

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

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

In respect of -

S. No.	Name	Permanent Account Number
1	Mr. Jigar Praful Ghogari	ASFPG8598L
2	Mr. Kiran Bhiku Bhanaes	AQUPB0853G
3	Mr. Janak Chimanlal Dave	AEPPD9110D
4	Mr. Dilipkumar Pukhraj Jain	AACPJ5643C
5	Mr. Bhupesh Harischandra Rathod	AACPR3785K
6	Mr. Kishan Balaram Shigvan	BAWPS1264D
7	Mr. Kiran Madhusudan Sheth	ALJPS1874Q
8	Mr. Jatin Shah	AACPS6128D
9	Shree Shagun Financial Services	ABTFS0353F
10	Oliwonders Financial Services Pvt. Ltd.	AABCO2030J
11	Neevan Capital Markets Pvt. Ltd.	AACCN7650G
12	Mr. Bhavesh Pabari	AKGPP8679N
13	Mr. Hemant Sheth	ANOPS8607E
14	Mr. Prem Parikh	ALHPP3489N
15	Mr. Ankit Sanchaniya	BLNPS3316L
16	Mr. Jinal Apurval Rawal	ATHPR5041C

1. Securities and Exchange Board of India (hereinafter referred to as ‘SEBI’), undertook a preliminary examination in the trading in the shares of Polytex India Limited (“PIL” or “Polytex”) {for the period – 13.04.2012 to 17.12.2012}, KGN Enterprises Limited (“KGN”) {for period – 27.12.2011 to 17.12.2012} and Gemstone Investments Limited (“Gemstone”) {for the period – 18.04.2012 to 17.12.2012}. Pursuant to such examination, SEBI vide an ad interim ex-parte Order dated May 10, 2013 (“the interim order”), restrained certain persons/entities, namely, **Mr. Jigar Praful Ghogari, Mr. Kiran Bhiku Bhanaes, Mr. Jinal Apurval Rawal, Mr. Janak Chimanlal Dave, Mr. Dilipkumar Pukhraj Jain, Mr. Bhupesh Harischandra Rathod, Mr. Kishan Balaram Shigvan, Mr. Kiran Madhusudan Sheth, Shree Shagun Financial Services (“SSFS”), Oliwonders Financial Services Pvt. Ltd. (“OFSP”) and Neevan Capital Markets Private Limited (“NCMPL”)** from accessing the securities market and further prohibited them from buying,

selling or dealing in securities in any manner whatsoever, till further directions. The interim order alleged that the above persons/entities *prima facie* violated the provisions of section 12A of the Securities and Exchange Board of India Act, 1992 (“the **SEBI Act**”) and regulations, 3, 4(1) & (2) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (“the **PFUTP Regulations**”) while dealing in the shares of the above said companies. After affording opportunity to file replies and personal hearing, SEBI, vide Order dated January 07, 2014, confirmed the interim directions against the aforementioned 11 persons/entities. The above said Orders were issued when the investigations in the matters were in progress.

2. Investigation was carried out in the matter of trading by suspected persons/entities in the scrips of Gemstone, KGN and Polytex, to ascertain whether there was any violation of the provisions of SEBI Act 1992 and PFUTP Regulations by suspected entities and completed. In addition to the 11 persons/entities mentioned in paragraph 1 above, the investigation identified **Jatin Shah** as forming part of the ‘suspected entities’. The investigation observed that Mr. Jigar Ghogari, Mr. Kiran Bhanas, Mr. Janak Dave, Mr. Dilip Jain, Mr. Bhupesh Rathod, Mr. Kishan Shigvan, Mr. Kiran Sheth and Mr. Jatin Shah had traded in the shares of Polytex during April 13, 2012 to December 17, 2012 by means of manipulative and unfair trading practices and allegedly made profits. In this regard, the relevant observations of the investigation are noted:

- (a) Polytex India Limited (also referred to as “the Company”) was incorporated under the Companies Act, 1956 in the year 1987. It is registered with the Reserve bank of India (RBI) as a Non-Banking Finance Company.
- (b) The equity shares of the Company are listed on the Bombay Stock Exchange Limited (“BSE”). The price of the scrip in BSE moved from Rs.136.50/- to Rs.281/- from April 13, 2012 to December 17, 2012 (*which is the period of investigation*), registering an increase of Rs.144.50/- (105.86%).
- (c) During the investigation period, the trading activity of the suspected entities in the scrip of Polytex was as under :

Gross summary of Buy / Sell of suspected entities

SN	Client Name	Gross Buy	% of Gross Buy to Mkt. Volume	Gross Sell	% of Gross Sell to Mkt. Volume	Net Qty.	% of Net Qty. to Mkt. Volume
1	DILIPKUMAR JAIN	2895780	16.47	2897891	16.48	-2111	(0.01)
2	RAWAL JINAL	2093677	11.91	2079421	11.83	14256	0.08
3	JIGAR GHOGHARI	1809523	10.29	1955124	11.12	-145601	(0.83)
4	KIRAN SHETH	1489452	8.47	1378459	7.84	110993	0.63
5	BHUPESH RATHOD	1258640	7.16	1172846	6.67	85794	0.49
6	KISHAN SHIGVAN	1106199	6.29	1091124	6.21	15075	0.09
7	KIRAN BHANAES	1032053	5.87	1079497	6.14	-47444	(0.27)
8	JANAK DAVE	591428	3.36	560947	3.19	30481	0.17
9	JATIN SHAH	296196	1.68	405608	2.31	-109412	(0.62)
	Total	12572948	71.50	12620917	71.77	-47969	(0.27)

(d) From the above data, it is observed that during the investigation period the suspected entities had bought 71.50% i.e. 1,25,72,948 shares and sold 71.77% i.e. 1,26,20,917 shares, of the total traded volume in the stock exchange.

(e) Based on the above, it can also be inferred that major trading in the scrip during the relevant period was executed by the suspected entities and such trading allegedly contributed to the trading volume in the scrip of Polytex.

(f) During the investigation, the suspected entities had traded among themselves and executed reversal trades which are as under:

Summary of Reversal trades and trade amongst themselves by suspected entities

Entity (1)	Entity (2)	Entity (1) sells to Entity (2) buy	Entity (1) buys from Entity (2)	Reversal Quantity	% of reversal Quantity w.r.t. market volume	No. of Trades
JigarGhogari	Dilip Jain	519,411	584,300	519411	2.95	281
Dilip Jain	JinalRawal	585,968	506,247	506247	2.88	490
JigarGhogari	BhupeshRathod	151,282	161,318	151282	0.86	93
JigarGhogari	Jatin Shah	27,255	5,000	5000	0.03	3
JigarGhogari	Janak Dave	77,147	92,739	77147	0.44	47
JigarGhogari	KiranSheth	141,288	146,050	141288	0.80	82
JigarGhogari	KiranBhanaes	124,617	180,144	124617	0.71	77
JigarGhogari	JinalRawal	322,306	220,572	220572	1.25	81
JigarGhogari	KishanShigvan	264,101	278,133	264101	1.50	171
Dilip Jain	BhupeshRathod	269,475	353,331	269475	1.53	204
Dilip Jain	Jatin Shah	76,277	162,982	76277	0.43	33
Dilipjain	Janak Dave	143,547	103,016	103016	0.59	172
Dilip Jain	KiranSheth	164,226	142,590	142590	0.81	139

Dilip Jain	KiranBhanaes	250,035	258,226	250035	1.42	134
Dilip Jain	KishanShigvan	130,215	104,111	104111	0.59	110
BhupeshRathod	Jatin Shah	65,589	143,107	65589	0.37	57
BhupeshRathod	Janak Dave	29,970	7,850	7850	0.04	18
BhupeshRathod	KiranSheth	42,250	87,841	42250	0.24	21
BhupeshRathod	KiranBhanaes	79,204	100,760	79204	0.45	50
BhupeshRathod	JinalRawal	213,754	254,405	213754	1.22	114
BhupeshRathod	KishanShigvan	91,893	74,719	74,719	0.42	54
Jatin Shah	KiranSheth	25,800	2000	2000	0.01	1
Jatin Shah	KiranBhanaes	1,721	44,561	1721	0.01	1
Jatin Shah	JinalRawal	47,256	43,229	43,229	0.25	21
Janak Dave	KiranSheth	58,218	31,169	31,169	0.18	29
Janak Dave	KiranBhanaes	85,893	40,629	40,629	0.23	20
Janak Dave	JinalRawal	69,046	132,382	69046	0.39	44
Janak Dave	KishanShigvan	45,516	38,368	38,368	0.22	38
KiranSheth	KiranBhanaes	32,563	18,551	18,551	0.11	14
KiranSheth	JinalRawal	254,675	274,465	254675	1.45	97
KiranSheth	KishanShigvan	84,652	130,785	84652	0.48	97
KiranBhanaes	JinalRawal	156,400	167,040	156400	0.89	101
KiranBhanaes	KishanShigvan	76,798	99,797	76798	0.44	84
JinalRawal	KishanShigvan	197,264	173,879	173,879	0.99	83
Total		4,905,612	5,164,296	4,429,652	25.18	3061

(g) From the above data, it can be observed that suspected entities had bought 49,05,612 shares from the other suspected entities i.e. 38.86% ($4905612/12620917 * 100$) of the total sell quantity by the suspected entities, while suspected entities had sold 51,64,296 shares to the other suspected entities i.e. 41.07% ($5164296/12572948 * 100$) of the total buy quantity by the suspected entities. Based on the trading among themselves by the suspected entities they had created 25.18 % of the total market as artificial volume through reversal trades.

(h) It was also observed that 10,57,537 shares of PIL were traded in a synchronized manner during the investigation period amongst the suspected entities wherein quantity, price and time matched (i.e. trades were executed within 60 seconds). Such synchronized trades of these entities represented 6.01% of the total market volume and 10.39% of the total quantity traded amongst the suspected entities. A summary of such trades are given below:

Summary of the Synchronized quantity traded amongst the suspected entities

Name	Trade Volume through synchronization
Bhupesh Harishchandra Rathod	54,077
Dilipkumar Pukhraj Jain	294,220
Janak Chimanlal Dave	32,672
Jatin Shantilal Shah	5,000

Jigar PrafulchandraGhoghari	179,172
Kiran Bhiku Bhanaes	108,707
Kiran Madhusudan Sheth	83,952
Kishan Balaram Shigvan	142,863
Rawal Jinal Apurva	156,874
Total	1,057,537

(i) The investigation also observed that the suspected entities had contributed to the price rise of the scrip during the investigation period.

(A) The following table shows the contribution in New High Price (“NHP”) by the suspected entities are as under:

Contribution in NHP by the suspected entities

Entity Name	PAN	Qty	No. of trades	NHP (Rs.)	NHP where the counter-parties were from the suspected entities out of total NHP	% of total mkt NHP
DILIPKUMAR JAIN	AACPJ5643C	1877	21	11.85	4.55	8.20
RAWAL JINAL	ATHPR5041C	149	4	5	2.5	3.46
Total of suspected		2026	25	16.85	7.05	11.66
Remaining		12921	39	127.65	-	88.34
Total		14947	64	144.5	-	100

From the above data it can be observed that suspected entities had contributed Rs.16.85/- to the new high price, out of which Rs.7.05/- contribution where counterparties were from the suspected entities.

(B) The following table shows the contribution in positive LTP by the suspected entities:

Contribution in Positive LTP by suspected entities

Name	LTP Diff. >0			% of positive LTP to Total Market positive LTP
	LTP impact	QTY traded	No of trades	
Dilipkumar Jain	597.35	933966	738	30.59
Kishan Shigvan	298.65	347736	393	15.30
Rawa Jjinal	91.7	443289	197	4.70
Jigar Ghoghari	78.35	358100	155	4.01
Kiran Bhanaes	58.45	159097	95	2.99
Janak Dave	38.3	66695	51	1.96
Bhupesh Rathod	36	214017	108	1.84
Kiran Sheth	28.3	193705	70	1.45
Jatin Shah	12.15	61733	35	0.62
Total of Suspected	1239.25	2778338	1842	63.47
Remaining	713.3	1183718	968	36.53
Total	1952.55	3962056	2810	100.00

It can be observed that suspected entities had contributed Rs.1239.25/- in positive LTP which was 63.47% of the total positive LTP in the market. The table below shows the positive LTP contribution by the suspected entities where the counterparties were also from the group of suspected entities:

Contribution in Positive LTP by suspected entities where Counterparties were also from suspected entities

Particulars	LTP Diff >0		LTP Diff >0 where CPs from the suspected entities		% of positive LTP where CPs from the suspected entities w.r.t. LTP diff >0 in market.
	LTP impact	Qty	LTP impact	Qty	
Dilipkumar Jain	597.35	933966	130.45	613899	6.68
Kishan Shigvan	298.65	347736	72.65	283166	3.72
Rawal Jinal	91.7	443289	40.95	352705	2.10
Jigar Ghoghari	78.35	358100	40.9	316721	2.10
Kiran Bhanaes	58.45	159097	22.9	116256	1.17
Janak Dave	38.3	66695	10.9	55480	0.56
Bhupesh Rathod	36	214017	18.9	173234	0.97
Kiran Sheth	28.3	193705	12	105836	0.61
Jatin Shah	12.15	61733	6.6	51716	0.34
Total	1239.25	2778338	356.25	2069013	18.24

The suspected entities had contributed Rs.1239.25/- in positive LTP out of which Rs. 356.25 was contributed when counterparties were from the suspected entities i.e. 18.24% of the total positive LTP was contributed by the suspected entities through trading amongst themselves.

- (j) Based on the analysis as given above, it is noted that the suspected entities had traded substantially amongst themselves, created artificial volume in the market and also contributed into the positive LTP and through which they manipulated the price - volume in the scrip of PII. In the process, the persons/entities also made unlawful gains which has been calculated and given hereunder:

Statement showing the profits made by the suspected persons/entities while trading in the shares of Polytex:

S N	Client Name	PAN	Buy Qty.	Buy Value (INR)	Sell Qty.	Sell Value (INR)	Profit/Loss (INR)
1	DILIPKUMAR PUKHRAJ JAIN	AACPJ5643C	2,895,780	609,903,118	2,897,891	615,793,547	
			2,111*	286,120			
	Total		2,897,891	610,189,238	2,897,891	615,793,547	5,604,309
2	JANAK CHIMANLAL DAVE	AEPPD9110D	591,428	134,901,303	560,947	129,756,403	
					30,481\$	7,675,349	

	Total		591,428	134,901,303	591,428	137,431,752	2,530,449
3	BHUPESH HARISHCHANDRA RATHOD	AACPR3785K	1,258,640	229,575,527	1,172,846	214,945,454	
					85,794\$	21,644,084	
	Total		1,258,640	229,575,527	1,258,640	236,589,538	7,014,010
4	KISHAN BALARAM SHIGVAN	BAWPS1264D	1,106,199	250,008,841	1,091,124	247,071,957	
					15,075\$	3,792,000	
	Total		1,106,199	250,008,841	1,106,199	250,863,957	855,116
5	KIRAN MADHUSUDAN SHETH	ALJPS1874Q	1,489,452	341,942,011	1,378,459	316,251,708	
					110,993\$	28,035,811	
	Total		1,489,452	341,942,011	1,489,452	344,287,519	2,345,508
6	JATIN SHANTILAL SHAH	AACPS6128D	296,196	52,142,414	405,608	70,499,388	
			109,412 *	14,784,773			
	Total		405,608	66,927,187	405,608	70,499,388	3,572,200
7	KIRAN BHIKU BHANAES	AQUPB0853G	1,032,053	224,298,774	1,079,497	233,056,559	
			47,444*	6,444,545			
	Total		1,079,497	230,743,319	1,079,497	233,056,559	2,313,240
8	JIGAR PRAFULCHANDRA GHOGHARI	ASFPG8598L	1,809,523	404,751,928	1,955,124	431,156,517	
			145,601 *	20,040,247			
	Total		1,955,124	424,792,175	1,955,124	431,156,517	6,364,342

* Shares bought prior to the investigation period.

\$ Shares sold post investigation period.

(k) The investigation also observed that the aforementioned entities were connected to each other based on fund movement and KYC details or a combination of both.

Connection based on KYC details are as under

S. No.	Name of Entity	PAN	Connection details
1	Kiran Bhikhu Bhanaes	AQUPB0853G	<ul style="list-style-type: none"> Common land line no.:- Chirag Jariwala (a Pabari-Parikh entity), Jigar Ghogari and Kiran Bhikhu Bhanaes - 40229880. Kiran Bhanaes had received funds from Shree Shagun Financial Services (SSFS), Oliwonders Financial Services Pvt. Ltd. (OFSP) and Jigar Ghogari.
2	Jigar P Ghogari	ASFPG8598L	<ul style="list-style-type: none"> Common address: Jigar Ghogari, Prem Parikh and OFSP – H No 140k Cavel Cross Lane No 7 3rd Floor 6 Gai Wady Kalbadevi Road, Mumbai, Maharashtra, India, 400002. Common Mob. no. : Chirag Jariwala*, Jigar Ghogari. - 9920134780. Common Land line no. : Chirag Jariwala, Jigar Ghogari and Kiran Bhikhu Bhanaes - 40229880. Common Mob. no.: Dilip Jain and Jigar Ghogari - 9870895035. Common E-mail ID : Chirag Jariwala*, and Jigar Ghogari.- BIGFINS1@GMAIL.COM / KANAKSHAGUN@GMAIL.COM/ SSF2AN0J0046@JAADOOEMAIL.COM/ CHIRAG_BHAI@YAHOO.COM Common E-mail ID: Jigar Ghogari and Bhavesh Pabari - BHAVESH_PABARI2005@YAHOO.COM.

			<ul style="list-style-type: none"> • Common E-mail ID : Jigar Ghogari and Prem Parikh and Chirag Jariwala - PARIKHPREM@GMAIL.COM / PARIKHPREM@YAHOO.COM • Jigar Ghogari received funds from SSFS, OFSPL • Jigar Ghogari had given funds to Kishan Shigvan, Jinal Rawal, Kiran Bhanaes, Kiran Sheth, Janak Dave, Dilip Jain and Bhupesh Rathod.
3	Dilip Pukhraj Jain	AACPJ5643C	<ul style="list-style-type: none"> • Common Mob. no.: Dilip Jain and Jigar Ghogari - 9870895035. • Dilip Jain had received funds from SSFS* and Jigar Ghogari.
4	Kishan Balaram Shigvan	BAWPS1264D	<ul style="list-style-type: none"> • Kishan Shigvan had received funds from SSFS, OFSPL and Jigar Ghogari.
5	Janak C Dave	AEPDP9110D	<ul style="list-style-type: none"> • Janak Dave had received funds from SSFS, OFSPL and Jigar Ghogari.
6	Bhupesh Rathod	AACPR3785K	<ul style="list-style-type: none"> • Bhupesh Rathod had received funds from SSFS and Jigar Ghogari.
7	Jinal Rawal	ATHPR5041C	<ul style="list-style-type: none"> • Jinal Rawal had received funds from SSFS, OFSPL, Jigar Ghogari and Janak Dave.
8	Kiran Madhusudan Sheth	ALJPS1874Q	<ul style="list-style-type: none"> • Common E-mail ID: Kiran Sheth and Hemant Sheth - DEVHEMANT@REDIFFMAIL.COM. • Common address: Kiran Sheth and Hemant Sheth - H No 113/115 3rd Floor above Ratanlal Barfiwala Shop Bhuleshwar Road, Mumbai, Maharashtra, India, 400002. • Kiran Madhusudan Sheth and Hemant MadhusudanSheth both have common middle name. • Kiran Sheth had received funds from SSFS, Neevan Capital Markets Pvt. Ltd. (NCMPL) and Jigar Ghogari.
9	Jatin Shantilal Shah	AACPS6128D	<ul style="list-style-type: none"> • Common Mob. no.: Jatin Shah and Jigar Ghogari - 9821229502. • Jatin Shah has also received fund from the SSFS.
10	Shree Shagun Financial Services (SSFS)	ABTFS0353F	<ul style="list-style-type: none"> • Provided funds to various entities as mentioned above. • SSFS is partnership firm of Bhavesh Pabari & HemantSheth. • Prem Parikh &Ankit Sanchaniya are the director of OFSPL. • Bhavesh Pabari &Prem Parikh are the director of NCMPL.
11	Oliwonders Financial Services Pvt. Ltd. (OFSPL)	AABCO2030J	
12	Neevan Capital Markets Pvt. Ltd. (NCMPL)	AACCN7650G	

Persons/entities at sr. nos. 1 - 9 are treated as part of the suspected group as they had traded in the securities market, while entities at sr. nos. 10-12 had funded the persons/entities at sr. nos. 1 - 9.

Summary of the fund movement between the suspected entities

SN	Particulars	Funds details
1	Shree Shagun Financial Services	SSFS a/c. no. '911020040956496 <ul style="list-style-type: none"> • Jigar Ghogari received Rs. 39.72 crore and paid back Rs. 21.19 crore • Janak Dave received. Rs. 18.08 crore & paid back Rs. 2.32 crore • Jinal Rawal received Rs. 24.26 crore & paid back Rs. 1.40 crore • Kiran Bhanaes received Rs. 27.97 crore & paid back Rs. 5.01 crore • Kiran Sheth received Rs. 8.37 crore & paid back Rs. 0.12 crore • Jatin Shah received Rs. 4.67 crore • Kishan Shigavn received Rs. 16.58 crore & paid back Rs. 0.25 crore • Dilip Jain received Rs. 7.27 crore & paid back Rs. 0.85 crore • Bhupesh Rathod received Rs. 3.61 crore & paid back Rs. 0.52 crore
2	Oliwonders Financial Services Pvt. Ltd.	<ul style="list-style-type: none"> • Jigar Ghogari received Rs. 2.43 crore & paid back Rs. 0.20 crore • Jinal Rawal received Rs. 1.59 crore & paid back Rs. 0.09 crore • Kiran Bhanaes received Rs. 0.15 crore • Kishan Shigvan received Rs. 0.37 crore • Janak Dave received Rs. 0.62 crore
3	Neevan Capital Markets Pvt. Ltd.	<ul style="list-style-type: none"> • Jigar Ghogari received Rs. 0.20 crore • Kiran Sheth received Rs. 0.43 crore
4	Jigar Ghogari	Observed from SSFS a/c. no. '911020040956496 <ul style="list-style-type: none"> • Jigar Ghogari received Rs. 39.72 crore & paid back Rs. 21.19 crore. Jigar Ghogari a/c. no. '910010002119761 <ul style="list-style-type: none"> • OFSPL paid Rs. 2.43 crore & received Rs. 0.20 crore • Kiran Bhanesh received Rs. 0.29 crore • Janak Dave received Rs. 0.08 crore • Jinal Rawal received 0.05 crore • Neevan Capital Markets paid Rs. 0.2 crore Jigar Ghogari a/c. no. :911020043354844 <ul style="list-style-type: none"> • OFSPL received Rs. 0.11 crore & paid back Rs. 2.43 crore • Jinal Rawal received Rs. 3.17 crore & paid Rs. 0.78 crore • Kiran Bhanesh received. Rs. 2.01 crore • Kiran Sheth received Rs. 0.85 crore • Janak Dave received Rs. 0.76 crore • Dilip Jain received Rs. 0.53 crore • Bhupesh Rathod received Rs. 1.42 crore & paid back Rs. 0.09 crore • Kishan Shigvan received Rs. 2.31 crore

13. From the above, it is noted that the partners of Shree Shagun Financial Services are Mr. Bhavesh Pabari and Mr. Hemant Sheth. The directors of OFSPL and NCMP are Mr. Prem Parikh and Mr. Ankit Sanchaniya and Mr. Bhavesh Pabari and Mr. Prem Parikh respectively. It is noted that the above said companies are private limited companies. Therefore, it is appropriate that they are also made liable for the actions of the respective partnership firm and private limited companies in the alleged funding to the suspected persons/entities.

14. Considering the alleged connection amongst the said 16 persons/entities, the manner of trading and specifically the fund movement, as outlined in this Order, it is reasonable to view all of them as a 'group' and make them jointly and severally liable for the alleged illegal profits made while dealing in the shares of Polytex during the investigation period. I note that the persons/entities are aware of the investigations as also the likely findings of the investigation, in the light of the evidences gathered and the statements given during the investigation. All these factors point to the possibility that the persons/ entities involved may divert the unlawful gains. Therefore, in order to prevent such persons/ entities from diverting the funds and to safeguard the interests of securities market, it becomes necessary for SEBI to take urgent preventive steps of impounding and retaining the proceeds by way of an *interim* measure.

15. As the alleged gains were made during the year 2011, it becomes reasonable and necessary to levy an interest at the rate of 12% simple interest per annum. The gains along with the interest are calculated as follows:

Summary of the Profit made by the suspected entities through trading in the scrip of PIL

Entity Name	PAN	Profit (Amount in Rs.)	Interest 12% p.a.**	Total (Rs.)
DILIPKUMAR PUKHRAJ JAIN	AACPJ5643C	56,04,309	20,51,900	76,56,209
JANAK CHIMANLAL DAVE	AEPPD9110D	25,30,449	9,26,471	34,56,920
BHUPESH HARISHCHANDRA RATHOD	AACPR3785K	70,14,010	25,68,033	95,82,043
KISHAN BALARAM SHIGVAN	BAWPS1264D	8,55,116	3,13,083	11,68,199
KIRAN MADHUSUDAN SHETH	ALJPS1874Q	23,45,508	8,58,758	32,04,266
JATIN SHANTILAL SHAH	AACPS6128D	35,72,200	13,07,886	48,80,087
KIRAN BHIKU BHANAES	AQUPB0853G	23,13,240	8,46,944	31,60,184
JIGAR PRAFULCHANDRA GHOGHARI	ASFPG8598L	63,64,342	23,30,171	86,94,513
Total		3,05,99,174	1,12,03,246	4,18,02,420

*** Interest calculated on illegal gains from 01/08/2012 till 19/08/2015*

Alleged illegal profits made during April – December 2012, the investigation period.

From the above table, it can be observed that the above persons/ entities had made alleged illegal profits to the tune of **Rs.4.18 crore** in aggregate through trading in the scrip of Polytex.

16. Accordingly, as an interim measure, an ad-interim ex-parte Order for impounding such alleged profits under section 11(4)(d) of the Securities and Exchange Board of India Act, 1992 needs to be issued against–

S. No.	Name	Permanent Account Number
1	Mr. Jigar Praful Ghogari	ASFPG8598L
2	Mr. Kiran Bhiku Bhanaes	AQUPB0853G
3	Mr. Janak Chimanlal Dave	AEPPD9110D
4	Mr. Dilipkumar Pukhraj Jain	AACPJ5643C
5	Mr. Bhupesh Harischandra Rathod	AACPR3785K
6	Mr. Kishan Balaram Shigvan	BAWPS1264D
7	Mr. Kiran Madhusudan Sheth	ALJPS1874Q
8	Mr. Jatin Shah	AACPS6128D
9	Shree Shagun Financial Services	ABTFS0353F
10	Oliwonders Financial Services Pvt. Ltd.	AABCO2030J
11	Neevan Capital Markets Pvt. Ltd.	AACCN7650G
12	Mr. Bhavesh Pabari	AKGPP8679N
13	Mr. Hemant Sheth	ANOPS8607E
14	Mr. Prem Parikh	ALHPP3489N
15	Mr. Ankit Sanchaniya	BLNPS3316L
16	Mr. Jinal Apurval Rawal	ATHPR5041C

17. In view of the foregoing, in order to protect the interest of the investors and the integrity of the securities market, I, in exercise of the powers conferred upon me by virtue of section 19 read with sections 11(1), 11(4)(d) and 11B of the SEBI Act, 1992, hereby impound the alleged unlawful gains of a sum of **₹4,18,02,420/- (alleged gain of ₹3,05,99,174/- + interest of ₹ 1,12,03,246/- (from 01.08.2012 to 19.08.2015))**, jointly and severally from persons/entities tabulated in the paragraph above.

18. The Banks and Depositories are directed that no debits shall be made, without permission of SEBI, in respect of the bank accounts and demat accounts, held jointly or severally, by all the

persons/entities tabulated in **paragraph 16 above**. The Banks and the Depositories are directed to ensure that all the above directions are strictly enforced.

19. The persons/entities tabulated in **paragraph 16 above** are also directed not to dispose off or alienate any of their assets/properties/securities, till such time the amounts mentioned in **paragraph 17** are credited to an escrow account {“**Escrow Account in Compliance with SEBI Order dated August 20, 2015 – A/c (in the name of the respective persons/entities)**”} created specifically for the purpose in a Nationalized Bank. The escrow account/s shall create a lien in favour of SEBI and the monies kept therein shall not be released without permission from SEBI. After the said monies are deposited in the escrow account, SEBI shall communicate to the Banks and Depositories to defreeze the accounts.

20. Further, the persons/entities tabulated in **paragraph 16** above are directed to provide, within 7 days of this order, a full inventory of all their assets and properties and details of all their bank accounts, demat accounts and holdings of shares/securities, if held in physical form and details of companies in which they hold substantial or controlling interest.

21. The above direction shall come into force with immediate effect.

22. This Order is without prejudice to the right of SEBI to take any other action that may be initiated against the 16 persons/entities covered under this Order, in accordance with law. The persons/entities against whom this Order has been passed may file their replies to SEBI within 21 days from the date of receipt of this order, if they so desire. They may also indicate in their replies whether they wish to avail an opportunity of personal hearing in the matter.

**PRASHANT SARAN
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA**

**Date: August 20, 2015
Place: Mumbai**