WTM/MPB/EFD1-DRA4/72/2018

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

CORAM: MADHABI PURI BUCH, WHOLE TIME MEMBER

FINAL ORDER

Under Sections 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992

In Re: Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003

In respect of:

S. No.	Name of the Entity	PAN
1.	Ms. Sushma Agarwal	AKFPA7584C

In the matter of Winsome Yarns Ltd.

BACKGROUND

1. Winsome Yarns Ltd. (hereinafter referred to as "**WYL / Company**") is in the business of producing yarns and manufacturer of cotton, polyester, linen etc. The company is listed on BSE and NSE.

2. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") conducted an investigation in the scrip of WYL based on a reference received from the Principal Director of Income Tax (Investigation), Kolkata. The focus of the investigation was to ascertain whether there were any violations of the provisions of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act**") and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as "**PFUTP Regulations**") by certain

entities in the scrip of WYL during the period September 30, 2010 to February 28, 2015 (hereinafter referred to as "**Investigation Period**").

3. During the investigation period, corporate announcements were related to AGMs, declaration of financial results, consolidation of share capital, issuance of GDRs, preferential allotment, and other disclosures. No major impact of the corporate announcements on the scrip price was observed. Further, it is observed from the Investigation Report (hereinafter referred to as "**IR**") that the company showed a rise in profit during the year ended March 2011 from a loss of ₹ 12.07 crore during the year ended March 2010 to ₹ 6.11 crore and thereafter shows continuous loss between years ended March 2012 to March 2016.

4. Based on the price volume chart, the investigation period has been divided into seven patches as follows:

Period	Date		Opening Price (volume) on first day of the period(₹)	Closing price (volume) on last day of the period (₹)	Low price(volume) during the period (₹) / Date	High Price(volume) during the period (₹) / Date	Avg. Price / No. of (shares) traded daily during the period
Pre-Invg.	**30/06/2010 to 29/09/2010**	**Price**	1.9	2.36	1.83 (12/07/2010)	2.99 (13/09/2010)	2.28
		Volume	32260	299441	15209 (02/09/2010)	2454240 (23/07/2010)	357577
Investigation (Patch 1)	**30/09/2010 to 18/05/2011 (price rise)**	**Price**	2.41	4.87	1.9 (11/02/2011)	4.99 (18/05/2011)	2.69
		Volume	47882	429217	302 (07/02/2011)	1508110 (14/01/2011)	150954
Investigation (Patch 2)	**19/05/2011 to 03/08/2011 (price fall)**	**Price**	4.98	3.43	3.18 (27/07/2011)	5.11 (23/05/2011)	3.79
		Volume	280375	10645	5216 (23/06/2011)	350359 (27/06/2011)	111722
Investigation (Patch 3)	**25/08/2011 to 18/11/2011 (price fall)**	**Price**	36	17.5	17.5 (18/11/2011)	36 (25/08/2011)	24.58
		Volume	1699	288	1 (26/10/2011)	70913 (22/09/2011)	778172
Investigation (Patch 4)	**21/11/2011 to**	**Price**	18.35	31.95	17.25 (12/12/2011)	33.2 (15/03/2012)	23.76

	20/03/2012 (price rise)	**Volume**	21583	40200	1 (30/11/2011)	83229 (28/12/2011)	811891
Investigation (Patch 5)	**21/03/2012 to 21/02/2013 (price fall)**	**Price**	31	16	14.35 (11/01/2013)	32.5 (23/03/2012)	20.22
		Volume	24661	401	1 (08/02/2013)	251999 (14/12/2012)	18158
Investigation (Patch 6)	**22/02/2013 to 29/04/2013 (price rise)**	**Price**	15.25	29.2	14.25 (08/03/2013)	29.3 (29/04/2013)	19.15
		Volume	1624	259837	146 (15/04/2013)	259837 (29/04/2013)	35533
Investigation (Patch 7)	**30/04/2013 to 28/02/2015 (price fall)**	**Price**	29.9	1.49	0.99 (17/12/2014)	30 (30/04/2013)	8.93
		Volume	27198	50419	305 (11/05/2013)	2400255 (14/01/2014)	102522
Post Investigation	**01/03/2015 to 29/05/2015**	**Price**	1.54	1	0.9 (27/05/2015)	1.55 (09/03/2015)	1.16
		Volume	3901	53237	25 (24/04/2015)	365600 (30/04/2015)	46730

SHOW CAUSE NOTICE

5. Consequent to the investigation, a show cause notice dated December 15, 2017 (hereinafter referred to as "**SCN"**) was sent to Ms. Sushma Agarwal (hereinafter referred to as "**Noticee"**) in the extant matter. The same came back undelivered. However, the SCN was served on the Noticee by hand delivery acknowledgment due by SEBI, Eastern Regional Office on March 7, 2018. The SCN *inter alia* alleged as follows:

   a) The LTP analysis of the 7 patches was done and the details of Patch 1 is given below:

   LTP Analysis: Patch 1 - Price rise patch from September 30, 2010 to May 18, 2011:

   - During this patch, the scrip price opened at ₹ 2.41 and closed at ₹ 4.87 on BSE. The net rise in the scrip price is ₹ 2.46. On NSE, the scrip price opened at ₹ 2.25 and closed at ₹ 4.90. The net rise in the scrip price is ₹ 2.65. For this price rise patch, buy side of the trades were analysed.
   - Out of the total purchase through 194 trades on BSE, Noticee contributed ₹ 15.38 to positive LTP (16.30% of total market positive LTP) through 172

trades. On analysis of these 172 positive LTP contributing trades, it was noted that in 167 trades, the buy orders were placed after respective sell orders. While for the remaining 5 trades, the buy orders were placed before the sell order. The counter parties to the above mentioned 172 trades were scattered. However, on further analysis of the positive LTP contributing trades of Noticee, it was observed that in 166 out of the 172 positive LTP contributing trades, buy orders placed by Noticee was for 1 share even though sell orders were available for higher quantities. Details of the 172 positive LTP contributing trades on BSE are as under:

Sl. No.	Description	No. of trades	LTP Contribution (₹)	% of total market positive LTP
1	Trades where buy order qty is 1 share	166	15.07	15.98
2	Trades where buy order qty is 2 - 10 shares	5	0.3	0.32
3	Trades where buy order qty is more than 10 shares	1	0.01	0.00
4	All buy trades which contributed to positive LTP	**172**	**15.38**	**16.30**

- As can be seen from the above, out of the 172 buy trades of Noticee contributing positive LTP of ₹ 15.38, in 171 trades the buy order quantity was in the range of 1-10 shares, during Patch 1, price rise of the investigation period on BSE. An illustration of the top 5 positive LTP contributing trades of Noticee is given below:

Batch Date	Buyer Name	Seller Name	Trade Time	Buy Order Time	Sell Order Time	Trade Price	LTP Difference	Buy Order Price	Sell Order Price	Trade Quantity	Sell Order Disclose Volume	Buy Order Disclose Volume
12.05.2011	SUSHMA AGARWAL	INVENTURE GROWTH SECURITIES LTD	09:31:11.9728000	09:31:11.9302730	09:30:02.5036990	2.59	0.37	2.59	2.59	1	5000	1
19.05.2011	SUSHMA AGARWAL	PRAVINABEN JITENDRABHAI MODI	09:34:49.8561850	09:34:49.8293000	09:31:49.4999260	2.65	0.34	2.65	2.65	1	1000	1
24.05.2011	SUSHMA AGARWAL	KHEMKA FINANCE AND INVESTMENT PRIVATE LIMITED	09:19:34.2925570	09:19:34.2818640	09:18:06.6590470	2.76	0.25	2.76	2.76	1	5000	1
12.05.2011	SUSHMA AGARWAL	SAROJ DEVI JAGNANI	09:41:23.7148090	09:41:23.6678340	09:35:11.2796580	2.85	0.25	2.85	2.85	1	399	1

Batch Date	Buyer Name	Seller Name	Trade Time	Buy Order Time	Sell Order Time	Trade Price	LTP Difference	Buy Order Price	Sell Order Price	Trade Quantity	Sell Order Disclose Volume	Buy Order Disclose Volume
23.05.2011	SUSHMA AGARWAL	ALKA SURYAKANT SHAH	11:51:28.2421290	11:51:28.2278440	10:34:59.4591350	2.85	0.23	2.85	2.85	1	700	1

- Out of the total purchase through 202 trades on NSE, Noticee contributed ₹ 16.15 to positive LTP (15.26% of total market positive LTP) through 181 trades. On analysis of these 181 positive LTP contributing trades, it was noted that in 176 trades, the buy orders were placed after respective sell orders. While for the remaining 5 trades, the buy orders were placed before the sell order. The counter parties to the above mentioned 181 trades were scattered. However, on further analysis of the positive LTP contributing trades of Noticee, it was observed that in 180 out of the 181 positive LTP contributing trades, buy order placed by Noticee was for 1 share even though sell orders were available for higher quantities. Details of the 181 positive LTP contributing trades on NSE are as under:

Sl. No.	Description	No. of trades	LTP Contribution (₹)	% of total market positive LTP
1	Trades where buy order qty is 1 share	180	16.1	15.21
2	Trades where buy order qty is 2 - 10 shares	1	0.05	0.05
4	All buy trades which contributed to positive LTP	**181**	**16.15**	**15.26**

- As can be seen from the above, out of the 181 buy trades of Noticee contributing positive LTP of ₹ 16.15, the buy order quantity was in the range of 1-10 shares, during Patch 1, price rise of the investigation period on NSE. An illustration of the top 5 positive LTP contributing trades of Noticee is given below:

Batch Date	Buyer Name	Seller Name	Trade Time	Buy Order Time	Sell Order Time	Trade Price	LTP Difference	Buy Order Price	Sell Order Price	Trade Quantity	Sell Order Disclose Volume	Buy Order LMQ
14.03.2011	SUSHMA AGARWAL	KAPIL NEWAR	09:34:59.0000000	09:34:59.0000000	09:32:51.0000000	2.75	0.55	2.75	2.75	1	3150	1
09.11.2010	SUSHMA AGARWAL	ARCADIA SHARE and STOCK BROKERS PVT. LTD.	09:19:20.0000000	09:19:20.0000000	09:16:59.0000000	2.75	0.25	2.75	2.75	1	10000	1
27.04.2011	SUSHMA AGARWAL	RAJINDER KUMAR JAIN	09:21:51.0000000	09:21:51.0000000	09:18:50.0000000	3.85	0.25	3.85	3.85	1	500	1
30.09.2010	SUSHMA AGARWAL	SURESHMALAIYA M	10:01:51.0000000	10:01:51.0000000	09:00:17.0000000	2.45	0.2	2.45	2.45	1	9700	1
19.11.2010	SUSHMA AGARWAL	ARCADIA SHARE and STOCK BROKERS PVT. LTD.	15:29:29.0000000	15:29:29.0000000	09:16:13.0000000	2.55	0.2	2.55	2.55	1	12000	1

- As can be seen from the above illustration in respect of top 5 positive LTP contributing trades, while the disclosed volume of the sell orders were large, buy orders were placed for 1 share, for which quantity the above trades were executed.
- Considering that Noticee had repeatedly entered into such trades on a total of 353 instances, it is alleged that Noticee was not acting as genuine buyer and had no bona fide intention to buy because in-spite of large disclosed quantity of sell orders, she was placing small quantity buy orders by matching or placing orders at prices slightly higher than sell order price which were already above LTP thereby contributing to significant positive LTP. It is further alleged from the above trading pattern that the intention of Noticee was to mark the price higher and not merely to enter into the buy transactions. Hence, it is alleged that Noticee had manipulated the scrip price and had created a misleading appearance of trading in the scrip by such trades.
- The above pattern was repeated on 353 instances during Patch 1 and thereby

contributed to market positive LTP creation of ₹ 15.38 and ₹ 16.15 of BSE and NSE respectively. This it is alleged shows that there was no bona-fide intention on the part of Noticee to buy the shares, but to mark the price higher than the last traded price and manipulate the scrip price.

- From the above, it is alleged that the repeated buy orders pattern of Noticee is manipulative and contributed for rise in the scrip price.

b) In view of the above it is alleged that the Noticee had significantly contributed to rise in the scrip price and created a misleading appearance of trading in the scrip by such 353 manipulative trades. Hence, it is alleged that Noticee has violated Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2)(a) and (e) of PFUTP Regulations.

c) The Noticee was advised to show cause as to why suitable actions/directions in terms of Sections 11(1), 11(4) and 11B of SEBI Act should not be initiated against her for the alleged violation of the provisions of PFUTP Regulations.

REPLY & HEARING

6. Vide hearing notice dated October 25, 2018, Noticee was granted an opportunity of hearing on November 28, 2018 at SEBI Bhavan, Mumbai. In response to the hearing notice, the Noticee vide an email dated November 30, 2018 submitted a letter dated November 28, 2018. In the said letter, she made the following submissions:

- She is a housewife, residing in Kolkata. Due to her poor health and financial constraints it is impractical for her to come to Mumbai for the hearing. Therefore, she requested to be exempted from personal appearance.
- As regards the allegation of her personal involvement in price rigging of the shares of the company, she submitted as follows:
  - She does not have any higher education. She has done matriculation only and hence is not competent enough to analyse the stock market.
  - Investment in Shares is her hobby and has adopted this practice for the sake of saving only. It can be visualised that during this entire period as specified

in the notice, she has made regular investment and has not sold any substantial share.

- She has carried out transactions in very small quantity, usually in very low priced shares so that her investment should remain within a limit and consequentially her gain or loss remains restricted within ₹ 20/- to ₹ 50/- per day.
- This sort of practice of buying very small quantity of shares is being done as her source of fund is very limited.
- She has no relation or connection either directly or indirectly with any of the Directors or Promoters or officers or employees of the company nor does she has any connection or relation with any of the share operator or broker or their agents.
- It can also be observed that variation in price for her alleged trades is just 1 paisa or 2 paisa in most of the case which is always due to volatility of price in the market.
- She would like to submit that buying of 1 share out of quantity of tens of thousands of shares does not make any significant or material change in the price behavior. Transaction of any number of shares is visible on the screen and every person can find out how many shares are being transacted. In such a case, her buying of 1 share, is a drop in the ocean.
- She has already stopped dealing in shares due to various factors including losses suffered in shares.

FINDINGS & CONSIDERATIONS

7. I have perused the SCN, written submissions and other materials available on record. On perusal of the same, the following issues arise for consideration:

   (i) Whether the Noticee has manipulated the price in the scrip of WYL and created a misleading appearance of trading in the scrip during the period September 30, 2010 to May 18, 2011?

   (ii) If answer to issue No. (i) is in affirmative, whether the Noticee has violated

the provisions of PFUTP Regulations?

(iii) If answer to issue Nos. (ii) is in affirmative, what directions, if any should be issued against the Noticee?

8. Before embarking upon the necessary discussions, I would like to reproduce the relevant provisions of PFUTP Regulations:

Regulation 3. Prohibition of certain dealings in securities

No person shall directly or indirectly—

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

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

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

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

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

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

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

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

…

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

Issue No. 1 - *Whether the Noticee has manipulated the price in the scrip of WYL and created a misleading appearance of trading in the scrip during the period September 30, 2010 to May 18, 2011?*

9. It is noted from the material made available on record that out of the total purchase through 194 trades on BSE, Noticee contributed ₹ 15.38 to positive LTP (16.30% of total market positive LTP) through 172 trades. On analysis of these 172 positive LTP contributing trades, it is noted that in 167 trades, the buy orders were placed after respective sell orders. It is further observed that in 166 out of the 172 positive LTP contributing trades, buy orders placed by Noticee was for 1 share even though sell orders were available for higher quantities. An illustration of the top 5 positive LTP contributing trades of Noticee on BSE is given below:

Batch Date	Buyer Name	Seller Name	Trade Time	Buy Order Time	Sell Order Time	Trade Price	LTP Difference	Buy Order Price	Sell Order Price	Trade Quantity	Sell Order Disclose Volume	Buy Order Disclose Volume
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24.05.2011	SUSHMA AGARWAL	KHEMKA FINANCE AND INVESTMENT PRIVATE LIMITED	09:19:34.2925570	09:19:34.2818640	09:18:06.6590470	2.76	0.25	2.76	2.76	1	5000	1
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23.05.2011	SUSHMA AGARWAL	ALKA SURYAKANT SHAH	11:51:28.2421290	11:51:28.2278440	10:34:59.4591350	2.85	0.23	2.85	2.85	1	700	1

10. Similarly, on NSE out of the total purchase through 202 trades, Noticee contributed

₹ 16.15 to positive LTP (15.26% of total market positive LTP) through 181 trades. On analysis of these 181 positive LTP contributing trades, it is noted that in 176 trades, the buy orders were placed after respective sell orders. On further analysis of the positive LTP contributing trades of Noticee, it is observed that in 180 out of the 181 positive LTP contributing trades, buy order placed by Noticee was for 1 share even though sell orders were available for higher quantities. An illustration of the top 5 positive LTP contributing trades of Noticee at NSE is given below:

Batch Date	Buyer Name	Seller Name	Trade Time	Buy Order Time	Sell Order Time	Trade Price	LTP Difference	Buy Order Price	Sell Order Price	Trade Quantity	Sell Order Disclose Volume	Buy Order LMQ
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09.11.2010	SUSHMA AGARWAL	ARCADIA SHARE and STOCK BROKERS PVT. LTD.	09:19:20.0000000	09:19:20.0000000	09:16:59.0000000	2.75	0.25	2.75	2.75	1	10000	1
27.04.2011	SUSHMA AGARWAL	RAJINDER KUMAR JAIN	09:21:51.0000000	09:21:51.0000000	09:18:50.0000000	3.85	0.25	3.85	3.85	1	500	1
30.09.2010	SUSHMA AGARWAL	SURESHMALAIYA M	10:01:51.0000000	10:01:51.0000000	09:00:17.0000000	2.45	0.2	2.45	2.45	1	9700	1
19.11.2010	SUSHMA AGARWAL	ARCADIA SHARE and STOCK BROKERS PVT. LTD.	15:29:29.0000000	15:29:29.0000000	09:16:13.0000000	2.55	0.2	2.55	2.55	1	12000	1

11. The Noticee has submitted that she carries out transactions in small quantity usually in very low priced shares so that her investment remains within a limit and her practice of buying shares in small quantity is because of her source of fund which is very limited. In this regard, I note that the Noticee has not submitted any documentary evidence viz, her trading behavior / pattern in other scrips which were also low priced (within the range of ₹2/- to ₹4/-) during the relevant time and the Noticee was executing trades of single share in them also in order to substantiate her trading behavior in the scrip of WYL. Moreover, not buying shares in substantial quantity because of financial constraints is not equivalent to buying one share

repeatedly over a period of seven months. It is noted from Noticee's trades that she has bought 313 shares on BSE and 213 shares on NSE and has executed trades for single share on 166 instances on BSE and on 180 instances on NSE which had a significant LTP impact on the price of the scrip, 15.98% of the total market positive LTP on BSE and 15.21% of the total market positive LTP on NSE.

12. I note that trades at higher than LTP, undoubtedly have a potential of raising the price of the scrip and the same gives a wrong impression about the price and liquidity of the scrip in the market. It must not be forgotten that every trade establishes the price of the scrip and trades executed at higher than LTP results in the price of the scrip going up which may influence the innocent/gullible investors. In cases of market manipulation, admittedly, no direct evidence would be forthcoming / available. Manipulative transactions are to be tested on the conduct of parties and abnormality of practices which defy normal logic and laid down procedures. What is needed, is to prove that in a factual matrix, preponderance of probabilities indicate a fraud. In this regard, the observations of Hon'ble Supreme Court of India in *SEBI* Vs. *Kishore R Ajmera et.al.* decided on February 23, 2016 wherein the Hon'ble Court while deciding the matter under SEBI Act and PFUTP Regulations where there was no direct evidence forthcoming, observed as follows:

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

13. In the instant matter Noticee has executed 88.65% of her trades on BSE over the LTP

and 89.60% of her trades on NSE over the LTP. Further the Noticee has repeatedly placed buy orders for single share over the LTP at frequent intervals over a period of seven months at both the Exchanges. Even if for a moment, it is assumed that the Noticee had a great desire to buy the shares, it is noted that on 166 instances on BSE and on 180 instances on NSE, sell orders for higher quantities were existing in the system when the Noticee had placed buy orders for single share. If the Noticee was a genuine buyer then she had the opportunity to buy more than one share of the company on multiple occasions but still she chose not to buy shares more than one at a time and continued to execute buy trades over the LTP by buying just one share. Hon'ble Securities Appellate Tribunal in the matter of *Shri Lakhi Prasad Kheradi* Vs. *SEBI* decided on June 21, 2018 faced a similar issue wherein the entity had contributed to 9.17% of the market New High Price in 9 trades for 1 share each for the total value of 9 shares within a span of two weeks. The Hon'ble Tribunal observed as follows:

"…Very fact that the appellant had indulged in self trades/ LTP/ NHP without giving any justifiable reason, clearly justifies the inference drawn by the AO that the trades executed by the appellant were manipulative trades…"

14. During the period September 30, 2010 to May 18, 2011, the volume on the first day in the scrip was 47,882 shares and the closing volume was 4,29,217 shares with an average trading volume of 1,50,954 shares during the period. From the IR, it is noted that there were other buyers in the scrip who have executed large number of trades for significant volume at LTP or lower than LTP. Considering the Noticee traded in the scrip for almost seven months, instead of executing almost 88% of her trades over LTP, she had the opportunity to buy shares at LTP or lower than LTP. From her trade details, it is observed that she has bought shares at LTP or lower than LTP.

15. Here, it is noteworthy to quote the observations of Hon'ble Securities Appellate Tribunal in the matter of *Saumil Bhavnagari* Vs. *SEBI* decided on March 21, 2014 wherein it was observed as follows:

"…It is relevant to note that out of 85 trades, most of the trades placed are above the

LTP and some of the trades placed by appellant were below the LTP. This was done evidently with ulterior motives, because, if shares were available for a lesser price, there was no reason to place orders at a price higher than the LTP and if orders at prices higher than LTP were placed on account of the financial status of the company then there was no reason to place some orders below the LTP…"

16. In view of the above, the findings that have been gathered from various circumstances for instance volume of the trade effected, the period of persistence in trading in the scrip and the particulars of the buy and sell orders, the totality of the picture that emerges, indicates that the Noticee is not a genuine investor in the scrip of WYL. By placing buy orders for miniscule quantity on 353 instances, the Noticee has contributed to market positive LTP creation of ₹ 15.38 and ₹ 16.15 on BSE and NSE respectively. Therefore, it is held that the Noticee had no bona-fide intention to buy the shares but to mark the price higher than the last traded price and manipulate the price of the scrip of WYL during the period September 30, 2010 to May 18, 2011. It has also created a misleading appearance of trading in the scrip.

Issue No. 2 *- If answer to issue No. (i) is in affirmative, whether the Noticee has violated the provisions of PFUTP Regulations?*

17. In view of the conclusion arrived at paragraph 16, I find that the Noticee has violated Regulations 3(a),(b),(c),(d) and Regulations 4(1), 4(2) (a) and (e) of PFUTP Regulations.

Issue No. 3 *- If answer to issue Nos. (ii) is in affirmative, what directions, if any should be issued against the Noticee?*

18. In view of the violations committed by the Noticee, I find that it becomes necessary for SEBI to issue appropriate directions against the Noticee.

ORDER

19. In the facts and circumstances of the case, I, in exercise of the powers conferred upon me in terms of Section 19 read with Sections 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992, hereby restrain Ms. Sushma Agarwal (PAN;

AKFPA7584C) from accessing the securities market for a period of four years from the date of this order and further prohibit her from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of four years, from the date of this order. During the period of restraint, the existing holding, including units of mutual funds, of the Noticee shall remain frozen.

20. The order shall come into force with immediate effect.

21. A copy of this order shall be served upon all recognised Stock Exchanges, Depositories and the Registrar and Share Transfer Agents to ensure compliance with the above directions.

DATE: December 31, 2018

PLACE: Mumbai

MADHABI PURI BUCH
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA