2000	530.00	530.00	0.95	100
3-11-99	14:25:45	14:05:40	525.00	NH	100	14:05:46	NH	19911030541210	2000	530.00	530.00	0.95	100
3-11-99	14:26:39	14:05:40	525.00	NH	100	14:05:46	NH	19911030541210	2000	530.00	530.00	0.95	300
3-11-99	14:29:07	14:05:40	525.00	NH	100	14:05:46	NH	19911030541210	2000	530.00	530.00	0.95	100
3-11-	14:29:45	14:05:40	525.00	NH	100	14:05:46	NH	1991	200	530.00	530.00	0.95	200

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP% at order entry time	Trd Qty
99								10305 41210	0				
3-11-99	14:43:41	14:05:40	525.00	NH	100	14:05:46	NH	19991 10305 41210	200 0	530.00	530.00	0.95	500
3-11-99	14:53:15	14:05:40	525.00	NH	100	14:05:46	NH	19991 10305 41210	200 0	530.00	530.00	0.95	100

c. Orders put on 7.11.99

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP% at order entry time	Trd Qty
7-11-99	19:55:03	19:54:53	504.90	MANOJ DOSHI	100	19:55:03	NH	199911070 202905	5000	510.00	504.90	1.01	100
7-11-99	19:55:03	19:54:53	504.90	MANOJ DOSHI	100	19:55:03	NH	199911070 202905	5000	510.00	508.00	1.01	100
7-11-99	19:55:03	19:54:53	504.90	MANOJ DOSHI	100	19:55:03	NH	199911070 202905	5000	510.00	508.90	1.01	100
7-11-99	19:55:03	19:54:53	504.90	MANOJ DOSHI	100	19:55:03	NH	199911070 202905	5000	510.00	509.90	1.01	100
7-11-99	19:55:03	19:54:53	504.90	MANOJ DOSHI	100	19:55:03	NH	199911070 202905	5000	510.00	510.00	1.01	200
7-11-99	19:55:16	19:55:13	510.00	NH	200	19:55:16	NH	199911070 203536	2500 0	515.00	511.90	0.98	100
7-11-99	19:55:16	19:55:13	510.00	NH	200	19:55:16	NH	199911070 203536	2500 0	515.00	514.00	0.98	100
7-11-99	19:55:16	19:55:13	510.00	NH	200	19:55:16	NH	199911070 203536	2500 0	515.00	514.00	0.98	100
7-11-99	19:55:16	19:55:13	510.00	NH	200	19:55:16	NH	199911070 203536	2500 0	515.00	515.00	0.98	100
7-11-99	19:55:44	19:55:16	515.00	NH	100	19:55:44	NH	199911070 204798	2500 0	525.00	517.50	1.94	100
7-11-99	19:55:44	19:55:16	515.00	NH	100	19:55:44	NH	199911070 204798	2500 0	525.00	520.00	1.94	100
7-11-99	19:55:44	19:55:16	515.00	NH	100	19:55:44	NH	199911070 204798	2500 0	525.00	525.00	1.94	100
7-11-99	19:55:44	19:55:16	515.00	NH	100	19:55:44	NH	199911070 204798	2500 0	525.00	525.00	1.94	100

d. Orders put on 17.11.99

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
17-11-99	10:12:49	10:07:59	640.00	IND US	200	10:12:49	NH	199911170068568	5000	645.00	644.85	0.78	100
17-11-99	10:12:49	10:07:59	640.00	IND US	200	10:12:49	NH	199911170068568	5000	645.00	645.00	0.78	200
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	649.00	2.64	100
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	650.00	2.64	100
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	650.00	2.64	100
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	651.90	2.64	100
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	652.00	2.64	100
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	655.00	2.64	300
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	656.90	2.64	100
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	657.95	2.64	100
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	658.00	2.64	100
17-11-99	13:25:15	13:19:58	643.00	STD. SEC	100	13:25:15	NH	199911170401731	5000	660.00	660.00	2.64	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	661.90	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	662.00	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	662.00	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	664.90	1.52	100

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	665.00	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	667.75	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	667.80	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	667.95	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	668.00	1.52	200
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	668.00	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	668.80	1.52	200
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	669.95	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	670.00	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	670.00	1.52	100
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	670.00	1.52	200
17-11-99	13:25:25	13:25:15	660.00	NH	100	13:25:25	NH	199911170401914	5000	670.00	670.00	1.52	100
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	199911170564267	5000	660.00	652.75	2.48	100
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	199911170564267	5000	660.00	652.80	2.48	100
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	199911170564267	5000	660.00	653.00	2.48	200
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	199911170564267	5000	660.00	655.00	2.48	100
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	199911170564267	5000	660.00	658.95	2.48	100
17-11-99	15:20:29	15:15:05	644.00	EXC	100	15:20:29	NH	199911170564267	5000	660.00	659.00	2.48	100

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
99				L.S.E C				7056426 7					
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	1999111 7056426 7	5000	660.00	660.00	2.48	100
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	1999111 7056426 7	5000	660.00	660.00	2.48	100
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	1999111 7056426 7	5000	660.00	660.00	2.48	100
17-11-99	15:20:29	15:15:05	644.00	EXC L.S.E C	100	15:20:29	NH	1999111 7056426 7	5000	660.00	660.00	2.48	400

e. Orders put on 22.11.99

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
22-11	13:04:31	12:48:08	662.95	PREM SOMA NI	100	13:04:31	NH	19991 12203 47791	5000	670.00	662.50	1.06	100
22-11	13:04:31	12:48:08	662.95	PREM SOMA NI	100	13:04:31	NH	19991 12203 47791	5000	670.00	662.90	1.06	100
22-11	13:04:31	12:48:08	662.95	PREM SOMA NI	100	13:04:31	NH	19991 12203 47791	5000	670.00	663.90	1.06	500
22-11	13:04:31	12:48:08	662.95	PREM SOMA NI	100	13:04:31	NH	19991 12203 47791	5000	670.00	664.00	1.06	100
22-11	13:04:31	12:48:08	662.95	PREM SOMA NI	100	13:04:31	NH	19991 12203 47791	5000	670.00	665.00	1.06	100
22-11	13:04:31	12:48:08	662.95	PREM SOMA NI	100	13:04:31	NH	19991 12203 47791	5000	670.00	665.00	1.06	100
22-11	13:04:31	12:48:08	662.95	PREM SOMA NI	100	13:04:31	NH	19991 12203 47791	5000	670.00	667.00	1.06	100
22-11	13:04:31	12:48:08	662.95	PREM SOMA NI	100	13:04:31	NH	19991 12203 47791	5000	670.00	668.00	1.06	100
22-11	13:04:31	12:48:08	662.95	PREM	100	13:04:31	NH	19991	5000	670.00	669.00	1.06	100

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Trade Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
				SOMANI				12203 47791					
22-11	13:04:31	12:48:08	662.95	PREM SOMANI	100	13:04:31	NH	19991 12203 47791	5000	670.00	670.00	1.06	200
22-11	13:04:31	12:48:08	662.95	PREM SOMANI	100	13:04:31	NH	19991 12203 47791	5000	670.00	670.00	1.06	100
22-11	13:04:31	12:48:08	662.95	PREM SOMANI	100	13:04:31	NH	19991 12203 47791	5000	670.00	670.00	1.06	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	674.00	1.49	500
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	674.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	675.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	675.00	1.49	500
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	675.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	677.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	678.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	678.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	679.90	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	680.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	680.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	680.00	1.49	100
22-11	13:04:39	13:04:31	670.00	NH	100	13:04:39	NH	19991 12203 47937	5000	680.00	680.00	1.49	100
22-11	13:04:49	13:04:39	680.00	NH	100	13:04:49	NH	19991	5000	690.00	682.90	1.47	100

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
								12203 48122					
22-11	13:04:49	13:04:39	680.00	NH	100	13:04:49	NH	19991 12203 48122	5000	690.00	684.90	1.47	100
22-11	13:04:49	13:04:39	680.00	NH	100	13:04:49	NH	19991 12203 48122	5000	690.00	685.25	1.47	100
22-11	13:04:49	13:04:39	680.00	NH	100	13:04:49	NH	19991 12203 48122	5000	690.00	689.50	1.47	100
22-11	13:05:00	13:04:49	689.50	NH	100	13:05:00	NH	19991 12203 48298	5000	700.00	699.00	1.52	100
22-11	13:05:00	13:04:49	689.50	NH	100	13:05:00	NH	19991 12203 48298	5000	700.00	700.00	1.52	100
22-11	13:05:00	13:04:49	689.50	NH	100	13:05:00	NH	19991 12203 48298	5000	700.00	700.00	1.52	100
22-11	13:05:00	13:04:49	689.50	NH	100	13:05:00	NH	19991 12203 48298	5000	700.00	700.00	1.52	300
22-11	13:05:00	13:04:49	689.50	NH	100	13:05:00	NH	19991 12203 48298	5000	700.00	700.00	1.52	100
22-11	13:05:16	13:05:14	704.00	BRILLIANT	100	13:05:16	NH	19991 12203 48574	5000	717.00	705.00	1.85	300
22-11	13:05:16	13:05:14	704.00	BRILLIANT	100	13:05:16	NH	19991 12203 48574	5000	717.00	717.00	1.85	100
22-11	13:05:20	13:05:14	704.00	BRILLIANT	100	13:05:16	NH	19991 12203 48574	5000	717.00	717.00	1.85	100

f. Orders put on 1.12.99

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
1-12	12:55:08	12:36:12	761.00	NARAYAN SEC	100	12:55:08	NH	19991 20104 73028	5000	775.00	760.95	1.84	100
1-12	12:55:08	12:36:12	761.00	NARAYAN SEC	100	12:55:08	NH	19991 20104	5000	775.00	761.00	1.84	100

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
								73028					
1-12	12:55:08	12:36:12	761.00	NARAYAN SEC	100	12:55:08	NH	19991 20104 73028	5000	775.00	762.00	1.84	100
1-12	12:55:08	12:36:12	761.00	NARAYAN SEC	100	12:55:08	NH	19991 20104 73028	5000	775.00	769.75	1.84	100
1-12	12:55:08	12:36:12	761.00	NARAYAN SEC	100	12:55:08	NH	19991 20104 73028	5000	775.00	770.00	1.84	500
1-12	12:55:08	12:36:12	761.00	NARAYAN SEC	100	12:55:08	NH	19991 20104 73028	5000	775.00	771.00	1.84	100
1-12	14:21:38	13:29:12	792.75	CANON	100	13:36:55	NH	19991 20105 48050	4200	800.00	800.00	0.91	100
1-12	14:43:40	13:29:12	792.75	CANON	100	13:36:55	NH	19991 20105 48050	4200	800.00	800.00	0.91	100
1-12	15:12:07	13:29:12	792.75	CANON	100	13:36:55	NH	19991 20105 48050	4200	800.00	800.00	0.91	200

g. Orders put on 8.12.99

Date	Time	Prev Traded Time	Prev Traded Price	Prev Buy member Name	Prev Traded Qty	Buy Order Time	Buy Member Name	Buy Order Number	Buy Original Volume	Buy Limit Price	Trd Pr	LTP % at order entry time	Trd Qty
8-12	15:21:45	14:58:58	1080.00	SUSHI L. LTD.	100	15:21:45	NH	19991 20808 82478	2000	1090.00	1090.00	0.93	200
8-12	15:21:45	14:58:58	1080.00	SUSHI L. LTD.	100	15:21:45	NH	19991 20808 82478	2000	1090.00	1090.00	0.93	500
8-12	15:21:45	14:58:58	1080.00	SUSHI L. LTD.	100	15:21:45	NH	19991 20808 82478	2000	1090.00	1090.00	0.93	100

From the above tables, I find that majority of the trades were executed by NH Securities on own account and the remaining trades were executed for Classic Credit Ltd. The buy orders were placed at prices higher than the last traded prices.

(iii) Orders put by Triumph International Finance India Ltd.

Date	Time	Prev Traded Time	Prev Traded Price	Prev Trade d Qty	Pre v buy me mber name	Buy Order Time	Buy Mem ber Name	Buy Order Number	Bu y Ori gin al Vol um e	Buy Limit Price	Trd Pr	LT P% at ord er ent ry tim e	Trd Qty
28-10	10:30:02	10:29:01	988.00	100	VIV EK	10:30:02	TIFIL	199910280 104833	300	1005.00	1004.00	1.72	100
28-10	10:30:02	10:29:01	988.00	100	VIV EK	10:30:02	TIFIL	199910280 104833	300	1005.00	1004.90	1.72	100
28-10	10:30:02	10:29:01	988.00	100	VIV EK	10:30:02	TIFIL	199910280 104833	300	1005.00	1005.00	1.72	100
3-11	10:32:25	10:31:57	535.100	100	CRO WN	10:32:25	TIFIL	199911030 130617	200	545.00	538.00	1.85	100
3-11	10:32:25	10:31:57	535.100	100	CRO WN	10:32:25	TIFIL	199911030 130617	200	545.00	545.00	1.85	100
5-11	11:33:38	10:56:47	495.00	100	SSKI	11:08:57	TIFIL	199911050 197562	200	500.00	499.95	1.01	100
5-11	11:33:38	10:56:47	495.00	100	SSKI	11:08:57	TIFIL	199911050 197562	200	500.00	500.00	1.01	100
24-11	10:11:07	10:09:26	740.00	100	SS	10:11:07	TIFIL	199911240 050406	300	765.15	740.00	3.40	200
2-12	11:54:19	11:53:55	840.00	100	TIFI L	11:54:19	TIFIL	199912020 312198	100	845.00	840.00	0.60	100
2-12	11:54:30	11:54:19	840.00	100	TIFI L	11:54:30	TIFIL	199912020 312497	100	845.00	840.00	0.60	100
9-12	10:30:48	10:22:58	1113.00	25000	TIFI L	10:30:48	TIFIL	199912090 124468	25000	1121.00	1121.00	0.72	25000
10-12	13:28:34	13:27:43	1235.100	100	TRA C	13:28:34	TIFIL	199912100 475666	500	1255.00	1250.00	1.61	100
10-12	14:08:00	13:59:09	1236.050	100	JITE N	14:08:00	TIFIL	199912100 534012	100	1248.95	1248.95	1.04	100
15-12	10:11:27	15:59:18	1086.00	100	JOIN DRE	10:11:27	TIFIL	199912150 055125	100	1166.65	1070.00	7.43	100
17-12	12:20:26	10:48:11	1010.00	100	SOM AYA JUL U	11:01:04	TIFIL	199912170 230984	800	1050.00	1043.00	3.96	100
17-12	12:20:26	10:48:11	1010.00	100	SOM AYA JUL U	11:01:04	TIFIL	199912170 230984	800	1050.00	1047.90	3.96	100
17-12	12:20:26	10:48:11	1010.00	100	SOM AYA JUL U	11:01:04	TIFIL	199912170 230984	800	1050.00	1048.00	3.96	100
17-12	12:20:26	10:48:11	1010.00	100	SOM AYA JUL U	11:01:04	TIFIL	199912170 230984	800	1050.00	1050.00	3.96	100
17-12	12:20:26	10:48:11	1010.00	100	SOM AYA JUL U	11:01:04	TIFIL	199912170 230984	800	1050.00	1050.00	3.96	200

Date	Time	Prev Traded Time	Prev Traded Price	Prev Trade Qty	Pre v buy me mbe r nam e	Buy Order Time	Buy Mem ber Name	Buy Order Number	Bu y Ori gin al Vol um e	Buy Limit Price	Trd Pr	LT P% at ord er ent ry tim e	Trd Qty
17-12	12:20:26	10:48:11	1010.00	100	SOM AYA JUL U	11:01:04	TIFIL	199912170 230984	800	1050.00	1050.00	3.96	100
17-12	12:20:46	10:48:11	1010.00	100	SOM AYA JUL U	11:01:04	TIFIL	199912170 230984	800	1050.00	1050.00	3.96	100
17-12	12:45:34	12:43:14	1048.00	100	TIFI L	12:44:41	TIFIL	199912170 469924	500	1060.00	1059.95	1.15	100
17-12	12:45:34	12:43:14	1048.00	100	TIFI L	12:44:41	TIFIL	199912170 469924	500	1060.00	1060.00	1.15	100
17-12	12:46:26	12:43:14	1048.00	100	TIFI L	12:44:41	TIFIL	199912170 469924	500	1060.00	1060.00	1.15	100
17-12	12:46:53	12:43:14	1048.00	100	TIFI L	12:44:41	TIFIL	199912170 469924	500	1060.00	1060.00	1.15	100
17-12	12:47:12	12:43:14	1048.00	100	TIFI L	12:44:41	TIFIL	199912170 469924	500	1060.00	1060.00	1.15	100
17-12	12:45:50	12:44:56	1051.00	100	VIV EK	12:45:16	TIFIL	199912170 471119	100	1065.00	1062.00	1.33	100
21-12	11:38:09	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	100 0	1012.00	1012.00	0.90	100
21-12	11:41:44	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	100 0	1012.00	1012.00	0.90	100
21-12	11:45:48	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	100 0	1012.00	1012.00	0.90	100
21-12	12:25:32	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	700	1014.00	1014.00	1.10	200
21-12	12:36:42	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	700	1014.00	1014.00	1.10	100
21-12	12:50:23	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	700	1014.00	1014.00	1.10	100
21-12	13:02:39	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	700	1014.00	1014.00	1.10	100
21-12	13:10:10	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	700	1014.00	1014.00	1.10	100
21-12	13:10:34	11:07:46	1003.00	100	VFC	11:11:10	TIFIL	199912210 267944	700	1014.00	1014.00	1.10	100

From the above tables, I find that majority of the above trades were executed by Triumph International for Classic Credit and on own account. The buy orders were placed at prices higher than the last traded price.

It is clear from the above tables that during the period of price rise (October 1999 to December 1999), there were several instances where Ketan Parekh related brokers had placed orders at prices in the range of 0.6% to 7.43% higher than the last traded prices. Orders were put at a price of at least Rs. 5/- higher than the previous traded prices. I have also observed that in many cases, the previous orders were also entered by Ketan Parekh brokers. Thus there was concentration of order in putting by these Ketan Parekh brokers at successively higher prices during this period.

3.5 As regards the allegation in the show cause notice regarding fund flow between the Adani group and Ketan Parekh entities, I find that during the period February 2000 to August 2000, Adani group transferred around Rs.340 crore to Ketan Parekh entities and in return received around Rs.208 crore from them. On being questioned regarding the payment of Rs. 340 crore by the Adani group to Ketan Parekh entities, Shri Rajesh Adani, one of the promoters of Adani, in his letter dated July 18, 2002, confirmed that Adani group had given the said funds to Ketan Parekh group and also stated that Adani Agro gave additional Rs.5 crore to Shri Ketan Parekh for purchase of shares.

Details of funds flow from Adani group entities to KP entities are given as under:

a. Flow of funds from Adani Group to KP Entities:

(Amount in Rs. crore)

Date	Transferor Co. /Adani group	Amt	Transferee Co. / Ketan Parekh entities	Purpose as stated by Adani group
4.2.2000	Adani Agro Ltd.	10	Goldfish Computers P. Ltd.	Loans/ advances paid
4.2.2000	Adani Properties	10	Goldfish Computers P. Ltd.	Loans/ advances paid
9.2.2000	Adani Agro Ltd.	9.25	Chitrakut Computers P. Ltd.	Loans/ advances paid
9.2.2000	Adani Properties	10	Goldfish Computers P. Ltd.	Loans/ advances paid
7.3.2000	Adani Agro Ltd.	30	Nakshatra Software P. Ltd.	Loans/ advances paid
7.3.2000	Adani Properties	20	Chitrakut Computers P. Ltd.	Loans/ advances paid
11.4.2000	Adani Finance	4.5	Triumph Securities Ltd	Transactions in shares
11.4.2000	Adani Finance	27	Triumph Securities Ltd	Transactions in shares
17.4.2000	Adani Finance	20.7	Triumph Securities Ltd	Transactions in shares
22.6.2000	Shahi Properties	12	Chitrakut Computers P. Ltd.	Loans/ advances paid
22.6.2000	Adani Impex	12	Chitrakut Computers P. Ltd.	Loans/ advances paid
22.6.2000	Adani Properties	24	Goldfish Computers P. Ltd.	Loans/ advances paid
22.6.2000	Adani Agro Ltd.	7	Nakshatra Software P. Ltd.	Loans/ advances paid
22.6.2000	Adani Agro Ltd.	8	Nakshatra Software P. Ltd.	Loans/ advances paid
22.6.2000	Adani Agro Ltd.	9	Nakshatra Software P. Ltd.	Transactions in shares
2.8.2000	Intercontinental (I) Ltd.	4.4	Classic Credit Ltd	Purchase of shares
2.8.2000	Intercontinental (I) Ltd.	2	Classic Credit Ltd	Purchase of shares
2.8.2000	Intercontinental (I) Ltd.	6	Classic Credit Ltd	Purchase of shares
2.8.2000	Intercontinental (I) Ltd.	5	Classic Credit Ltd	Purchase of shares
2.8.2000	Intercontinental (I) Ltd.	10	Classic Credit Ltd	Purchase of shares
2.8.2000	Intercontinental (I) Ltd.	15	Classic Credit Ltd	Purchase of shares
2.8.2000	Advance Exports	5.4	Panther Investrade Ltd.	Purchase of shares
2.8.2000	Advance Exports	5.3	Panther Investrade Ltd.	Purchase of shares
2.8.2000	Advance Exports	11.6	Panther Investrade Ltd.	Purchase of shares
2.8.2000	Advance Exports	9.4	Panther Investrade Ltd.	Purchase of shares
2.8.2000	Advance Exports	7.6	Panther Investrade Ltd.	Purchase of shares
2.8.2000	Advance Exports	3.1	Panther Investrade Ltd.	Purchase of shares
2.8.2000	Crown International	10.2	Panther Fincap	Loans/ advances

Date	Transferor Co. /Adani group	Amt	Transferee Co. / Ketan Parekh entities	Purpose as stated by Adani group
				paid
2.8.2000	Crown International	7.6	Panther Fincap	Loans/ advances paid
2.8.2000	Crown International	5.9	Panther Fincap	Loans/ advances paid
2.8.2000	Crown International	12.8	Panther Fincap	Loans/ advances paid
2.8.2000	Crown International	5.9	Panther Fincap	Loans/ advances paid
	Total	340.65		

b. Flow of funds from KP Entities to Adani Group:

(Amount in Rs. crore)

Date	Transferor Co. / Ketan Parekh entities	Amount	Transferee Co. / Adani Group
22.6.2000	Panther Investrade Ltd.	9.00	Adani Agro Ltd.
22.6.2000	Panther Investrade Ltd.	8.00	Adani Agro Ltd.
22.6.2000	Panther Investrade Ltd.	7.00	Adani Agro Ltd.
22.6.2000	Classic Credit Ltd	7.00	Adani Impex Ltd.
22.6.2000	Classic Credit Ltd	5.00	Adani Impex Ltd.
22.6.2000	Classic Credit Ltd	4.00	Shahi Property
22.6.2000	Classic Credit Ltd	8.00	Shahi Property
2.8.2000	Chitrakut Computers P. Ltd.	20.00	Adani Properties
2.8.2000	Chitrakut Computers P. Ltd.	10.40	Shahi Properties
2.8.2000	Chitrakut Computers P. Ltd.	12.00	Adani Impex
2.8.2000	Goldfish Computers P. Ltd.	42.40	Adani Properties
2.8.2000	Nakshatra Software P. Ltd.	10.00	Adani Agro Ltd.
2.8.2000	Nakshatra Software P. Ltd.	12.00	Adani Agro Ltd.
2.8.2000	Nakshatra Software P. Ltd.	15.00	Adani Agro Ltd.
2.8.2000	Nakshatra Software P. Ltd.	5.40	Adani Agro Ltd.
8.2.2000	Triumph International	9.00	Adani Finance
21.6.2000	Panther Fincap & Mgmt	12.00	Adani Properties
22.6.2000	Panther Fincap & Mgmt	12.00	Adani Properties
Total : Rs. 208.20 crore			

On a careful analysis of the fund flow between Adani and various KP entities, I note that there were several instances wherein the funds given by one Adani entity to one KP entity was returned to the Adani entity by another KP entity. Further, there were instances wherein the

Adani entity received more fund than it gave to KP entities. Additionally there were instances wherein the money advanced never came back to Adani entities. All these would be more clear from the following table :

(Amount in Rs. crore)

Transferor Co. /Adani group	Paid		Received		Net receivable/ payable(-) in Rs. crore
	Amount in Rs. crore	Transferee Co. / Ketan Parekh entities	Amount in Rs. crore	Transferor Co. / Ketan Parekh entities	
Adani Agro Ltd.	9.25	Chitrakut Computers P. Ltd.	-	-	
Adani Agro Ltd.	54	Nakshatra Software P. Ltd.	42.4	Nakshatra Software P. Ltd.	
Adani Agro Ltd.	10	Goldfish Computers P. Ltd.	24	Panther Investrade Ltd.	
Sub Total	73.25		66.4		6.85
Adani Finance	52.2	Triumph Securities Ltd	9	Triumph International	
Sub Total	52.2		9		43.2
Adani Impex	12	Chitrakut Computers P. Ltd.	12	Chitrakut Computers P. Ltd.	
	-	-	12	Classic Credit Ltd	
Sub Total	12		24		-12
Adani Properties	44	Goldfish Computers P. Ltd.	42.4	Goldfish Computers P. Ltd.	
Adani Properties	20	Chitrakut Computers P. Ltd.	20	Chitrakut Computers P. Ltd.	
	-	-	24	Panther Fincap & Mgmt	
Sub Total	64		86.4		-22.4
Advance Exports	42.4	Panther Investrade Ltd.	-	-	
Sub Total	42.4				42.4

Transferor Co. /Adani group	Paid		Received		Net receivable/ payable(-) in Rs. crore
	Amount in Rs. crore	Transferee Co. / Ketan Parekh entities	Amount in Rs. crore	Transferor Co. / Ketan Parekh entities	
Crown International	42.4	Panther Fincap	-	-	
Sub Total	42.4				42.4
Intercontinental (I) Ltd.	42.4	Classic Credit Ltd	-	-	
Sub Total	42.4				42.4
Shahi Properties	12	Chitrakut Computers P. Ltd.	10.4	Chitrakut Computers P. Ltd.	
	-	-	12	Classic Credit Ltd	
Sub Total	12		22.4		-10.4
Total	340.65		208.2		132.45

3.6 Further, there were following **spot transactions** executed between K P entities and Adani group:

Date	Qty of shares sold/bought by Adani group	Buyer /Seller	Amount (Rs. Crore)	Transaction Price in Rs.
26/5/2000	12,00,000 (Sale)	Ketan Parekh entities	72.0	600
11/7/2000	8,00,000 (Buy)	Ketan Parekh entities	84.8	1060

From the above, I find that KP entities made a profit of Rs.36.80 crore by these spot transactions.

I also note that SEBI has initiated prosecution proceedings against Adani group for executing the said spot transactions as they were not settled within the time frame specified under section 2(i) of the Securities Contracts (Regulation) Act, 1956 (SCRA).

Though Adani group had contended that they sold these shares as they were in need of funds and received Rs. 72 crore as sale proceeds, I find that the whole amount was transferred to KP entities through four Adani Group entities viz., Shahi Properties, Adani Impex, Adani Properties and Adani Agro, which are mentioned in the later part of this order.

Further, as against the claim of Adani group that the shares in question were sold to meet financial requirements, I find that they received payment from KP group on June 22, 2000 against the sale of shares on May 26, 2000, after about a month. I have also noted that the said payment from KP entities to Adani group was made only after another KP entity received the said amount/funds from Adani group. Therefore, the contention of Adani group that the sale of shares in spot transaction was carried out for meeting their financial obligations does not appear to be genuine.

3.7 Now I shall deal with the alleged association of Adani group with KP entities.

3.7.1 Shri Ketan Parekh was a shareholder of 32 lakh shares in Adani Port Ltd., a closely held unlisted company of Adani. Further I note from the records that the promoters of Adani did not deny their association with Shri Ketan Parekh and accepted that they knew Shri Ketan Parekh since 1999 through Triumph International and had certain dealings with KP entities.

3.7.2 From the submissions of Adani I note that they had a reciprocal arrangement for financial requirements under a Memorandum of Understanding (MoU) dated January 11, 2000 with the KP entities. As per the MoU, no interest was to be charged for the financial accommodation provided to each other. I further note that in terms of the said MoU, Adani group gave a total of around Rs. 345 crore to KP entities during February 2000 – August 2000 and received back Rs. 208 crore. Adani group claimed to have entered into the said MoU with KP group because Adani was a growing group and they were regularly in need of funds. Adani group further stated that at that time Shri Ketan Parekh was a well known person in finance and investment circle and was capable of providing funds from his own resources as well as from outside sources. However analysis of the funds flow between Adani group and KP entities shows that in fact, at all the times, it was the Adani group which had provided funds to KP entities and not vice versa. Therefore, the reason given for entering into the said MoU does not appear to be genuine. I further note that Adani group gave funds to KP entities for a period of 38-174 days. In my view, providing such a huge amount, without any interest whatsoever, for such a long period to KP entities is beyond comprehension of a reasonable and prudent business group and creates a substantial doubt on the real motive behind the said arrangement between two groups.

3.7.3 From the balance sheet of Adani Agro for the year ended on March 31, 2000, it was noticed that Adani Agro invested Rs.2.25 crore in 1.5 lakh

shares of Triumph International, a broking entity closely associated with Shri Ketan Parekh.

- 3.7.4 As already recorded, promoters also undertook spot transactions with KP entities in May and July 2000. They sold 12,00,000 shares in May 2000 to KP entities and bought back 8,00,000 shares in July 2000. The promoters of Adani allowed the KP entities to make a profit of Rs. 36.8 crore taking into account the purchase and sale price for 8 lakh shares.
- 3.7.5 Further, Adani made a 1:1 bonus issue in 1999. According to Adani, the record date for bonus issue was changed from November 1, 1999 to November 29, 1999 due to representations received from member brokers of ASE who requested for the same due to impending Diwali festival. I however note that two KP entities, viz. Classic Credit and Panther Fincap bought 2.5 lakh shares each from promoters of Adani Exports on November 2, 1999. In light of this revelation, it appears that the record date for bonus issue was changed in order to accommodate the said two KP entities and issue to them the bonus shares.
- 3.7.6 Adani group contended that SEBI did not allege any market manipulation in Adani shares either by Adani group or by KP entities during the period February to August 2000 when Adani group gave funds to KP group. However, from the careful analysis of the letter dated March 23, 2004 along with its annexures received from Shri Rajesh Adani (the promoter of Adani) and also from the analysis of the fund flow between Adani group and KP entities, as mentioned in

the earlier part of the order, it is clear that when Adani group sold shares to KP entities in spot transactions in the year 2000, the buying KP entity paid the consideration from the money received from another KP entity. The said KP entity was found to have received the funds from Adani group. Thus, there was a well planned circular movement of funds from Adani group to KP entities and in fact, Adani was financing the purchase of its own shares by KP entities. This will be more clear from the following analysis:

3.7.7 On May 26, 2000, Adani Agro sold 4,00,000 shares to Panther Investrade for a total consideration of Rs.24 crore. The said amount was received in the bank account of Adani Agro on June 22, 2000. I find that on the same day, Adani Agro gave a loan of Rs.24 crore to Nakshatra Software. Thus the loan given by Adani Agro to Nakshatra Software was used by Panther Fincap to make payment to Adani Agro for the purchases made on May 26, 2000. Further I find that the same 4,00,000 shares were purchased by Advance Exports from Panther Investrade for a total consideration of Rs. 42.40 crore on July 11, 2000 in spot transactions. The payment for the same was received by Panther Investrade on August 2, 2000. Adani Agro, which gave a loan of Rs.24 crore to Nakshatra Software on June 22, 2000 received Rs 42.40 crore from Nakshatra Software on the same day (a loan of Rs. 30 crore was also given by Adani Agro to Nakshatra Software on March 7, 2000). So the loan received by the KP entity was repaid to Adani Agro by entering into a sale transaction with another Adani group entity, i.e. Advance Exports. Therefore, the repayment of loan by the KP entity was also financed by Adani group by purchasing shares from the KP entity.

3.7.8 On May 26, 2000, Adani Impex sold 2,00,000 shares to Classic Credit for a total consideration of Rs.12 crore. The said amount was received in the bank account of Adani Impex on June 22, 2000. I find that on the same day, Adani Impex gave a loan of Rs.12 crore to Chitrakut Computers. Thus the loan given by Adani Impex to Chitrakut Computers was used by Classic Credit to make payment to Adani Impex for the purchases made on May 26, 2000.

3.7.9 On May 26, 2000, Shahi Properties Developers sold 2,00,000 shares to Classic Credit for a total consideration of Rs.12 crore. The said amount was received in the bank account of Shahi Properties on June 22, 2000. I find that on the same day, Shahi Properties gave a loan of Rs.12 crore to Chitrakut Computers. Thus the loan given by Shahi Properties to Chitrakut Computers was used by Classic Credit to make payment to Shahi Properties for the purchases made on May 26, 2000.

3.7.10 Further I find that the said 4,00,000 shares sold by Adani Impex and Shahi Properties were purchased by Intercontinental India from Classic Credit for a total consideration of Rs. 42.40 crore on July 11, 2000 in spot transactions. The payment for the same was received by Classic Credit on August 2, 2000. Adani Impex and Shahi Properties, who gave loans of Rs.12 crore each to Chitrakut Computers on June 22, 2000 altogether received Rs 22.40 crore from Chitrakut Computers on August 2, 2000. The loan received by Chitrakut Computers was repaid to Adani Impex and Shahi Properties by entering into a sale transaction with another Adani group entity, i.e. Intercontinental India. It is thus clear that the repayment of loan by the KP entity was

also financed by Adani group by purchasing shares from the KP entity.

3.7.11 On May 26, 2000, Adani Properties sold 4,00,000 shares to Panther Fincap for a total consideration of Rs.24 crore. The said amount was received in the bank account of Adani Properties on June 22, 2000. I find that on the same day, Adani Properties gave a loan of Rs.24 crore to Goldfish Computers. Thus the loan given by Adani Properties to Goldfish Computers was used by Panther Fincap to make payment to Adani Properties for the purchases made on May 26, 2000. Adani Properties which gave a loan of Rs. 24 crore to Goldfish Computers on June 22, 2000 received 42.40 crore from the KP entity on August 2, 2000 (loan of Rs. 20 crore was also given by Adani Properties to Goldfish Computers in February 2000). On the same day Crown International gave Rs.42.40 crore to Panther Fincap. So the funds given by the Adani group was used by the KP entity to repay the loan of Adani group.

3.7.12 From the balance sheets of Adani Properties, Adani Agro and Adani Impex for the year ended March 31, 2000, I find that these entities altogether acquired 14.32 lakh shares of Adani Exports during the period April 1, 1999 to March 31, 2000. (Adani Properties acquired 4 lakh shares, Adani Agro acquired 8.32 lakh shares and Adani Impex acquired 2 lakh shares of Adani).

3.7.13 Further, from SEBI's order dated December 12, 2003 in the matter of Shri Ketan Parekh and his related entities, which has been upheld by

Hon'ble SAT and also by the Hon'ble Supreme Court, I note that KP entities were found to have traded in various scrips including Adani during the relevant period. The summary of sale transaction of KP entities in the scrip of Adani Exports through the broker CSFB during period April 1, 2000 to March 31, 2000 as recorded in the said order is reproduced herein as under:

Name of the KP entity	BSE		NSE	
	Quantity	Value in Rs. Crore	Quantity	Value in Rs. crore
Luminant Investment	18,30,000	137.07	38,51,000	292.01
Panther Fincap & Management Services	1,30,000	8.58	9,54,000	69.77
Classic Credit Ltd.	14,74,000	----	----	91.21

From the above it is clear that KP entities sold shares of Adani Exports worth hundreds of crore through the broker CFBS on BSE and NSE.

Further it was found in the said order of SEBI that the sell orders entered by the aforesaid three KP entities through CSFB Securities matched almost every time with the buy orders of same KP entity or other KP entity viz. Chitrakut, NH Securities, Classic Shares & Stock Broker Ltd. and Saimangal put through select brokers.

It was further found in order dated December 12, 2003 that said transactions were financing transactions but given the colour of sale and purchase of shares. There was no change in the beneficial ownership of shares, the transactions were not genuine and had the effect of creating artificial volume.

I further note from the order dated December 12, 2003 that Classic Credit, Luminant and Panther Fincap had put several sale orders through CSFB Securities in the scrip of Adani Exports. These synchronised trades created large artificial volumes in the scrip which was otherwise not very liquid. The said order had also contained the following table showing that if these circular transactions were excluded from the volumes traded at the exchanges on the given day, then there were hardly any genuine volumes in the scrip. This suggests that a large part of the liquidity on the given day in the scrip was on account of circular transactions of KP entities.

Sl. No.	Trade Date	Exchange	Selling KP entity	Qty. sold	Total traded qty in the exchange	% cont. to total traded qty
1.	01/01/01	BSE	Luminant	160000	162750	98.31
2.	03/01/01	BSE	Luminant	249990	264639	94.46
3.	03/01/01	NSE	Luminant	250000	259142	96.47
4.	10/01/01	NSE	Luminant	307000	383941	79.96
5.	11/01/01	NSE	Luminant	249975	482261	51.83
6.	15/01/01	BSE	Luminant	200000	205500	97.32
7.	18/01/01	NSE	Luminant	400000	565300	70.76
8.	25/01/01	NSE	Luminant	199900	465619	42.93
9.	29/01/01	BSE	Luminant	200000	253739	78.82
10.	31/01/01	NSE	Luminant	400000	616967	64.83
11.	05/02/01	BSE	Luminant	500000	507305	98.56
12.	07/02/01	NSE	Luminant	299980	567649	52.85
13.	09/02/01	NSE	Luminant	149999	370029	40.54
14.	12/02/01	BSE	Luminant	220000	257383	85.48
15.	14/02/01	NSE	Luminant	360000	521604	69.02
16.	15/02/01	NSE	Luminant	44000	129839	33.89
17.	16/02/01	NSE	Luminant	500000	728831	68.60
18.	22/02/01	NSE	Luminant	520000	1280655	40.60
19.	23/02/01	NSE	Luminant	120000	458047	26.20
20.	27/02/01	BSE	Luminant	300000	849960	35.30
21.	28/02/01	NSE	Luminant	210694	806715	26.12

Further, the order dated December 12, 2003 has also recorded that KP entities through circular transactions, using proprietary account of CSFB, created large volumes in Adani and the percentage contribution of the buy transactions to the total traded quantity was as under:

Sl. No.	Date	Exch.	Buy Qty.	Rate	Total traded qty. for the day	% cont. to total traded qty.
1	10/08/00	NSE	85000	735	90566	93.85
2	01/11/00	NSE	130000	675	141245	92.03
3	13/11/00	BSE	39000	640	43512	89.63
4	14/11/00	BSE	450000	674.99	454276	99.05
5	21/11/00	BSE	500000	674.8	503635	99.27
6	27/11/00	BSE	490000	669.63	495110	98.96

3.7.14 By looking into the entire sequence of events stated above, it leaves no doubt in my mind that KP entities were manipulating the price of Adani. The only issue that needs determination is that whether Adani group had aided and abetted the KP entities in affecting such manipulative transactions. From the overall and careful analysis as recorded in the preceding paragraphs and taking into account various sequence of events, it is clear that Adani group had a close association with KP entities. Further, Adani group, by providing funds to various KP entities for purchase of shares of Adani from Adani group itself, by same or other KP entities, which were eventually used by KP entities to create artificial price and volumes, had no doubt, aided and abetted KP entities in manipulating the market.

4.0 Now I shall deal with other issues raised by Adani :

4.1 I note the contention of Adani group that they can not be held guilty of violation of Regulation 4(a), since they did not enter into the alleged transactions with the intention to artificially raise the prices of AEL shares. They further claimed that the element of deceit, which is an essential ingredient for the charge of violation of Regulation 4(a) was not at all shown in the Notice.

In this regard, I am of the view that in almost all manipulation cases, considering the market dynamics involved, it is always difficult to prove the intention and the same has to be inferred from the sequence of events, accompanying circumstances, conduct of the parties and the overall impact of such transactions etc. When seen from this angle, it can very well be inferred that Adani group entered into these transactions with KP entities with the intention of manipulating the scrip of Adani.

With regard to contention that to prove violation of regulation 4(a) it should be shown that investors were actually induced to purchase the Adani shares as a result of the alleged transactions, I wish to rely upon the following observations of the Hon'ble Securities Appellate Tribunal (SAT) dated July 14, 2006 in the matter of **Shri Ketan Parekh vs. SEBI** :

"... .when a person directly or indirectly transacts in securities with the intention to artificially raise or depress the price, that act by itself would induce various investors to buy / sell those securities and that no further material in this regard is necessary to be produced.

When a person takes part in or enters into transactions in securities with the intention to artificially raise or depress the price he thereby

automatically induces the innocent investors in the market to buy /sell their stocks. The buyer or the seller is invariably influenced by the price of the stocks and if that is being manipulated the person doing so is necessarily influencing the decision of the buyer / seller thereby inducing him to buy or sell depending upon how the market has been manipulated. We are therefore of the view that inducement to any person to buy or sell securities is the necessary consequence of manipulation and flows therefrom. In other words, if the factum of manipulation is established it will necessarily follow that the investors in the market had been induced to buy or sell and that no further proof in this regard is required. The market, as already observed, is so wide spread that it may not be humanly possible for the Board to track the persons who were actually induced to buy or sell securities as a result of manipulation and law can never impose on the Board a burden which is impossible to be discharged. This, in our view, clearly flows from the plain language of Regulation 4(a) of the Regulations.”

and thus hold the Adani group guilty of violation of Reg. 4(a).

4.2 With regard to alleged violation of regulations 4(b), 4(c) and 4(d) of PFUTP Regulations, I am of the view that since Adani group has been held to have aided and abetted KP entities in manipulating the market, it can be concluded that they have violated other provisions of Regulation 4 as well. The words “any act” in Regulation 4(b), (c) also includes the act of aiding and abetting the market manipulation. Merely aiding and abetting the violators in affecting manipulative transactions is enough to charge the abettor with violations of PFUTP regulations. Therefore, I hold Adani group to have violated Regulations 4(b), 4(c) and 4(d) of PFUTP Regulations, 1995.

4.3 With regard to the power of SEBI to pass directions under section 11B of the SEBI Act, there is no doubt that SEBI is having widest possible powers to issue necessary directions under Section 11B of the Act to any person associated with the securities market. The Parliament in its

wisdom has given discretion to SEBI to take all necessary measure to fulfil the objective of protection of the interest of the investors and regulate the securities market. This power means and includes all such powers which are necessary to deal with the situations which may emerge in a very dynamic securities market. The parliament was conscious of the fact that as a regulator, SEBI would be required to deal with new situations which may not have been envisaged in advance, and, therefore, it did not give an exhaustive list of the types of directions that can be passed by SEBI. The directions mentioned under Section 11(4) (b) are inclusive and not exclusive.

- 4.4 Proof of manipulation almost always depends on inferences drawn from a mass of factual details. It is a matter of record that KP entities have been held liable for market manipulation in several scrips including Adani, under PFUTP Regulations as confirmed by Hon'ble SAT's judgment dated July 14, 2006 and also by the Hon'ble Supreme Court vide its order dated May 18, 2007 while dismissing the appeal filed by Shri Ketan Parekh and related entities against the said judgment of SAT. In such a case, the entities who had facilitated KP entities in their design to manipulate those scrips would definitely be considered having a direct or indirect role in market manipulation. A mere denial on self serving assertion of innocence cannot displace the presumption of fact arising from inferences drawn from a mass of factual details set out herein above.

Though Ketan Parekh has been held to be the master mind of the manipulation during the relevant time, it has to be kept in mind that it was not possible for the Ketan Parekh alone to carry out such a big

operation without direct or indirect assistance received from other entities who played their assigned role in the whole plan. Since it is exceedingly difficult to prove facts which are especially within the knowledge of parties concerned, one has to go by the proof available or gathered from the attendant circumstances.

4.5 Black's Law Dictionary defines 'aid and abet' as to assist or facilitate the commission of a crime or to promote its accomplishment. As per Law Lexicon (P. Ramanatha Aiyar's) 'Aid and Abet' is that kind of connection with the commission of a crime which at common law, rendered the person guilty as a principal in the second degree. It consisted in being present at the time and place and doing some act to render aid to the actual perpetrator of the crime though without taking a direct share in its commission. It may be intentional or unintentional. Therefore, based on the circumstances, it can reasonably be inferred that Adani group had aided and abetted KP entities in market manipulation.

4.6 Given the fact that there was enormity of market manipulation by Shri Ketan Parekh and his related entities in various scrips including Adani and that Shri Ketan Parekh and his related entities could not have manipulated the market to such huge proportions alone, it stands to reason that Adani group which had direct dealings with KP entities can't escape their responsibility on the plea that they were not aware of Shri Ketan Parekh's manipulative intentions in the market. There can be no direct evidence in the context of market operations as to whether there was a constructive knowledge on the part of the entities on manipulation while dealing with Shri Ketan Parekh and

his entities. Proof of manipulation always is drawn from a mass of details and accordingly, it is purely inferential on the materials available in a given case. Therefore, presumption plays a critical role in coming to a finding as to the involvement or otherwise of a market participant in any large scale manipulation.

4.7 It is exceedingly difficult to prove facts which are especially within the knowledge of the parties proceeded against and in that view the findings would be inferential from the conduct of the parties. Given the fact that there were enormous manipulations in the market by Shri Ketan Parekh and his associated entities during the relevant period, movements of shares and transfer of funds between KP entities and Adani group definitely had an impact on the market. This can not be just acts of coincidence but were necessarily a result of predetermined scheme. While appraising the conduct of any market participants, the same has to be viewed in the overall context of the happenings in the market at the relevant point of time and can not be viewed in isolation. Also, the acceptance of plea of innocence of the parties involved in such transactions would give rise to an untenable situation where Shri Ketan Parekh and his entities alone would be responsible for the manipulation and none else.

4.8 The contention that Shri Ketan Parekh was a well known person in business at that time and therefore there could be no circumstances warranting any suspicion of his motives cannot cut much ice, for the reasons and facts already recorded hereinabove.

4.9 So far as standard of proof required in a proceeding of this nature it is clear that the same are at variance with the standard of proof required

in criminal cases. It is sufficient if the preponderance of probabilities suggests towards the indulgence of the delinquent in the misconduct. The strict rules of Evidence Act and proof beyond reasonable doubt are not applicable to a proceeding of this nature [**Gulabchand vs. Kudilal (AIR, 1966, SC 1734), National Housing Bank Vs ANZ Grindlays Bank (1998 (2) LJ 153)**].

Therefore, the decision would rest only on what is probable in the materiality of circumstances, rather than on strict proof. In this connection it is relevant to note Hon'ble Supreme Courts' decision in **Collector of Customs v/s D. Bhoormull (AIR 1974 SC 859)**, wherein it was held that:

"... ..The prosecution or the department is not required to prove its case with mathematical precision to a demonstrable degree; for, in all human affairs absolute certainty is a myth, and- as Prof. Brett felicitously puts it - "all exactness is a fake". El Dorado of absolute proof being unattainable, the law, accepts for it probability as a working substitute in this work-a-day world. The law does not require the prosecution to prove the impossible. All that it requires is the establishment of such a degree of probability that a prudent man may, on its basis, believe in the existence of the fact in issue. Thus, legal proof is not necessarily perfect proof; often it is nothing more than a prudent man's estimate as to the probabilities of the case.

... ..Since it is exceedingly difficult, if not absolutely impossible, for the prosecution to prove facts which are especially within the knowledge of the opponent or the accused, it is not obliged to prove them as part of its primary burden".

4.10 All the aforesaid findings show that the Adani group was party to the design and activities of KP and his entities. A cumulative view of the aforesaid findings, therefore, persuades me to conclude that the charges leveled against promoters of Adani that they aided and abated KP entities in manipulating the scrip of Adani stand proved

and therefore, it would be in the interest of justice to take appropriate preventive actions against Adani group/noticees that would not only deter them but also the potential violators from indulging in similar activities in future.

5.0 ORDER

5.1 Now therefore, I in exercise of powers conferred upon me under Section 11 and 11B read with Section 19 of the SEBI Act, 1992 further read with SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, hereby restrain the promoters of Adani viz., Adani Agro Pvt. Ltd., Adani Impex Pvt. Ltd., Crown International, Shahi Property Developers Pvt. Ltd., Adani Properties Pvt. Ltd., Advance Exports, Intercontinental India from accessing the securities market either directly or indirectly and also prohibit them from buying, selling or otherwise dealing in securities, in any manner whatsoever, for a period of two years.

5.2 This order shall come into force with immediate effect.

DATE: 25.05.2007

T.C. NAIR

PLACE: MUMBAI

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA