

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: MADHABI PURI BUCH, WHOLE TIME MEMBER
INTERIM EX PARTE ORDER**

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

**In Re: Securities and Exchange Board of India (Prohibition of Insider Trading)
Regulations, 2015**

In respect of:

Noticee No.	Name of the Entity	PAN
1	Mr. Ramit Chaudhri	ADXPC7706P
2	Mr. Keyur Maniar	AEHPM2560E

(collectively referred to as “Noticees”)

**In the matter of insider trading by employees of Infosys Limited and Wipro Limited in the
shares of Infosys Limited**

Background

1. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) alert system had generated insider trading alerts for the scrip of Infosys Limited (hereinafter referred to as “INFY” / “Company”) around the corporate announcement about “*the strategic partnership of Infosys with Vanguard*” made to BSE and NSE.
2. Thereafter, based on the aforesaid alert, SEBI conducted a preliminary examination in the scrip of INFY to ascertain whether certain persons / entities traded in the said scrip while they were in possession of / on the basis of unpublished price sensitive information in contravention of the provisions of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “SEBI Act”) read with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “PIT Regulations”).

3. INFY is a public company incorporated on July 02, 1981. The company is listed on both NSE and BSE. The scrip is in Future and Option segment (“**F&O Segment**”) and is a part of SENSEX and NIFTY.

SEBI’s Examination:

4. SEBI’s preliminary examination *prima facie* observed the following:
 - 4.1. The corporate announcement of “*the strategic partnership of Infosys with Vanguard*” was made by INFY to BSE and NSE on July 14, 2020.
 - 4.2. The information relating to including the timing of the announcement of “the strategic partnership of Infosys with Vanguard” (hereinafter referred to “**Vanguard deal**”) was Unpublished Price Sensitive Information (hereinafter referred to as “**the UPSI**”).
 - 4.3. Based on power point presentation on “*Go To Market Command Center*” shared with the employees of INFY vide email dated June 29, 2020, the UPSI came into existence on June 29, 2020. Thus, the UPSI period was from June 29, 2020 to July 14, 2020.
 - 4.4. Mr. Ramit Chaudhri (hereinafter referred to as “**Ramit**” / **Noticee No. 1**), Solution Design Head of INFY, who was directly / indirectly associated with the Vanguard deal and being an officer / employee of INFY is a connected person and was reasonably expected to have access / be privy to the UPSI and on preponderance of probability basis *prima facie* he was in possession of the UPSI. Thus, Ramit is *prima facie* an insider.
 - 4.5. Mr. Keyur Maniar (hereinafter referred to as “**Keyur**” / “**Noticee No. 2**”) is connected with Ramit (an insider) (a) through frequent telephonic communication; and (b) Keyur and Ramit both have worked together in Wipro BPS during the period from March 2012 to December 2014. Thus, Keyur is a connected person and is reasonably expected to have an access to the UPSI and therefore, he is an insider and on preponderance of probability basis *prima facie* was in possession of the UPSI procured from Ramit.
 - 4.6. Keyur had traded in the scrip of INFY in the F&O segment just prior to the announcement of the Vanguard deal and soon after the announcement, subsequently offloaded / squared off his positions such that net positions were zero.
 - 4.7. Due to this trading, Keyur had generated proceeds of Rs. 261.30 lakhs.

- 4.8. Such trading behavior of Keyur was not his normal trading behavior because his trading concentration during the look back period i.e. May 20, 2020 to July 01, 2020 and look forward period i.e. July 29, 2020 to September 09, 2020 was almost 0%.
- 4.9. Thus, in view of the foregoing, Noticee No. 1 & 2 had *prime facie* violated the provision of SEBI Act and PIT Regulations, 2015.

CONSIDERATION & PRIMA FACIE FINDINGS

5. I have perused the findings of the preliminary examination conducted by SEBI and other material available on record. On perusal of the same, following *prima facie* issues arise for consideration:
- 5.1. **Issue No. 1:** *Whether information relating to including the timing of the announcement of “the strategic partnership between Infosys and Vanguard” was UPSI. If so, what was the UPSI Period?*
- 5.2. **Issue No. 2:** *Whether Ramit and Keyur are insiders in terms of PIT Regulations, 2015?*
- 5.3. **Issue No. 3:** *Whether Keyur, while in possession of and / or on the basis of UPSI, had traded in the scrip of INFY?*
- 5.4. **Issue No. 4:** *Based on the answers to issue nos. 1, 2 & 3, whether there are the relevant provisions of SEBI Act and PIT Regulations that have been violated by Noticee No. 1 and 2 and whether they are prima facie liable for the same?*
- 5.5. **Issue No. 5:** *On determination of the above issues, whether urgent directions, if any, should be issued in the present matter?*
6. In order to determine the issues raised in the foregoing paragraph, it would be sufficient to examine, whether the relevant Noticees, as insiders, traded while in possession of UPSI. However, in the instant case, *prima facie*, the preliminary examination, has brought out that the impugned trading is also *prima facie* on the basis of UPSI. In this regard, a discussion on *Delta* analysis of the trading by the Noticees would be relevant as it stands as one of the

evidences of how an entity has traded in the market on the basis of UPSI. Therefore, a brief discussion on the significance on of delta analysis is brought out below.

- 6.1. By way of an illustration, if an insider was in possession of positive UPSI about a Company, and traded while in possession of such UPSI, he would be expected to buy the shares of the Company before such information became public. Once the information became public, since it was positive in nature, it would be expected that the share price of the company would go up and the insider would then sell the shares at such higher price, thereby making a profit using the UPSI. It may be noted though, that the policy of the PIT Regulation is to prevent dealing in securities, while in possession of UPSI irrespective of whether the UPSI is positive or negative and irrespective of whether profit is made or not.
- 6.2. If the UPSI happened to be negative, then the insider would be expected to sell the shares of the Company at a particular price before the UPSI became public (including short selling if he did not already hold the shares). Once the information became public, since it was negative in nature, it would be expected that the share price of the Company would fall and the insider would then buy the shares at such lower price, thereby closing his short selling position at a profit (sold higher, bought back lower), using the UPSI.
- 6.3. The illustration described above is with reference to the cash segment of the market where the shares of the companies are bought and sold. However, over the years, the derivatives segment of the market has become multiple times the size of the cash segment and Futures and Options (F&O) have become an even bigger opportunity for an insider to make profit using UPSI. In fact, the F&O segment gives the insider a very “efficient” route to making unlawful gains. Cash segment is settled on T+2 basis whereas F&O segment is settled on the last Thursday of the month (settlement date). Thus, the insider can keep his buy/sell position open for longer in the F&O segment, without having to settle the trade. During this time, the insider is only required to post margin for his trades, and not pay for the value of the full shares. Thus, with even a relatively small amount of money, he can take large leveraged positions in the F&O segment for a much larger number of shares.
- 6.4. By way of an illustration, in Futures, the modus operandi of the insider is very similar to the cash segment since buying a Future today in a particular Company at a particular price is effectively a commitment to buy a share of that Company on settlement date at that

price. Similarly on selling Futures of a particular scrip at a particular price today, there is effectively a commitment to deliver the shares on the settlement date at that particular price. In general, the Futures price of a share moves in tandem with the price of the underlying share. So, if the UPSI is positive, the insider will buy Futures of the Company before the UPSI becomes public, and sell the Futures after the price has gone up subsequent to the UPSI becoming public. Similarly, if the UPSI is negative, he would first sell Futures of the Company before the UPSI becomes public and buy the Futures back at a lower price after the UPSI has become public. Thereby booking a profit.

- 6.5. In the case of Options, the mechanism works a little differently since there are a large number of possible permutations and computations in terms of the positions that the insider can take. And for each of these positions, there can be a large number of strike prices that the insider chooses based on his assessment of how much the price of the share will go up or down.
- 6.6. By way of an illustration, let us assume that the Current Market Price (CMP) of a Company's share is Rs 100. If the UPSI is positive, and the insider expects the share price to go up. Thus, he would want to buy a call option. Suppose he buys the Call option at a strike price of Rs 100/- only i.e. at CMP itself. In this transaction, the Intrinsic Value of the option would be zero (0) since strike price = CMP. So he would need to pay only for Time Value of the Option. This would be a relatively a small amount. Depending on the volatility of the share price and time left till expiry, let us assume that this is 2% of the CMP i.e. Rs 2/- (Rupees two only) per share. After the UPSI becomes public and the Market Price of the share goes up from Rs 100/- to say Rs 105/-, the price of that Call Option will move significantly. Firstly, the Intrinsic Value of the Option itself will become Rs. 5/- (CMP-strike price). In addition, the time value would also stay approximately the same i.e. Rs. 2/-, if the time to expiry is still approximately the same. Thus, the total value would be Rs 7/-. Now the insider would sell the option he is holding, at this price, and book a profit of Rs 5/- thereby earning a return of 2.5 times on his investment.
- 6.7. If the UPSI is negative, he would Sell a Call Option, wait for the price of the share (and therefore the price of the Call Option) to fall post UPSI becoming public, and buy it back at a lower cost, thereby booking a profit.

- 6.8. Following similar logic, it would be observed that if the UPSI is positive, the insider might also choose to Sell a put option, apart from buying Futures or buying a Call Option as described above. And if the UPSI is negative, he may choose to Buy a Put Option, apart from selling Futures or selling a Call Option. As mentioned earlier, options can be bought and sold at various strike prices (in the illustration above, a strike price equal to the prevailing market price was taken @ Rs 100. However, the market offers many alternative strike prices, both above and below the prevailing market price)
- 6.9. Since the various permutations and combinations of positions as outlined above can create complexity, it is important to find a single measure that captures the overall net position of the trader in terms of whether the overall net position reflects that he is expecting the price of the share to go up or down. This is particularly important when analyzing the trades/positions of a person who is indulging in Insider Trading since such a person may try and camouflage his directional view (share price expected to go up or down) by taking some positions contrary to his directional view while overall his net positions show a clear directional view.
- 6.10. A metric called the “*Delta*” of the positions is such a metric that is used by the market and the traders to monitor their overall net position across all their trades/positions. Essentially, the net Delta of the various positions taken by the insider, indicates:
- 6.10.1. What the net overall directional view of the insider is i.e. does he expect the share price to go up or down?
 - 6.10.2. If the view is positive, and if the share price of the company goes up by Rs 1, how much approximate profit will the insider make?
 - 6.10.3. If the view is negative, and if the share price of the company goes down by Rs 1, how much approximate profit will the insider make?
 - 6.10.4. If the view of the insider turns out to be wrong (i.e. He expects share price to go up, but it goes down OR he expects share price to go down, but it goes up) then how much approximate loss will he make?
 - 6.10.5. How confident is the insider about his view?
- 6.11. For example, if the insider thinks that the share price will go up, then the net *Delta* of his positions will be positive, say 1,00,000, and this means that for every Rs 1 increase

in the share price, the insider will make an approximate profit of Rs 1,00,000/-. But if his view goes wrong, and the share price goes down, then for every Rs 1 fall in the share price, he will make an approximate loss of Rs 1,00,000/-.

- 6.12. Similarly, if the insider thinks that the share price will go down then the net *Delta* of his positions will be negative, say -1,00,000, it means that for every Rs 1 fall in the price of the company's share price, the insider will make an approximate profit of Rs 1,00,000/- . But if his view goes wrong, and the share price goes up, then for every Rs 1 increase in share price, he will make an approximate loss of Rs 1,00,000/-.
- 6.13. As can be seen above, the cost of the view going wrong is as high as the benefit of the view being right. Thus, when an insider runs a high *Delta*, [either (+) or (-)] it shows that he is very confident about his view. Particularly when his *Delta* in that share is compared with the *Delta* he runs in other shares (if he is a regular trader) OR with the *Delta* he runs in the same share when he does NOT have UPSI.
- 6.14. Insiders may try and defend themselves by pointing to some of their transactions which are contrary to the overall directional view. They may claim that if they had UPSI, they would try and maximize their profit and the fact that they entered into contrary trades shows that this was not the case. However, it is noted that such contrary trades can be entered into for two reasons:
- 6.14.1. Precisely to camouflage their main trades and to try and build a defence on these lines which is belied by their overall net *Delta*.
- 6.14.2. In order to execute their main trades, they need funds either to buy options or to furnish margins. In order to generate some amount of funds for this purpose, they may enter into contrary trades, particularly options at strike prices that they are confident about, to generate funds.
- 6.15. This is why net *Delta* is such a powerful metric, because it nets out all the camouflage and all the complexity, and gives a simple measure of how much approximate profit the insider stands to make if his directional view based on the UPSI turns out to be right, and equally, how much loss he stands to make if his directional view turns out to be wrong.

7. Given the above background on *Delta*, I proceed with the determination of *prima facie* findings of the present case:

ISSUE No. 1: *Whether information relating to including the timing of the announcement of “the strategic partnership between Infosys and Vanguard” was UPSI. If so, what was the UPSI Period?*

8. I note that INFY had made an announcement on July 14, 2020 (Tuesday), on NSE at 21:12:00 and on BSE at 21:13:19 titled “VANGAURD AND INFOSYS ANNOUNCE STRATEGIC PARTNERSHIP”.
9. Before proceeding further, it will be relevant to refer the definition of “unpublished price sensitive information”. Regulation 2(1)(n) of PIT Regulations defines “unpublished price sensitive information”. The text of the said regulation is reproduced below:

Regulation 2(1)(n) of PIT Regulations:

“unpublished price sensitive information” means any information relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –

(i).....

(ii).....

(iii).....

(iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions

10. Thus, from the aforesaid definition of unpublished price sensitive information, it is observed that the following three ingredients are essential to qualify an information as an unpublished price sensitive information:
- 10.1. The information must be directly or indirectly related to a Company or its securities;
- 10.2. The information must not be generally available; and
- 10.3. The information upon becoming generally available, is likely to materially affect the price of securities of Company.

Moreover, in terms of regulations 2(1)(n)(iv) of PIT Regulations, expansion of business are types of matters that ordinarily give rise to unpublished price sensitive information.

11. I now proceed to examine whether the information relating to the announcement of “*the strategic partnership between Infosys and Vanguard*”, announced on July 14, 2020 falls within the parameters of definition of unpublished price sensitive information under regulation 2(1)(n) of PIT Regulations.

12. With respect to the first criteria, whether information regarding announcement of “the strategic partnership between Infosys and Vanguard”, pertains directly to INFY, following is noted:

12.1. The major highlights of the announcement dated July 14, 2020 regarding Vanguard deal is *inter alia* as under:

12.1.1. “.....*This strategic partnership will deliver a technology-driven approach to plan administration and fundamentally reshape the corporate retirement plan experience for its sponsors and participants.....*”

12.1.2. “.....*Mohit Joshi, president of Infosys “Our platform will create a new standard for the industry as we seek to drastically improve the retirement savings experience for plan participants and sponsors through the use of cutting edge digital technologies.”.....*”

12.1.3. “.....*Approximately 1,300 Vanguard roles currently supporting the full-service recordkeeping client administration, operations and technology functions will transition to Infosys.....*”

12.2. The extracts of INFY Transcripts of the press conference conducted after board meeting dated July 15, 2020, *inter alia* states as under:

12.2.1. “.....*We are also happy to report that yesterday we announced a landmark Digital Transformation engagement with Vanguard. We will partner with Vanguard to drive Digital Transformation of the record- keeping services on to a Cloud based platform.....*”

12.2.2. “.....*We also saw yesterday announcement from Vanguard. Digital transformation work, we will partner with them.....*”.

12.3. The extracts of INFY Earnings Call Q1 FY 2021 dated July 15, 2020, as available on the website of BSE/NSE, *inter alia* states as under:

12.3.1. *Large deal wins were healthy at \$1.74 bn for Q1. This excludes the largest ever deal signed in Infosys' history that we have closed in Q2.*

12.3.2. *In early Q2 we signed the largest ever deal in Infosys' history in this vertical.*

12.4. The extracts of INFY Earnings Call Q2 FY2021 dated October 14, 2020, as available on its website, are as below:

12.4.1. *.....Q2 revenues included only a marginal contribution from the Vanguard deal, which should start ramping up from Q3 onwards.*

12.4.2. *..... We have signed 6 large deals in this segment in the last quarter including the Vanguard deal. This should propel revenue growth for Financial Services in the coming quarters.*

12.5. INFY vide email dated July 28, 2021 *inter alia* states that “...the deal referred in the earnings call dated July 15, 2020, as mentioned in your email dated July 21, 2021, relates to the agreement executed between Infosys Limited and Vanguard Group Inc (Vanguard) on July 14, 2020”

12.6. Vanguard vide email dated July 23, 2021 submitted that the deal is projected to generate significant fees over 10 years.

13. Thus, from the above, it is observed that INFY has placed big emphasis on the Vanguard deal and this deal was being referred as the largest deal signed in INFY History which would propel revenue growth for their financial services vertical. Therefore, it is observed that the information regarding announcement of “the strategic partnership between Infosys and Vanguard”, pertains directly to INFY. Hence, this satisfies the first criteria of UPSI.

14. To meet the second criteria, the information should not be “*generally available*”. The phrase, “*generally available information*” has been defined under regulation 2 (1)(e) of PIT Regulations, as follows:

“generally available information” means information that is accessible to the public on a non-discriminatory basis;

NOTE: It is intended to define what constitutes generally available information so that it is easier to crystallize and appreciate what unpublished price sensitive information is. Information published on the website of a stock exchange, would ordinarily be considered generally available.

15. The aforesaid definition which essentially means that the information should be equally accessible to the public on a non-selective and in a transparent manner i.e., accessible to the public. To put it differently, for an information to be held as generally available, the information must be uniformly and universally disseminated. One of the ways of doing so is publishing it on the website of a stock exchange.
16. In the instant matter, *“the strategic partnership between Infosys and Vanguard”* were announced by INFY on July 14, 2020 on NSE at 21:12:00 and on BSE at 21:13:19.
17. The information being published on the website of the stock exchanges was uniformly and universally accessible to the public on a non-discriminatory basis. There is no evidence to show that the information relating to *“the strategic partnership between Infosys and Vanguard”* was generally available to the public prior to July 14, 2020. Hence, this satisfies the second criteria of UPSI.
18. As per the third criteria, the information upon becoming generally available, is likely to materially affect the price of the securities. In this regard, it is observed that (a) Vanguard deal was being referred as the largest deal signed in INFY History; (b) the deal is projected to generate significant fees over 10 years; (c) Approximately 1,300 Vanguard roles will transition to Infosys; (d) Vanguard is one of the world’s largest investment companies with around USD 5.9 trillion in global assets under management, as of May 31, 2020. Therefore, associating with Vanguard through a cloud-based recordkeeping project is likely to expand INFY’s business in cloud services domain. Hence, publication of *“the strategic partnership between Infosys and Vanguard” prima facie* was likely to materially affect the price of INFY securities.

19. Reliance is also placed on Hon’ble Securities Appellate Tribunal order dated March 24, 2021 in Appeal no. 272 of 2020 in the matter of *Mr. B Renganathan Vs. SEBI* wherein Hon’ble SAT held that:

“.....A disclosure-based regulatory regime is founded on timely and adequate disclosure of all events material to a company or to its securities in any manner. Further hair-splitting will result in confusion; so the best way to deal with the event is to disclose without doing further analysis. Disputes regarding actual price sensitiveness is irrelevant as brought out in this matter by both the sides; with SEBI holding that prices increased by a few rupees in the opening trades on April 6, 2017 while the appellant holding that prices had already been on the rise several days prior to that and prices increased due to disclosure of an insurance license. What is relevant is whether the event in question is likely to have a material effect irrespective of whether it actually impacts or not. Therefore, in our considered view any event like a 100% acquisition of a company, irrespective of its value or size, is material and liable to bring in UPSI and consequently liable for regulatory compliances under LODR and PIT regulations”

20. Thus, the information relating to *“the strategic partnership between Infosys and Vanguard”*, which was not generally available and upon becoming generally available was *prima facie* likely to materially affect the price of the securities. Hence, this satisfies the third criteria of UPSI.

21. Separately, it is noted that pursuant to the corporate announcement of *“the strategic partnership between Infosys and Vanguard”* on July 14, 2020, the price of INFY rose on July 15, 2020. The details of INFY price movement on NSE vis-à-vis Nifty movement is as under:

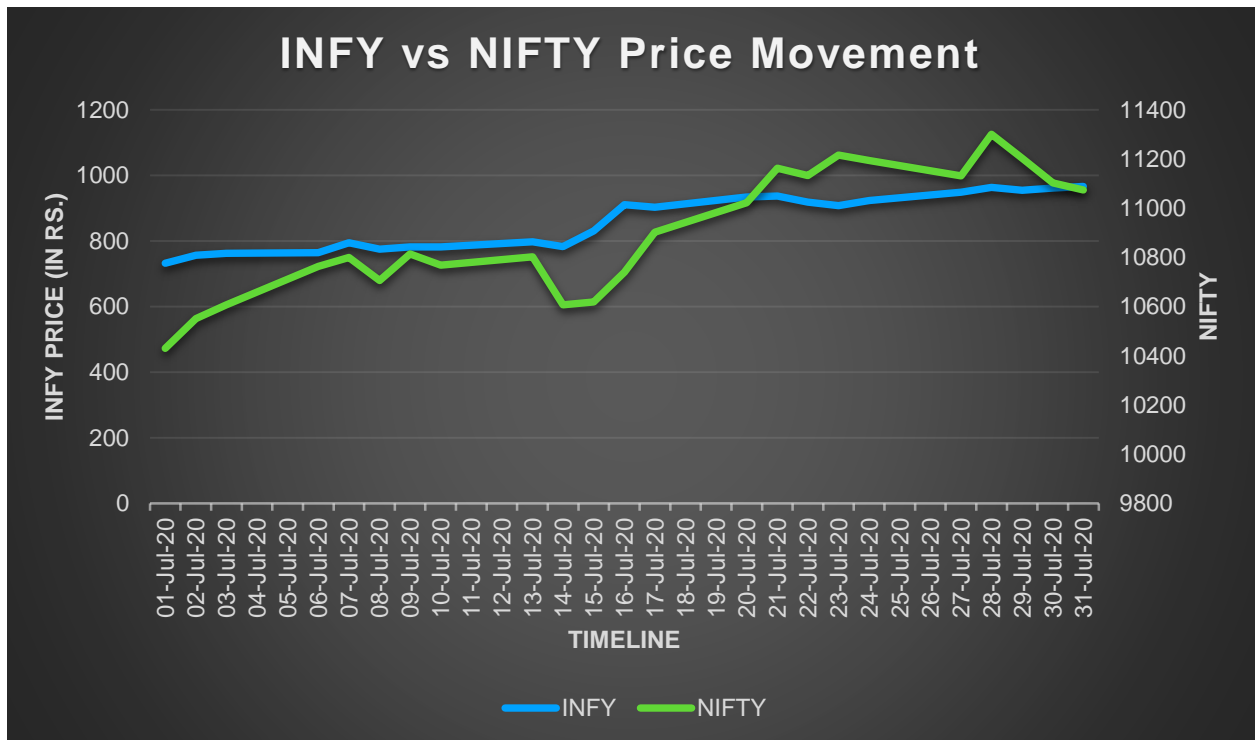
Table No. 1

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	NSE NIFTY (close)
14/07/2020	792.95	806.4	781.35	783.25	10607.35
15/07/2020	799	848.45	794.8	830.95	10618.2

22. From the above table on NSE trading platform, the price of the scrip was observed to have moved from a closing price of Rs. 783.25 on July 14 2020 (the day of the corporate announcement post market hours) to a close price of Rs. 830.95 on July 15, 2020 i.e. a price rise of 6.09% in 1 trading day. A similar trend in price movement was observed on BSE trading platform. Corresponding increase in Nifty Index (which also has INFY as a component) was only 0.10%. Corresponding increase in Sensex (which also has INFY as a component) was only 0.05%.

23. The price movement of INFY at NSE during the month of July 2020 is as under:

Figure No. 1 (price movement of INFY vis-a-vis Nifty)



24. It is noted that as per definition of unpublished price sensitive information, actual price impact because of announcement of “the strategic partnership between Infosys and Vanguard” is not required and the definition requires only the likely impact on the price of the security. The above figure no. 1 shows that pursuant to the USPI being made public on

July 14, 2020, there was a sudden rise (impact) in price of INFY scrip from July 14, 2020 to July 15, 2020 that could not be attributed to a general rise in the market (Nifty). Thus, it is observed that announcement of information relating to “*the strategic partnership between Infosys and Vanguard*” on July 14, 2020, upon becoming generally available has *prima facie* materially affected the price of the securities of INFY.

25. In view of the aforesaid discussions, it has been *prima facie* demonstrated that all the three ingredients of the definition of unpublished price sensitive information have been met by the information related to “*the strategic partnership between Infosys and Vanguard*” and hence, it is *prima facie* held that the information related to announcement of “*the strategic partnership between Infosys and Vanguard*” was an unpublished price sensitive information (hereinafter referred to as “**UPSI**”), in terms of regulation 2(1)(n) of PIT Regulations.
26. Moreover, it is noted that Regulation 2(1)(n)(iv) of PIT Regulations, is part of the illustrative guidance of UPSI which is given under the definition of UPSI in Regulation 2(1)(n) of PIT Regulations. In terms of Regulation 2(1)(n)(iv) of PIT Regulations, expansion of business is one of the matters that ordinarily give rise to unpublished price sensitive information. In the extant matter, the strategic partnership between INFY and Vanguard was likely to have a material effect on the business dealing of INFY along with increase in revenues. Further, such a deal while enhancing the image and brand value, it will also benefit in expansion of business by bringing in new clients as INFY has considered this deal to be a transformational. Therefore, associating of Infosys with Vanguard through a cloud-based recordkeeping project *prima facie* falls within the category of expansion of INFY’s business.
27. Thus, *per se* under regulation 2(1)(n)(iv) of PIT Regulations, too it can be *prima facie* held that the information related to announcement of “*the strategic partnership between Infosys and Vanguard*” which relates to the expansion of business of INFY, was UPSI, prior to July 14, 2020. Further, it is observed that whether a particular information is UPSI, must be examined as per definition of UPSI and as per the facts and circumstances of each case. As noted in the preceding paragraphs, there are three parameters that must be met for an information to fall within the ambit of UPSI. The first parameter of the information relating

directly or indirectly to a company or its securities, is a question of fact. The second parameter of information not being generally available is a mixed question of fact and law, as a factual verification of the availability of information must be done considering the definition of “generally available information” as given under PIT Regulations. The third parameter of the information likely to affect the price of the securities, is another requirement. The types of matters that have been given in the illustrative list in the Regulation considers that the three parameters are already met with. Even though the information relating to “*the strategic partnership between Infosys and Vanguard*” which was announced by INFY is falling within one of the illustrative lists i.e., under regulation 2(1)(n)(iv) of PIT Regulations, independent of that, it has *prima facie* satisfied all the three parameters of the definition of UPSI given under regulation 2(1)(n) of PIT Regulations as well. Therefore, the information related to the announcement of “*the strategic partnership between Infosys and Vanguard*”, was *prima facie* UPSI.

28. As per Regulation 3(5) of PIT Regulations, the Board of Directors of every company shall ensure that a Structured Digital Database (hereinafter referred to as “SDD”) is maintained containing the names of such persons with whom information under Regulation 3 of PIT Regulations has been shared. Also the names of such persons with whom information is shared under this regulation shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
29. In this regard, INFY vide emails dated February 22, 2021 and March 16, 2021 stated that the ‘partnership’ was neither a joint venture or an acquisition of an entity and accordingly this transaction was not considered as an Unpublished Price Sensitive Information (UPSI) of the Company and information is not forming part of the structured digital database maintained by the Company. In view of *prima facie* findings mentioned from paragraph 9 to 27, the submission of INFY, cannot be accepted in the present matter as the information relating to “*the strategic partnership between Infosys and Vanguard*” satisfies all the three parameters of the definition of UPSI given under regulation 2(1)(n) of PIT Regulations. It may be noted, whether an information is an “UPSI” needs to be determined on the basis of the parameters

mentioned in the PIT Regulations and not on the basis of whether such information has been recorded in the SDD. Reflection in SDD only gives an additional circumstance to be considered for an UPSI, in that the company has also recorded the information as UPSI.

30. The next issue that arises for determination is what is the UPSI period. In this regard, INFY vide email dated June 21, 2021 provided the copies of email correspondence and attachments therein with respect to the “GTM (Go-To-Market)” meeting held prior to the corporate announcement of the Vanguard deal. Upon perusal of said documents, it is observed that vide email dated June 25, 2020 it was informed to a specific set of employees of INFY that Infosys GTM command center to start working with Vanguard immediately after the announcement. Further, vide email dated June 29, 2020, a PPT presentation on GTM command center was shared with the specific set of employees of INFY. In said PPT presentation, the duration and timing of GTM command center activity was mentioned as “*2.5 weeks from announcement date (from 7/14 to 7/31)*”. Thus, vide email dated June 29, 2020, it was made clear to the specific set of employees of INFY that the corporate announcement with respect to the Vanguard deal would be made on July 14, 2020. Thus, the fact that such information was shared to the specific set of employees through PPT does not take away its character that it was not “*generally available information*” as the same was not available to the public on *non-discriminatory basis*. Further, in the instant matter, it is noted that the corporate announcement was made by INFY of July 14, 2020. Hence, it is *prima facie* found that, the UPSI had come into existence on June 29, 2020.

31. Further, I find that the UPSI was made public on July 14, 2020 i.e. *prima facie*, it remained unpublished till July 14, 2020 at 21:12:00. On the basis of above, I *prima facie* find that the UPSI Period is from June 29, 2020 to July 14, 2020 (21:12:00).

Issue No. 2: Whether Ramit and Keyur are insiders in terms of PIT Regulations, 2015?

32. It is pertinent to refer here to the relevant provision / definition of Connected Person and Insider as mentioned in PIT Regulations, 2015:

32.1. As per Regulation 2(1)(d) of PIT Regulations, “connected person” means,-

- (i) *any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.*
- (ii)

32.2. As per Regulation 2(1)(g) of PIT Regulations, “Insider” means any person who is:

- (i) *a connected person; or*
- (ii) *in possession of or having access to unpublished price sensitive information:*

33. Employees of INFY involved in Vanguard Deal:

33.1. INFY vide email dated June 21, 2021 provided a list of employees from Infosys BPM who were directly / indirectly associated with the Vanguard deal. As per the list provided by INFY, it is noted that Sanjay Nayak (Sanjay), Muthukrishnan Nagarajan (Muthukrishnan) and Ramit Chaudhri (Ramit), among others, were associated with the deal between INFY and Vanguard.

33.2. Details of the aforesaid INFY employees are given below:

Table No. 2

Sr. No.	Employee Name	Designation	Official Mobile Number as provided by INFY
1	Sanjay Nayak	Strategic Business Practice Head - Industry Solutions	973XXXX181
2	Muthukrishnan Nagarajan	Solution Design Head	962XXXX278
3	Ramit Chaudhri	Solution Design Head	740XXXX703

33.3. From the LinkedIn page of Sanjay, it was observed that Sanjay had posted one article on LinkedIn related to ‘Strategic partnership between Vanguard and Infosys’ after its announcement by INFY on the exchanges platform on July 14, 2020. Sanjay in reply

to one comments tagged Muthukrishnan's name, among others, indicating other team members of INFY who were involved in the Vanguard deal. Further, from Sanjay's LinkedIn page, it is also observed that he is currently (from July 2020 – present) working as 'Head of Business Operations' for the Vanguard – Infosys partnership at the Mid – Atlantic Retirement Services Center of Excellence.

- 33.4. Further, email correspondences dated June 25, 2020 and June 29, 2020 within INFY to invite certain INFY employees across various teams to review and discuss setting-up of INFY 'Go To Market command center' in preparation to the Corporate Announcement are on record. The role of the INFY 'command centre' was to provide support at Vanguard 'command center', to help answer any questions received from Vanguard stakeholders, after the Corporate Announcement. Further, it is noted that vide said email dated June 29, 2020, a specific set of employees of INFY were informed that the corporate announcement with respect to the Vanguard deal would be made on July 14, 2020. The email correspondences dated June 25, 2020 and June 29, 2020 were marked to both Sanjay and Muthukrishnan. Therefore, it is found that both Sanjay and Muthukrishnan were privy to the UPSI at least from June 29, 2020.
- 33.5. As per the reporting structure provided by INFY vide email dated July 02, 2021, it is observed that both Ramit and Muthukrishnan were reporting to one Sreenath Ramakrishnan.
- 33.6. From the call data records (CDRs) of Ramit's official mobile number, it was observed that Ramit was frequently communicating with both Sanjay and Muthukrishnan during the period from January 01, 2020 to December 07, 2020. Details about the CDRs of Ramit with both Sanjay and Muthukrishnan during the UPSI period is given as below:

Table No. 3

Date	Time	Calling Person	Called Person	Dur (s)	Call Type
29/06/2020	22:07:37	Sanjay	Ramit	388	INC
05/07/2020	14:37:40	Ramit	Sanjay	1882	OUT
05/07/2020	15:09:36	Ramit	Sanjay	481	OUT
05/07/2020	15:17:47	Ramit	Sanjay	186	OUT
07/07/2020	16:37:52	Muthukrishnan	Ramit	1	SMS_INC
07/07/2020	16:37:57	Ramit	Muthukrishnan	1	SMS_MOC
07/07/2020	16:38:36	Sanjay	Ramit	298	INC

Date	Time	Calling Person	Called Person	Dur (s)	Call Type
07/07/2020	16:43:52	Ramit	Sanjay	15	OUT
07/07/2020	16:44:26	Sanjay	Ramit	260	INC
07/07/2020	16:51:18	Ramit	Muthukrishnan	1	SMS_MOC
07/07/2020	16:51:33	Muthukrishnan	Ramit	1	SMS_INC
07/07/2020	16:51:54	Ramit	Muthukrishnan	1624	OUT
07/07/2020	17:19:36	Muthukrishnan	Ramit	1	SMS_INC
07/07/2020	17:19:58	Ramit	Muthukrishnan	1	SMS_MOC
08/07/2020	21:13:53	Sanjay	Ramit	444	INC
08/07/2020	21:21:37	Ramit	Sanjay	548	OUT
09/07/2020	17:23:35	Ramit	Sanjay	382	OUT
09/07/2020	17:46:14	Ramit	Sanjay	214	OUT
09/07/2020	22:13:42	Ramit	Sanjay	135	OUT
10/07/2020	13:21:41	Ramit	Sanjay	364	OUT
10/07/2020	13:52:10	Sanjay	Ramit	14	INC
10/07/2020	15:01:18	Ramit	Sanjay	523	OUT
10/07/2020	18:38:29	Ramit	Sanjay	146	OUT
13/07/2020	13:23:48	Sanjay	Ramit	723	INC
13/07/2020	13:44:42	Sanjay	Ramit	93	INC
14/07/2020	10:01:54	Ramit	Sanjay	41	OUT
14/07/2020	10:11:58	Sanjay	Ramit	24	INC
14/07/2020	10:14:02	Ramit	Sanjay	36	OUT
14/07/2020	10:54:58	Ramit	Sanjay	742	OUT
14/07/2020	16:09:33	Ramit	Sanjay	190	OUT
14/07/2020	16:39:31	Ramit	Muthukrishnan	465	OUT

33.7. It is noted that Companies in order to compete for projects, assemble teams in order to assemble all required skill sets and allocate responsibility, and to increase the diversity of perspectives for the project. The team environment requires employees to discuss the project. This requires horizontal and vertical information flow, communication among team, sharing of knowledge, experience & skills, team meetings, trainings etc. on various issues like problems / solutions / completion / phasing / rolling out / review etc. of the project.

33.8. In the present matter, INFY informed that Sanjay, Muthukrishnan and Ramit, among others, were part of the team, which was associated with the deal between INFY and Vanguard. It is also noted that Muthukrishnan and Ramit both were Solution Design Heads and were reporting to one Mr. Sreenath Ramakrishna. It is also noted from the CDRs of Ramit's official mobile number, that Ramit was in constant communication

with both Sanjay and Muthukrishnan during the period from January 01, 2020 to December 07, 2020.

33.9. Thus, in view of the foregoing, I am of the *prima facie* view that Ramit, Sanjay and Muthukrishnan were part of the team, that was associated with Vanguard Deal, and thus were reasonably expected to have had / be privy to information flow about the projects and were communicating among themselves regarding various information relating to the Vanguard deal including the setting up of GTM command center, timing of corporate announcement etc. Thus, considering that both Sanjay and Muthukrishnan were privy to the UPSI from June 29, 2021, it is *prima facie* reasonably expected that Ramit as part of the team, was also privy to the UPSI during the UPSI period i.e. from June 29, 2020 to July 14, 2020.

33.10. From preceding paragraphs, it is *prima facie* noted that Sanjay, Muthukrishnan and Ramit were involved in the Vanguard deal in the ordinary and normal course of performing their duties on behalf of INFY, therefore, it is reasonably expected that ***communication among themselves*** regarding UPSI was *prima facie* in furtherance of legitimate purposes, performance of their duties and discharge of their legal obligations. However, ***any communication*** by Sanjay, Muthukrishnan and Ramit regarding UPSI to any person within INFY or outside INFY who are not involved Vanguard deal, ***would not*** be considered in furtherance of legitimate purposes or performance of their duties or discharge of their legal obligations.

34. Connection between Ramit (Noticee No.1) and Keyur (Noticee No.2):

34.1. It is noted that Keyur is a Senior Vice President (Capital Markets) in Wipro. From – ‘Times of India’ media outlet dated July 20, 2020, it is noted that INFY and Wipro were the final contenders for getting the Vanguard deal. Wipro vide email dated February 01, 2021 informed that Keyur was categorized as a designated person for the Vanguard deal. Further, upon perusal of email correspondences and documents submitted by Wipro vide email dated March 09, 2021, it is *prima facie found* that Keyur was communicating with Vanguard on behalf of Wipro for the deal.

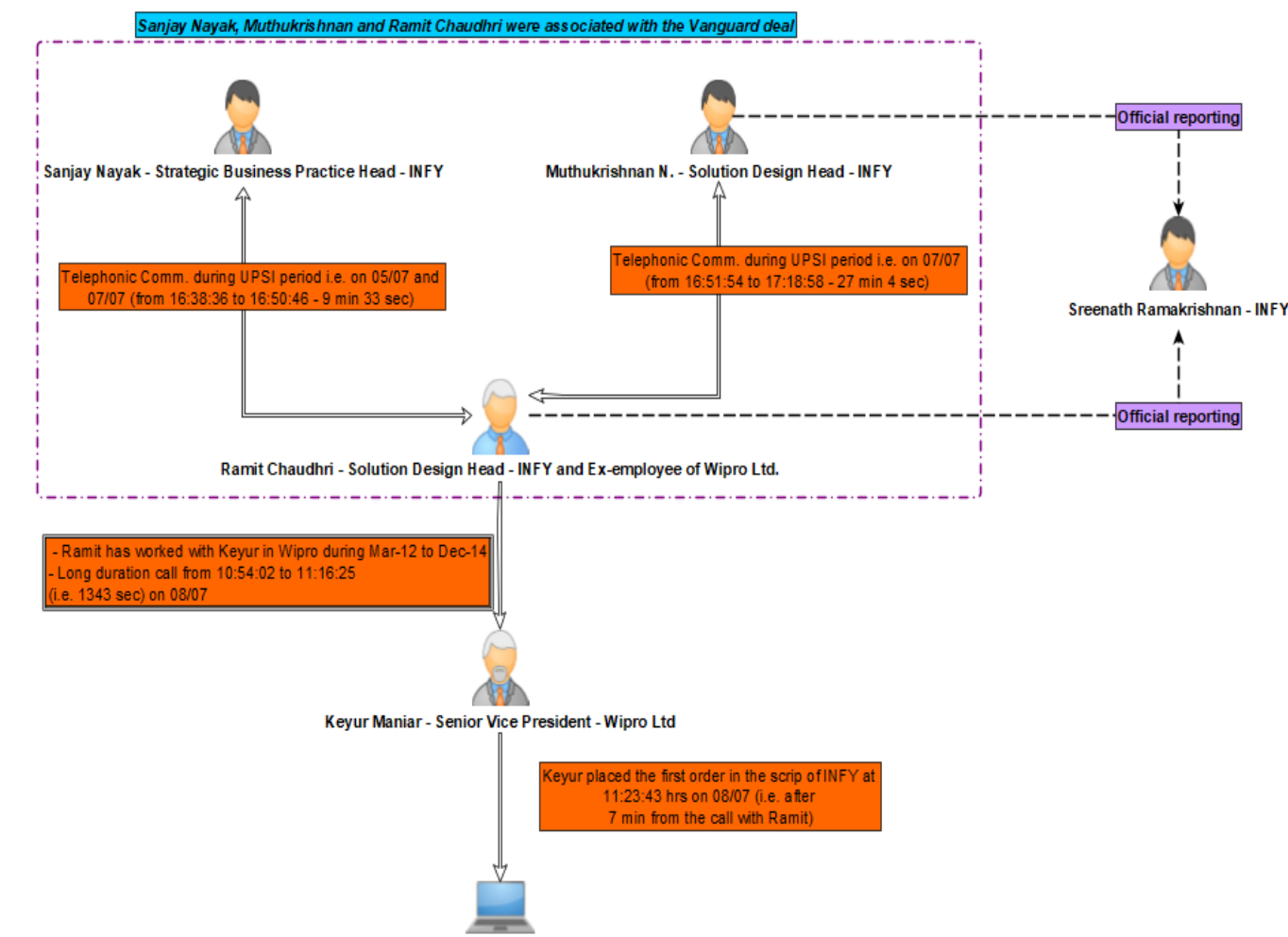
- 34.2. It is also observed that Keyur vide email dated March 09, 2020 had informed the senior management of Wipro about the Vanguard decision that they are not proceeding with Wipro on the deal.
- 34.3. As per the LinkedIn profile of both Keyur and Ramit, it is *prima facie* found that that they have worked together in WIPRO BPS during the period from March 2012 to December 2014. It is also observed that in December 2015, Keyur had given a recommendation note to Ramit on his LinkedIn page. Thus, this *prima facie* show that Ramit had worked with Keyur in WIPRO BPS. Hence, it is *prima facie* found that Keyur and Ramit have known each other since their time in WIPRO BPS together.
- 34.4. As per the KYC details of Ramit provided by NSDL Database Management Ltd (NDML) vide email dated March 08, 2021, it is observed that Ramit, apart from the official mobile number 740XXXX703 mentioned at paragraph 33.2 above, was also using another mobile number 988XXXX868 for communication purpose. Wipro vide email dated February 01, 2021 informed that Keyur was using 996XXXX080 mobile number for official purpose.
- 34.5. From the CDRs of mobile numbers of Ramit and Keyur, following *prima facie* finding is noted:
- 34.5.1. Ramit had used both his mobile numbers to communicate with Keyur.
- 34.5.2. During the period from January 01, 2020 to September 18, 2020, Ramit and Keyur have made several calls between themselves. Details of the same is as under.

Table No. 4

Date	Time	Calling Person	Called Person	Dur(s)	Call Type
08/01/2020	14:45:54	Keyur	Ramit	766	OUT
05/04/2020	17:12:13	Keyur	Ramit	1725	OUT
05/04/2020	17:41:24	Keyur	Ramit	909	OUT
13/04/2020	21:22:07	Keyur	Ramit	637	OUT
14/05/2020	11:37:26	Ramit	Keyur	302	IN
08/07/2020	10:54:02	Ramit	Keyur	1343	IN
04/09/2020	18:08:46	Keyur	Ramit	1288	OUT

- 34.6. Further, it is noted that INFY vide email dated March 16, 2021 informed that there were contract negotiations between INFY and Vanguard during March 16, 2020 to June 01, 2020 to discuss the terms and conditions of the proposed Master Service Agreement (MSA). Thus, considering that Ramit was an integral part of team that was associated with the Vanguard deal, it is reasonably expected that Ramit was privy to the information about the MSA between INFY and Vanguard.
- 34.7. Therefore, (a) Keyur, who had prior knowledge about Wipro's elimination in the month of March 2020; (b) coupled with the high duration calls on April 05 and 13, 2020 between Keyur and Ramit; and (c) Ramit who was reasonably expected to have information about the MSA between INFY and Vanguard; indicate, on preponderance of probability basis, that the information about INFY being in the final round of negotiations of the deal with Vanguard, was *prima facie* passed on to Keyur by Ramit.
- 34.8. Further, from table no. 4, it is noted that Ramit made a long duration call to Keyur at 10:54:02 on July 08, 2020 (i.e. during the UPSI period, when Ramit was privy to UPSI) which lasted for 1343 sec (i.e. call end time was 11:16:25), it is also noted that subsequent to the said call, on July 08, 2020 Keyur immediately (i.e. after a gap of 7 min) placed a first order in the scrip of INFY in INFY20JULFUT contract at 11:23:43 hours and the same was re-entered (post deletion of first order) at 11:26:12 hours. This said "re-entered" order got executed at 11:32:31 hrs.
- 34.9. Thus, in view of the above, based on preponderance of probability, it is *prima facie* found that Keyur has procured the UPSI from Ramit; and that Ramit has communicated the UPSI to Keyur.
35. For ease of presentation, the aforesaid *prima facie* connections are depicted in the figure below:

Figure No. 2



36. Thus, on the basis of above connections and relationships and coupled with the timings of the calls made / frequency of communicating, on preponderance of probability basis, I am of the *prima facie* view that (a) Ramit is a connected person on account of being an officer / employee of INFY (Solution Design Head, INFY) who was part of the team, that was involved in the Vanguard Deal, that allows him, directly or indirectly, access / being privy to the UPSI / he is reasonably expected to have access / be privy to the UPSI and on preponderance of probability basis he is in possession of the UPSI (b) on preponderance of probability basis, Ramit has communicated the UPSI to Keyur in some form or manner and Keyur has procured the UPSI from Ramit in some form or manner.

37. Hence, in view of the above and on a preponderance of probability basis, I *prima facie* find that:

37.1. Ramit, being an officer / employee of INFY (Solution Design Head, INFY), is a connected person under Regulation 2(1)(d) of PIT Regulations and was involved in Vanguard Deal such that, he can be reasonably expected to have access / be privy to the UPSI and on preponderance of probability basis he was in possession of the UPSI. Therefore, Ramit is an insider as per Regulation 2(1)(g)(i) & (ii) of PIT Regulations.

37.2. Keyur has been connected with Ramit, (an employee of INFY) (a) through frequent communication; and (b) Ramit was an Ex-employee of Wipro and was working with Keyur in Wipro. Thus, Keyur is a connected person under Regulation 2(1)(d) of PIT Regulations and is reasonably expected to have had access to the UPSI and on preponderance of probability basis he was in possession of the UPSI. Hence, Keyur had procured UPSI from Ramit and was in possession of the UPSI. Therefore, Keyur is an insider as per Regulation 2(1)(g)(i) of PIT Regulations.

Issue No. 3: Whether Keyur, while in possession of and on the basis of the UPSI, had traded in the scrip of INFY?

38. I have already previously *prima facie* found that Keyur is an insider and could reasonably be expected to have had access to and be in possession of the UPSI. On the basis of paragraph 34 above and on preponderance of probability basis, I *prima facie* find that Keyur was in possession of the UPSI prior to the trades mentioned in Table no. 5 below. The details of trades done by Keyur (PAN: AEHPM2560E) in INFY during the UPSI period and a week after the UPSI period are as under:

Table No. 5

Date	Trading Member	Sec Name/ Contract	Gr Buy Vol	Gr Sell Vol	Net Trd Vol
08/07/2020	Sharekhan Ltd.	INFY20JUL750CE	1,200	0	1,200
08/07/2020	Sharekhan Ltd.	INFY20JUL760CE	1,200	0	1,200
08/07/2020	Sharekhan Ltd.	INFY20JUL770CE	2,400	0	2,400
08/07/2020	Sharekhan Ltd.	INFY20JUL780CE	1,200	0	1,200
08/07/2020	Sharekhan Ltd.	INFY20JUL800CE	1,200	0	1,200
08/07/2020	Sharekhan Ltd.	INFY20JUL850CE	4,800	0	4,800
08/07/2020	Sharekhan Ltd.	INFY20JULFUT	1,200	0	1,200
09/07/2020	Sharekhan Ltd.	INFY20JUL760CE	1,200	0	1,200
09/07/2020	Sharekhan Ltd.	INFY20JUL770CE	1,200	0	1,200
09/07/2020	Sharekhan Ltd.	INFY20JUL780CE	9,600	0	9,600
09/07/2020	Sharekhan Ltd.	INFY20JUL790CE	4,800	0	4,800
09/07/2020	Sharekhan Ltd.	INFY20JUL850CE	4,800	0	4,800
10/07/2020	Sharekhan Ltd.	INFY20JUL770CE	7,200	0	7,200
10/07/2020	Sharekhan Ltd.	INFY20JUL780CE	16,800	0	16,800
10/07/2020	Sharekhan Ltd.	INFY20JUL790CE	10,800	0	10,800
10/07/2020	Sharekhan Ltd.	INFY20JUL850CE	8,400	0	8,400
13/07/2020	Sharekhan Ltd.	INFY20JUL780CE	8,400	0	8,400
13/07/2020	Sharekhan Ltd.	INFY20JUL790CE	2,400	0	2,400
13/07/2020	Sharekhan Ltd.	INFY20JUL800CE	13,200	0	13,200
13/07/2020	Sharekhan Ltd.	INFY20JUL810CE	8,400	0	8,400
13/07/2020	Sharekhan Ltd.	INFY20JUL820CE	49,200	0	49,200
13/07/2020	Sharekhan Ltd.	INFY20JUL830CE	6,000	0	6,000
13/07/2020	Sharekhan Ltd.	INFY20JUL840CE	48,000	0	48,000
13/07/2020	Sharekhan Ltd.	INFY20JUL850CE	27,600	0	27,600
13/07/2020	Sharekhan Ltd.	INFY20JUL880CE	48,000	0	48,000
13/07/2020	Sharekhan Ltd.	INFY20JUL900CE	15,600	0	15,600
14/07/2020	Sharekhan Ltd.	INFY20JUL800CE	51,600	0	51,600
14/07/2020	Sharekhan Ltd.	INFY20JUL810CE	33,600	0	33,600
14/07/2020	Sharekhan Ltd.	INFY20JUL820CE	22,800	0	22,800
14/07/2020	Sharekhan Ltd.	INFY20JUL830CE	42,000	0	42,000
14/07/2020	Sharekhan Ltd.	INFY20JUL840CE	42,000	0	42,000
14/07/2020	Sharekhan Ltd.	INFY20JUL850CE	50,400	0	50,400
14/07/2020	Sharekhan Ltd.	INFY20JUL860CE	48,000	0	48,000
14/07/2020	Sharekhan Ltd.	INFY20JUL880CE	24,000	0	24,000
14/07/2020	Sharekhan Ltd.	INFY20JUL900CE	44,400	0	44,400
14/07/2020	Sharekhan Ltd.	INFY20JULFUT	1,200	0	1,200
15/07/2020	Sharekhan Ltd.	INFY20JUL750CE	0	1,200	-1,200
15/07/2020	Sharekhan Ltd.	INFY20JUL760CE	0	2,400	-2,400
15/07/2020	Sharekhan Ltd.	INFY20JUL770CE	0	10,800	-10,800
15/07/2020	Sharekhan Ltd.	INFY20JUL780CE	0	36,000	-36,000
15/07/2020	Sharekhan Ltd.	INFY20JUL790CE	0	18,000	-18,000

Date	Trading Member	Sec Name/ Contract	Gr Buy Vol	Gr Sell Vol	Net Trd Vol
15/07/2020	Sharekhan Ltd.	INFY20JUL800CE	0	36,000	-36,000
15/07/2020	Sharekhan Ltd.	INFY20JUL810CE	0	42,000	-42,000
15/07/2020	Sharekhan Ltd.	INFY20JUL820CE	0	72,000	-72,000
15/07/2020	Sharekhan Ltd.	INFY20JUL830CE	0	30,000	-30,000
15/07/2020	Sharekhan Ltd.	INFY20JUL840CE	0	30,000	-30,000
15/07/2020	Sharekhan Ltd.	INFY20JUL850CE	0	36,000	-36,000
15/07/2020	Sharekhan Ltd.	INFY20JUL860CE	0	12,000	-12,000
15/07/2020	Sharekhan Ltd.	INFY20JUL880CE	0	12,000	-12,000
15/07/2020	Sharekhan Ltd.	INFY20JUL900CE	6,000	0	6,000
15/07/2020	Sharekhan Ltd.	INFY20JULFUT	0	2,400	-2,400
16/07/2020	Sharekhan Ltd.	INFY20JUL800CE	0	30,000	-30,000
16/07/2020	Sharekhan Ltd.	INFY20JUL830CE	0	18,000	-18,000
16/07/2020	Sharekhan Ltd.	INFY20JUL840CE	0	60,000	-60,000
16/07/2020	Sharekhan Ltd.	INFY20JUL850CE	0	60,000	-60,000
16/07/2020	Sharekhan Ltd.	INFY20JUL860CE	0	36,000	-36,000
16/07/2020	Sharekhan Ltd.	INFY20JUL880CE	0	60,000	-60,000
16/07/2020	Sharekhan Ltd.	INFY20JUL900CE	0	48,000	-48,000
17/07/2020	Sharekhan Ltd.	INFY20JUL900CE	0	18,000	-18,000
Total			6,70,800	6,70,800	0

39. From the trading details of Keyur in the scrip of INFY, I *prima facie* find the following:

- 39.1. Keyur has taken a net long position in 14 call option contracts of INFY for a combined 6,62,400 shares between July 08, 2020 and July 14, 2020 (i.e. during UPSI period and before corporate announcement on July 14, 2020) and squared off the aforesaid positions between July 15, 2020 and July 17, 2020 (i.e. after UPSI become public after corporate announcement on July 14, 2020) thereby earning a cumulative net proceeds of Rs.261.30 lakhs (squared off difference) from the aforesaid transactions.
- 39.2. Keyur has also taken a net long position in the futures contract of INFY for 2,400 shares between July 08, 2020 and July 14, 2020 (i.e. during UPSI period and before corporate announcement on July 14, 2020) at an average price of Rs.783.55 and thereafter the entire aforesaid long position was squared off on July 15, 2020 (i.e. after UPSI become public after corporate announcement on July 14, 2020) at an average price of Rs.825.5 thereby earning a cumulative net proceeds of Rs.1.01 lakhs (squared off difference) from the aforesaid transactions.

39.3. Keyur has earned a cumulative net profit of Rs.262.31 lakhs (squared off difference) from the aforesaid positions. The details of the same are as under:

Table No. 6

Sr. No.	Product	A Quantity bought / sold while in possession of UPSI and subsequently squared off	B Weighted Avg Buy Price of the product (Rs.)	C Weighted Avg Sell Price of the product (Rs.)	Proceeds from insider trading (In Rs.) = A*(C-B)
1	INFY20JULFUT	2,400	783.55	825.50	1,00,680
2	INFY20JUL750CE	1,200	40.00	65.00	30,000
3	INFY20JUL760CE	2,400	33.98	60.00	62,460
4	INFY20JUL770CE	10,800	29.71	65.83	3,90,180
5	INFY20JUL780CE	36,000	27.29	58.42	11,20,800
6	INFY20JUL790CE	18,000	21.81	53.21	5,65,200
7	INFY20JUL800CE	66,000	22.29	86.26	42,21,900
8	INFY20JUL810CE	42,000	18.52	40.72	9,32,400
9	INFY20JUL820CE	72,000	15.28	35.69	14,70,180
10	INFY20JUL830CE	48,000	10.97	58.03	22,58,700
11	INFY20JUL840CE	90,000	8.83	61.62	47,51,280
12	INFY20JUL850CE	96,000	6.60	49.35	41,04,360
13	INFY20JUL860CE	48,000	5.15	47.33	20,25,060
14	INFY20JUL880CE	72,000	3.53	37.61	24,53,640
15	INFY20JUL900CE	60,000	2.86	29.28	17,43,780
Total (In Rs.)					2,62,30,620

40. In view of the above, I *prima facie* find that Keyur being an insider, while in possession of the USPI, during the UPSI period, had placed orders for trading in the securities of INFY.

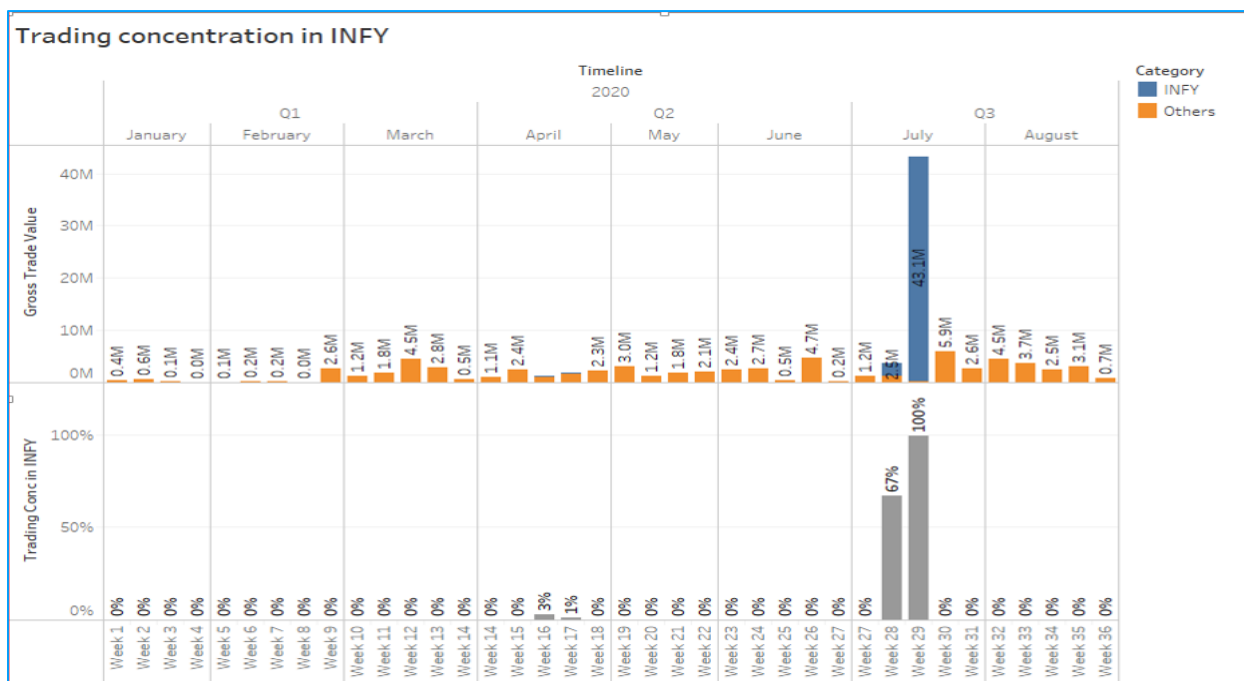
41. In view of the discussion at paragraph 6 above in respect of the delta analysis of portfolios, I am of the view that in the instant case, the impugned trading by Keyur is also, *prima facie*, on the basis of UPSI on account of the following analysis:

41.1. During the week prior to the announcement (i.e. during July 08-14, 2020), Keyur's trading concentration in the scrip of INFY was 99.6% whereas his trading concentration

during the look back period i.e. May 20, 2020 to July 01, 2020 and look forward period i.e. July 29, 2020 to September 09, 2020 was 0%.

41.2. The trading concentration of Keyur in the shares of INFY vis-à-vis other scrips in terms of value is reflected in below graph:

Figure No. 3



41.3. From the above figure, following noted that:

41.3.1. Keyur has never traded in the scrip of INFY during the period from January 2020 to June 2020 except during April 2020 wherein the trading activity in the scrip of INFY was minuscule as compared to his trades during the UPSI period.

41.3.2. The gross traded value during Week 29 (July 13, 2020 to July 19, 2020 i.e. around the corporate announcement) was approx. Rs. 431 lakhs, which is 100% accountable to Keyur's trades in INFY and is more than 9 times of the highest gross traded value in all scrips during Week 1 to Week 27 of 2020 (prior to the UPSI period) which was around Rs. 47 lakhs.

41.4. Keyur has taken significant net bullish positions prior to the announcement of UPSI and has taken offsetting positions subsequently with net trade as zero i.e. the entire positions taken prior to the announcement of UPSI have been offset.

41.5. In order to look into overall directional view of Keyur in the scrip of INFY, the overall *Delta* position of Keyur in the scrip of INFY as on the date of corporate announcement of UPSI i.e. on July 14, 2020 in its portfolio was seen and the same is as under:

Table No. 7

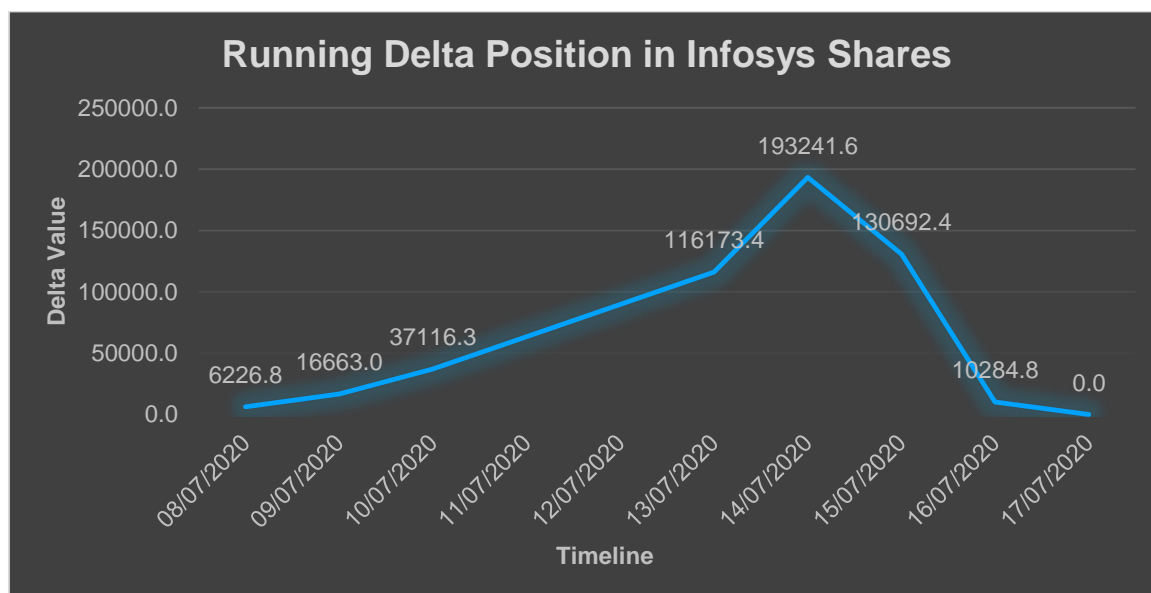
Contracts	Expiry Date	Buy/ Sell	Delta*	No of shares	Total Delta
		(1)	(2)	(3)	(4)=(1)*(2)*(3)
Futures	30-July-20	Buy (+1)	1.00	2,400	2,400.00
Call Options (Strike Price: Rs.750)	30-July-20	Buy (+1)	0.688	1,200	825.68
Call Options (Strike Price: Rs.760)	30-July-20	Buy (+1)	0.640	2,400	1,535.80
Call Options (Strike Price: Rs.770)	30-July-20	Buy (+1)	0.590	10,800	6,372.99
Call Options (Strike Price: Rs.780)	30-July-20	Buy (+1)	0.539	36,000	19,419.26
Call Options (Strike Price: Rs.790)	30-July-20	Buy (+1)	0.489	18,000	8,797.52
Call Options (Strike Price: Rs.800)	30-July-20	Buy (+1)	0.439	66,000	28,966.25
Call Options (Strike Price: Rs.810)	30-July-20	Buy (+1)	0.391	42,000	16,403.51
Call Options (Strike Price: Rs.820)	30-July-20	Buy (+1)	0.344	72,000	24,798.82
Call Options (Strike Price: Rs.830)	30-July-20	Buy (+1)	0.301	48,000	14,448.77
Call Options (Strike Price: Rs.840)	30-July-20	Buy (+1)	0.261	90,000	23,465.27
Call Options (Strike Price: Rs.850)	30-July-20	Buy (+1)	0.224	96,000	21,487.36
Call Options (Strike Price: Rs.860)	30-July-20	Buy (+1)	0.190	48,000	9,142.40
Call Options (Strike Price: Rs.880)	30-July-20	Buy (+1)	0.134	72,000	9,676.33
Call Options (Strike Price: Rs.900)	30-July-20	Buy (+1)	0.092	60,000	5,501.64
				Total Delta	1,93,241.60

* Delta as recorded by NSE at the end of the day.

41.6. From the above table, it is noted that Keyur has an overall delta of 1,93,241 for all his positions cumulatively as on July 14, 2020 (i.e. just prior to the announcement on July

14, 2020) i.e. if the price of INFY increased by Rs.1/- then the profit from the portfolio of derivative positions of Keyur in the scrip of INFY would be approx. Rs.1,93,241/-. On the other hand if the price of INFY decreased by Rs. 1, then there would be a loss of approx. Rs. 1,93,241/- The trend of *Delta* position of Keyur in the scrip of INFY over time, was as under:

Figure No. 4



41.7. From the above figure, it is seen that even though Keyur traded in INFY all through the UPSI Period, the overall *Delta* position of Keyur in the scrip of INFY started increasing from July 08, 2020 and reached a maximum at 1,93,241 on July 14, 2020. Post announcement of UPSI, Keyur has drastically reduced his overall delta position in INFY on July 15 and 16, 2020, by offsetting the long positions held in call option and futures contracts of INFY.

41.8. Analysis of *Delta* position of Keyur in all scrips:

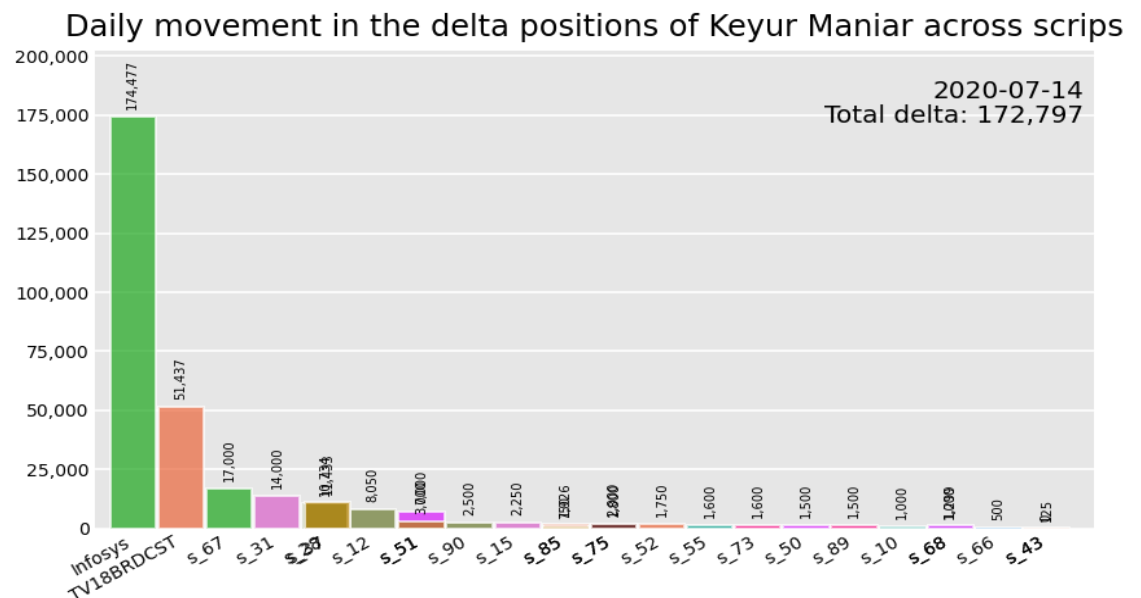
41.8.1. Keyur's delta positions in 94 scrips based on the trades done by Keyur in various securities (Cash Equity/Futures/Option contracts) during the period from January 01, 2020 to September 15, 2020 have been analyzed. Summary data in respect of the same is enclosed in **Annexure-1** and legend as **Annexure -2**. A time lapse visualization of the same can be seen by scanning the below mentioned QR code:



41.8.2. It may be noted that from the visualization that Keyur started building a position in INFY from July 08, 2020 that peaked on July 14, 2020 at a level of 1,93,241. It may be further noted that this position was completely inconsistent with position in 92 other scrips in terms of *delta* / period held.

41.8.3. A Snapshot of the relevant bar chart is depicted below:

Figure No. 5



- 41.8.4. The highest delta position that Keyur has built during the period from January 01, 2020 to September 15, 2020 was in the scrip of INFY during the UPSI period (1,93,241 on July 14, 2020).
- 41.8.5. Apart from INFY, delta positions in the remaining 93 scrips has crossed the 50,000 mark only once i.e. in the scrip of TV 18 Broadcast Ltd. However, the delta position in TV 18 Broadcast Ltd. has remained in the range of 47,287 to 52,004 for about 6 months i.e. from March 17, 2020 to September 15, 2020.
- 41.8.6. In contrast to the aforesaid delta positions built in the scrip of TV 18 Broadcast Ltd., Keyur has built delta position of 1,93,241 in the scrip of INFY (almost 4 times of delta position in TV 18 Broadcast Ltd.) during a 1 week period from July 08, 2020 to July 14, 2020, which was later squared off within only 3 days (i.e. on July 15 - 17, 2020) after the corporate announcement.
- 41.8.7. Keyur's trading activity in the highest delta position scrip (1,93,241 in the scrip of INFY) lasted for 10 days only as against his trading activity in the second highest delta position scrip (47,287 to 52,004 in the scrip of TV 18 Broadcast Ltd.) which lasted for about 6 months.
- 41.8.8. The *delta* in 92 other scrips was even lower, rarely crossing even 50,000.
- 41.8.9. Therefore, from the above, it is *prima facie* found that Keyur has taken huge delta positions in the scrip of INFY for a very short period of time, completely inconsistent with his historical risk taking pattern including even for the next highest delta scrip, and completely inconsistent / disproportionate to delta position in all other 92 scrips and squared off the delta positions in the scrip of INFY immediately pursuant to the announcement.
42. Thus, in view of the above and as per paragraph 6 above, I *prima facie* find that trades of Keyur in the securities of INFY were not only executed while in possession of the UPSI, but also on the basis of the UPSI.
43. In summary, I *prima facie* find that Keyur, while in possession of and on the basis of UPSI, had traded in the scrip of INFY, *inter alia* based on the following circumstances:

- 43.1. Keyur was an insider;
- 43.2. Keyur can be reasonably expected to have had access to and be in possession of the UPSI during the UPSI period;
- 43.3. Sudden buildup of position / *delta* by Keyur in the scrip of INFY a week prior to and rapid closure of position / *delta* after the date of corporate announcement of UPSI on July 14, 2020;
- 43.4. No trading was done by Keyur in the scrip of INFY during the period May 20, 2020 to July 01, 2020 nor during the period July 29, 2020 to September 09, 2020 i.e. between 2 weeks and 8 weeks prior to and after the date of corporate announcement of UPSI.
- 43.5. The trading concentration of Keyur in terms of value in the scrip of INFY vis-a-vis other scrips was 0% during 2 weeks to 8 weeks prior to and after the date of corporate announcement of UPSI made on July 14, 2020;
- 43.6. Keyur had significant bullish positions just prior to the announcement of UPSI and subsequently had offset its positions with net trade as zero;
- 43.7. Keyur had trading concentration of 100% (in terms of value) in the shares of INFY vis-à-vis its overall trades during the week of corporate announcement of UPSI i.e. July 13, 2020 to July 19, 2020.
- 43.8. As on July 14, 2020, Keyur, in his portfolio, had an overall *Delta* of 1,93,241 for all his cumulative derivative positions in INFY, which showed his strong confidence that the share price of INFY would go up. This significant *Delta* was built up just prior to the announcement of USPI by INFY.
- 43.9. Keyur's trading activity in the highest delta position scrip (1,93,241 in the scrip of INFY) lasted for 10 days only as against his trading activity in the second highest delta position scrip (47,287 to 52,004 in the scrip of TV 18 Broadcast Ltd.) which lasted for 6 months and was completely disproportionate to his trades in 92 other scrips in which he traded.

Issue No. 4: Based on the answers to issue Nos. 1 to 3, whether there are relevant provisions of SEBI Act and PIT Regulations that have been violated by Noticee No. 1 & 2 and who all are prima facie liable for the same?

44. Before moving forward, it is relevant to refer to the relevant provisions of SEBI Act and PIT Regulations, which are as under:

44.1. **SEBI Act:**

Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.

Section: 12A. *No person shall directly or indirectly*

- (a)
- (b)
- (c)
- (d) *engage in insider trading;*
- (e) *deal in securities while in possession of material or non-public information or communicate such material or non-public information to any other person, in a manner which is in contravention of the provisions of this Act or the rules or the regulations made thereunder;*

44.2. ***PIT Regulations:***

Communication or procurement of unpublished price sensitive information.

- Regulation 3 (1)** *No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations*
- (2) *No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.*

Trading when in possession of unpublished price sensitive information

- Regulation 4(1)** *No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information*

Ramit Chaudhri (Noticee No. 1):

45. In view of the *prima facie* findings mentioned at Issue No. 2 above, Ramit, being an officer / employee of INFY (Solution Design Head, INFY) is *prima facie* a connected person under Regulation 2(1)(d) of PIT Regulations, and was part of the team, that was involved in the Vanguard Deal that put him in a position, to be reasonably expected to have access / be privy to and in possession of the UPSI, and thus is *prima facie* also an insider as per Regulation 2(1)(g)(i) & (ii) of PIT Regulations. Further, Ramit a *prima facie* insider, on July 08, 2020 (i.e. 1 week after the UPSI came into existence) had spoken to Keyur and coupled with the fact that on July 08, 2020 Keyur started building significant position in the scrip of INFY, *prima facie*, leads to the conclusion, on preponderance of probability basis, that Ramit, who was *prima facie* had access to / was privy to and was in possession of the UPSI, had communicated the UPSI to Keyur in some form or manner. Hence, Ramit Chaudhri has *prima facie* violated the provision of Section 12A (e) of SEBI Act, 1992 and Regulations 3(1) of PIT Regulations.

Keyur Maniar (Noticee No. 2):

46. In view of the *prima facie* findings mentioned at Issue No. 2 above, Keyur, on July 08, 2020 (i.e. 1 week after the UPSI came into existence) had spoken to Ramit (*prima facie* insider). Keyur was *prima facie* connected to Ramit through Wipro (Ramit being an ex-employee of Wipro and working with Keyur when he was in Wipro). From July 08, 2020 Keyur had started building significant position / *delta* in the scrip of INFY. I note that Keyur had zero *delta* in the scrip of INFY during the period May 20, 2020 to July 01, 2020 and zero *delta* during the period July 29, 2020 to September 09, 2020 (i.e. between 2 weeks and 8 weeks prior to and after the date of corporate announcement of UPSI). All this *prima facie* leads to the conclusion, on preponderance of probability basis, that Keyur had *prima facie* procured the UPSI from Ramit (*prima facie* insider) in some form or manner and thereby *prima facie* was in possession of the UPSI.

47. Thus, from the above, I find that Keyur has (a) *prima facie* procured the UPSI from Ramit; and (b) traded in the securities of INFY *prima facie* while in possession of and on the basis of the UPSI. Hence, Keyur Maniar has *prima facie* violated the provisions of Section 12A (d) & (e) of SEBI Act, 1992 and Regulations 3(2) & 4(1) of PIT Regulations.

Liability for the Proceeds generated from *prima facie* Insider Trading Activity:

48. The issue which now merits discussion is, who amongst the aforesaid Noticees, would be *prima facie* liable for the proceeds generated by the *prima facie* insider trading activities in the scrip of INFY. From the above discussion, I note that Ramit and Keyur, have *prima facie*, pursuant to their *modus operandi*, engaged directly / indirectly in insider trading activities in the scrip of INFY. Ramit and Keyur had played their respective parts in fruition of the *modus operandi*. Therefore, based on the available records, it is *prima facie* held that Ramit and Keyur who *prima facie*, pursuant to their *modus operandi*, have engaged in insider trading activities in the scrip of INFY are *prima facie* liable for the proceeds generated from the insider trading activities to the extent, as mentioned in the table below, jointly and severally

Table No. 8

Sr. No. (1)	Name of the Entities (2)	Liability (3)	Proceeds generated from Insider trading (In Rs.) (4)
1.	Keyur and Ramit	Jointly and Severally	2,62,30,620

Issue No. 5: On determination of the above issues, whether urgent directions, if any, should be issued in the present matter?

49. As the regulator of the capital markets, SEBI has the duty to safeguard the interests of investors and protect the integrity of the securities market. PIT Regulations has been formulated with the main objective of preventing insider trading activity and to prohibit the communication of UPSI, procurement of UPSI and trading by insiders who can derive undue benefit out of their possession of UPSI compared with the rest of the market, owing to

asymmetrical access to such information. Such trading affects the integrity of the market and also affects investors who do not have such access to UPSI. Since the conduct of the aforementioned entities, do not, *prima facie*, appear to be in the interest of investors and the securities market, necessary action has to be taken against them immediately, else it may lead to loss of investors' trust in the securities market. The insider trading activity not only causes notional monetary loss to investors but also has the effect of interfering with the development of securities market, as investor tend to lose faith in the securities market. The same is detrimental to the development of the securities market and qualifies as an "irreparable injury". The objective of SEBI as enshrined in the SEBI Act is not only the protection of investors but also orderly development of securities market.

50. Further, as noted in the preceding paragraphs, (a) Ramit had *prima facie* communicated the UPSI to Keyur; (b) Keyur had significant trading activity / building of position / delta in the scrip of INFY just prior to the announcement of UPSI; and (c) Trading concentration of Keyur in the shares of INFY vis-a-vis other scrips in terms of value increases drastically during the UPSI period. This, all indicate that Keyur has taken huge delta positions in the scrip of INFY contrary to his historical risk taking pattern and squared off the same immediately pursuant to the announcement. Such trading activity *prima facie* indicates trading based on some credible information. Therefore, while the matter is still under full examination, it appears, on preponderance of probability basis, that insider trading may have carried out, related to other corporate announcements of INFY and / or other scrips, as well. Hence, I am convinced that this is a fit case where, pending detailed examination, effective and expeditious preventive action is required to be taken by way of ad interim ex – parte order to protect the interests of investors and preserve the safety and integrity of the securities market. Such action needs to be taken to prevent any further harm to investors.

51. I note that for the reasons recorded herein below, immediate action is called for against the entities:

51.1. From the LinkedIn profile of Ramit, it is noted that (a) he is Chartered Accountant from The Institute of Chartered Accountants in 2004; (b) is currently working as Corporate

VP with WNS; (c) had previously worked with INFY BPM, Wipro Limited, IBM Global Business Process Services, FS Solution Design, F & A Solution Design, Goldman Sachs, Bharti Infotel Limited and KPMG India; and (d) had more than 500 connections in LinkedIn.

51.2. From the LinkedIn profile of Keyur, it is noted that (a) he had done his MBA from IIM, Ahmedabad in 1998; (b) is currently working as Senior VP & Country Head (MD) with Wipro Limited; (c) had previously worked with CapitalOne, E&Y Management Consulting and TCS; and (d) had more than 500 connections in LinkedIn.

51.3. Thus, from paragraphs 51.1 & 51.2, it is reasonably premised that Ramit and Keyur both have connections with large number of friends / persons in corporate world, who appear to be placed at varying levels of management in listed companies / companies that consult with or provide services to many listed companies. It is also reasonably premised that Ramit and Keyur through this social network and corporate connection, have the potential to be in touch with these friends / persons. Thus, it is reasonably believed that *modus operandi* that Ramit and Keyur have *prima facie* engaged in, could be replicated in respect of other listed companies where Ramit and Keyur may perform varying roles in the said *modus operandi* exploiting their personal, social and corporate network. Thus, preventive directions against them are essential to stall the impending danger to investors that in future Ramit and Keyur through their personal, social and corporate network (a) might procure / communicate / misutilise UPSI pertaining to various companies including but not limited to INFY and Wipro; and (b) might continue to engage in similar *modus operandi* by playing varying roles in various other companies.

51.4. There may be cases where a person, who has been *prima facie* found to have committed a violation, could commit the same or other violations. If detection prior to the violation is made, the principle of urgency would require immediately stopping at the stage of violation. Urgency requires stopping of activities in time. Considering *prima facie* actions of the Noticees in the extant matter, there is a high probability that there is an imminent threat of further insider trading activity. So urgent preventive steps are required to be taken to prevent them from causing any further harm to the market / loss to investors.

Thus, if the said entities are not prevented from dealing in securities then they would continue to access the market which *prima facie*, as discussed above, is not in the best interest of the general investors and the market. Therefore, there is impending threat and urgency that they should be prevented from further committing breach of securities laws in securities market.

51.5. The balance of convenience is to impose suitable directions against the aforesaid Noticees involved in the *prima facie* insider trading activity, so as to maintain a level playing field in the market for the general investors. Further if an ex-parte order is not passed, many investors may have to suffer, resulting into irreparable injury. However, if an ex-parte order is passed, what is at stake is the right of the current entities herein vis-a-vis multitude of investors in the market. It may be noted that one of the underlying differences between the ex-parte orders in the case of private suits and ex-parte public enforcement actions, is the identification of the injured party. In private damage suits, the injured individual, as “whole”, is identifiable whereas ex-parte public enforcement action seeks to protect the floating multitude of investing public by preventing, continuous and imminent violations of the securities laws. Therefore, I consider the balance of convenience is also not in favour of the entities.

52. I also note that under Section 11(4)(d) of SEBI Act, proceeds of a transaction can be impounded pending investigation. Detailed investigation in the extant matter is pending. Further, as discussed in preceding paragraphs, there is ample *prima facie* evidence which demonstrates that entities have been in violation of SEBI Act and PIT Regulations. This has not only *prima facie* violated the integrity of the market but also *prima facie* resulted in undue benefit to them over general investors. The discussion in the aforesaid paragraphs has shown that the *prima facie* insider trading activities of the entities has not only caused loss to the investors (notional monetary loss) but also has a *prima facie* potential to cause irreparable injury to the securities market. Furthermore, as noted earlier, the balance of convenience dictates that immediate action has to be taken against the entities to prevent further harm to the investors and to the securities market. Moreover, the proceeds which have been generated

are intrinsically linked to the *prima facie* violative activities of the entities. Hence, appropriate direction needs to be issued in this regard.

53. It is also relevant to note that the “securities investments” including investment in mutual funds are extremely liquid assets in comparison to any physical immovable or movable properties. Defeating the realization of final order through sale of physical immovable and movable assets needs to be seen in the context of its essential feature of the availability of expeditious option in case of securities through liquid secondary market or in case of mutual funds through immediate redemption to convert them into cash. It is important to high light that the number of willing purchases available on any given date is extremely huge in view of liquid nature of securities. Similarly, the ready availability of redemption at any given date for mutual funds makes an attempt to sell physical properties in completely illiquid market as irrelevant consideration for a liquid market. Therefore, an attempt on the part of the Noticees for diversion of assets which are relevant for the purpose of illiquid assets such as movable and immovable properties in case of private damage suits / private enforcement actions, if considered relevant would go against the asset protection in case of liquid securities instruments as they can be covered into cash.
54. Further, *prima facie* violation of securities laws against the Noticees has been found. Therefore, they should be prevented from further committing breach of securities laws in securities market, whether directly or indirectly. As the securities market provides for various avenues of investment. Making of such “securities investment” by buying securities and liquidation of the “securities investment” by selling securities need to be undertaken in compliance of various securities laws relating to the dealing in securities. Since there is *prima facie* violation of securities laws, the investors are to be insulated from the undesirable effects of further breach of securities laws by the Noticees. Further, the orderly development of the securities market demands faith of investors in the timely action to prevent imminent breach of securities laws. The investors who may become victim of infringement of securities laws tend to lose confidence in the securities market. Investor confidence is the bedrock of the orderly development of the securities market. Therefore, on this ground as well the balance

of convenience is not in favour of the Noticees, which requires that the Noticees be not allowed to access securities market directly or indirectly.

ORDER:

55. In view of the above, pending conclusion of detailed investigation, in order to protect the interests of investors and the integrity of the securities market, I, in exercise of the powers conferred upon me under Sections 11, 11(4), 11B (1) and 11D read with Section 19 of the SEBI Act hereby issue by way of this *interim ex-parte order*, the following directions, *which shall be in force until further orders:-*

55.1. *Mr. Ramit Chaudhri and Mr. Keyur Maniar are restrained from buying, selling or dealing in securities, either directly or indirectly, in any manner whatsoever until further orders;*

55.2. *If Mr. Ramit Chaudhri and Mr. Keyur Maniar have any open position in any exchange traded derivative contracts, as on the date of the order, they can close out / square off such open positions within 3 months from the date of order or at the expiry of such contracts, whichever is earlier. The said entities are permitted to settle the pay-in and pay-out obligations in respect of transactions, if any, which have taken place before the close of trading on the date of this order;*

55.3. *The bank accounts of Mr. Ramit Chaudhri and Mr. Keyur Maniar to the extent of amount mentioned in table no. 8 at paragraph 48 above is impounded. Further, Mr. Ramit Chaudhri and Mr. Keyur Maniar are directed to open an escrow account with a scheduled bank, jointly and severally and deposit the impounded amount mentioned therein which has been prima facie found to be proceeds generated from the prima facie insider trading, in this Order, within 15 days from the date of service of this order. The escrow account/s shall be an interest bearing escrow account and shall create a lien in favour of SEBI. Further, the monies kept therein shall not be released without permission from SEBI;*

- 55.4. *Mr. Ramit Chaudhri and Mr. Keyur Maniar are directed not to dispose of or alienate any assets, whether movable or immovable, or any interest or investment or charge on any of such assets held in their name, jointly or severally, including money lying in bank accounts except with the prior permission of SEBI until the impounded amount is deposited in the escrow account.*
- 55.5. *Mr. Ramit Chaudhri and Mr. Keyur Maniar are directed to provide a full inventory of all assets held in their name, jointly or severally, whether movable or immovable, or any interest or investment or charge on any of such assets, including details of all bank accounts, demat accounts and mutual fund investments, immediately but not later than 5 working days from the date of receipt of this order;*
- 55.6. *The banks where Mr. Ramit Chaudhri and Mr. Keyur Maniar are holding bank accounts, jointly or severally, are directed to ensure that till further directions, except for compliance of direction at paragraph 55.3, no debits are made in the said bank accounts without the permission of SEBI. The banks are directed to ensure that all the above directions are strictly enforced. On production of proof of deposit of entire amount mentioned in column 4 of table no. 8 in respect of serial No. 1 entities by any of the entities mentioned in column 2 corresponding to serial No.1 of table no. 8, in the escrow account, SEBI shall communicate to the banks to defreeze the accounts corresponding to all the entities mentioned in the column No. 2 of table no. 8 corresponding to serial No.1.*
- 55.7. *The Depositories are directed to ensure, that till further directions, no credits are made in the demat accounts of the Noticee No. 1 & 2, held individually or jointly. The depositories are further directed to ensure that till further direction except for compliance of direction mentioned at paragraphs 55.2 and 55.3, no debits are made in the demat accounts of the said Noticees, held individually or jointly.*
- 55.8. *The Registrar and Transfer Agents are also directed to ensure that till further directions, no credits are permitted and that except for compliance of direction at paragraph 55.2 and 55.3 the securities / mutual funds units held in the name of the Noticee No. 1 & 2, jointly or severally, are not transferred / redeemed.*

56. The *prima facie* observations contained in this Order, are made on the basis of the material available on record. In this context, Noticees may, within 21 days from the date of receipt of this Order, file their reply/objections, if any, to this Order and may also indicate whether they desire to avail an opportunity of personal hearing on a date and time to be fixed on a specific request to be made in that regard.
57. This Order is without prejudice to the right of SEBI to take any other action that may be initiated against Noticees in accordance with law
58. The above directions shall take effect immediately and shall be in force until further orders.
59. A copy of this order shall be served upon Noticees, Stock Exchanges, Banks, Registrar and Transfer Agents and Depositories for necessary action and compliance with the above directions. A copy of this order shall also be send to Infosys Limited and Wipro Limited for necessary action, if any, under their code of conduct.

-Sd-

DATE: SEPTEMBER 27, 2021

PLACE: MUMBAI

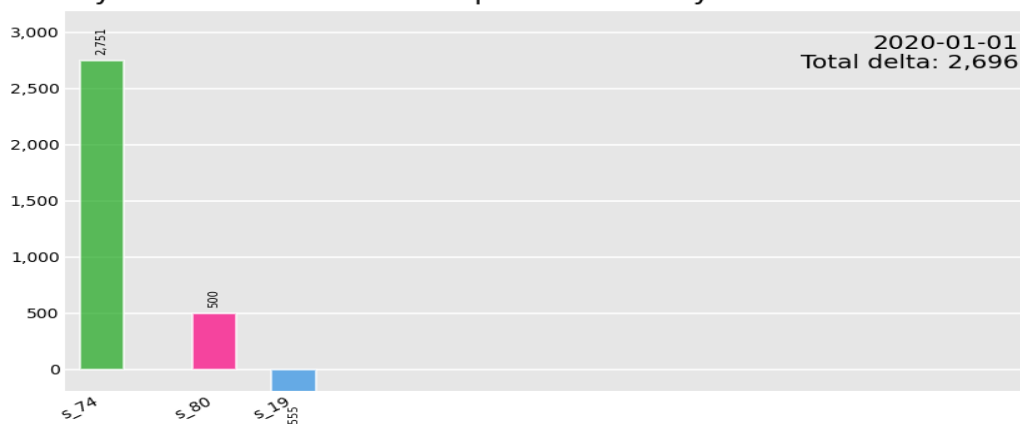
MADHABI PURI BUCH

WHOLE TIME MEMBER

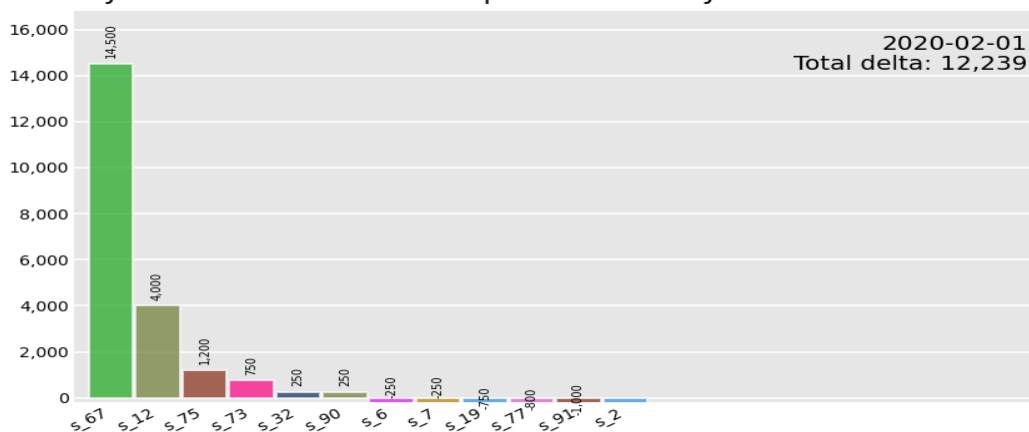
SECURITIES AND EXCHANGE BOARD OF INDIA

Annexure -1

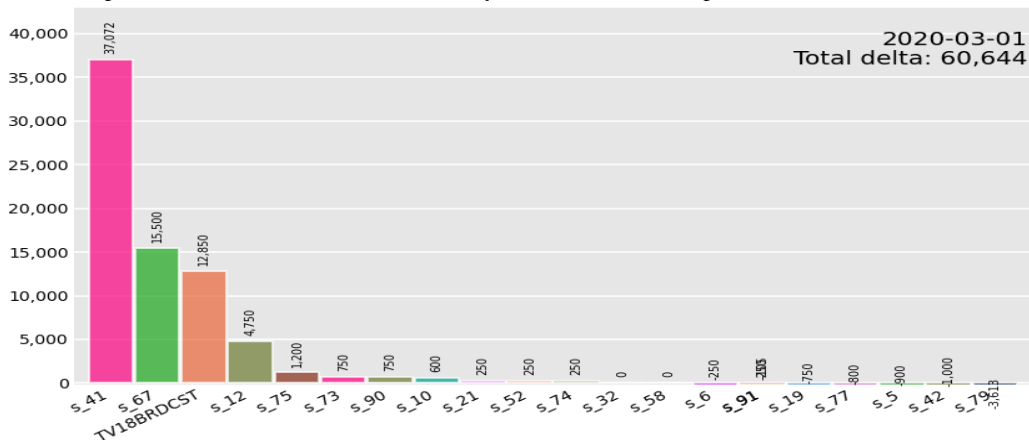
Daily movement in the delta positions of Keyur Maniar across scrips



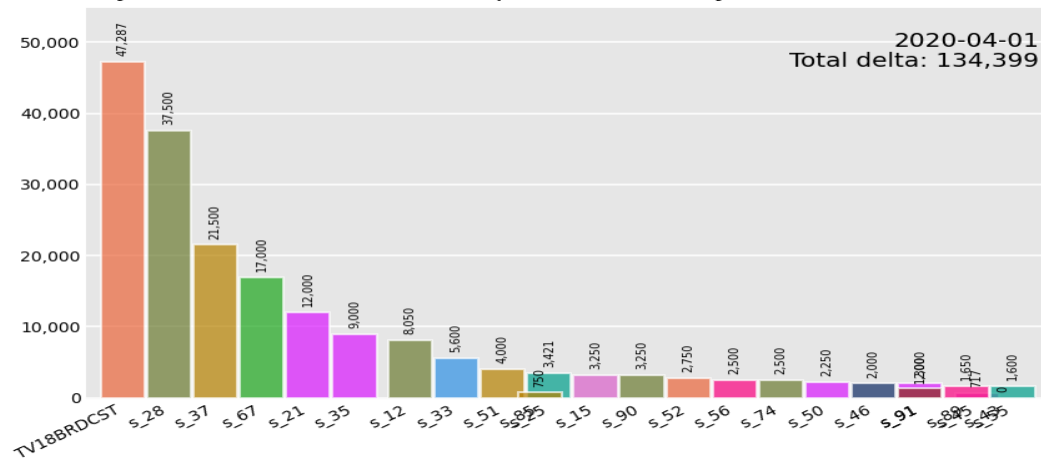
Daily movement in the delta positions of Keyur Maniar across scrips



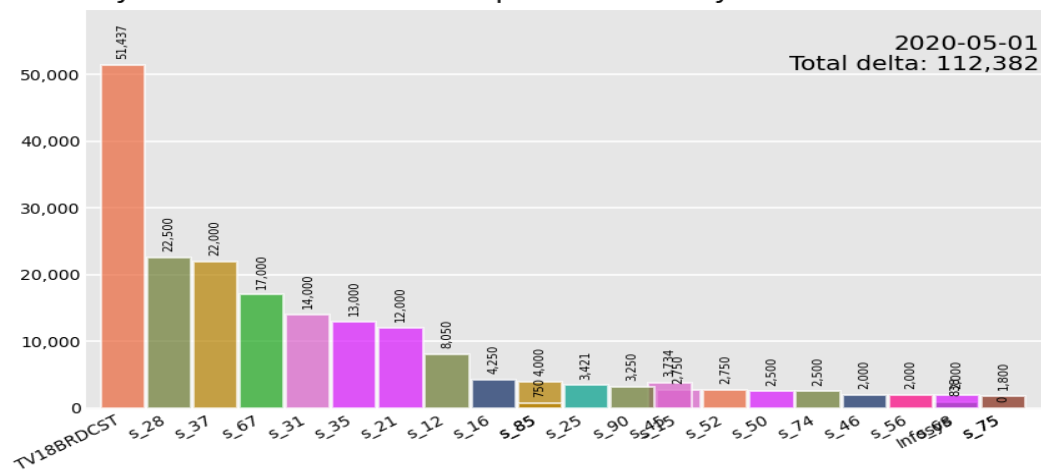
Daily movement in the delta positions of Keyur Maniar across scrips



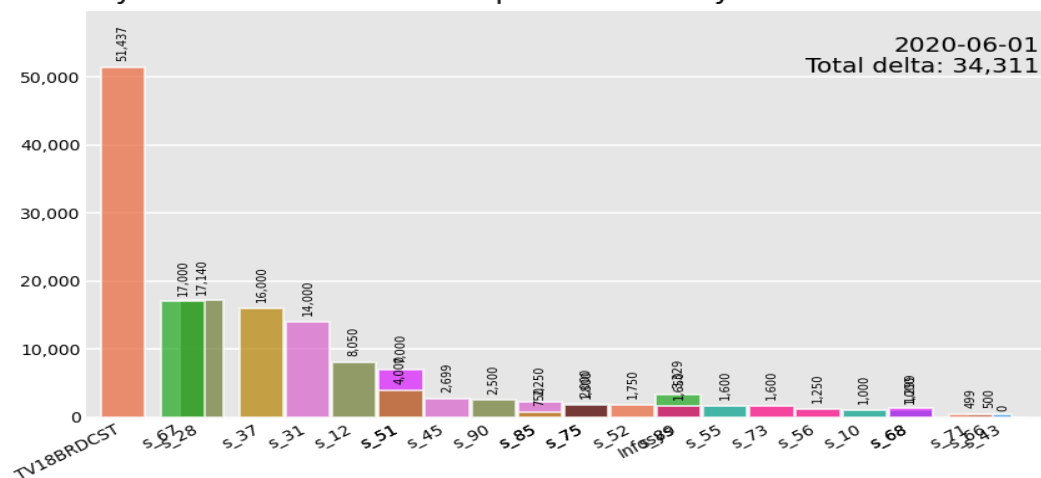
Daily movement in the delta positions of Keyur Maniar across scrips



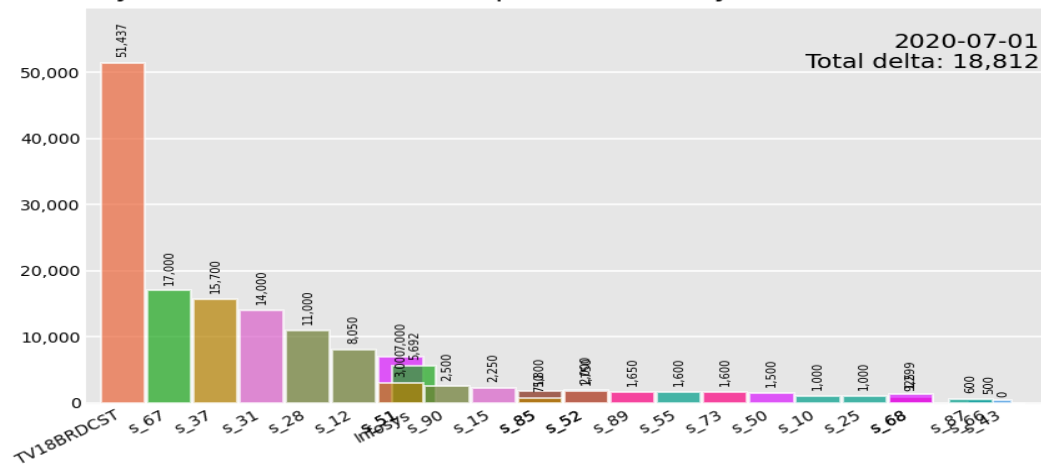
Daily movement in the delta positions of Keyur Maniar across scrips



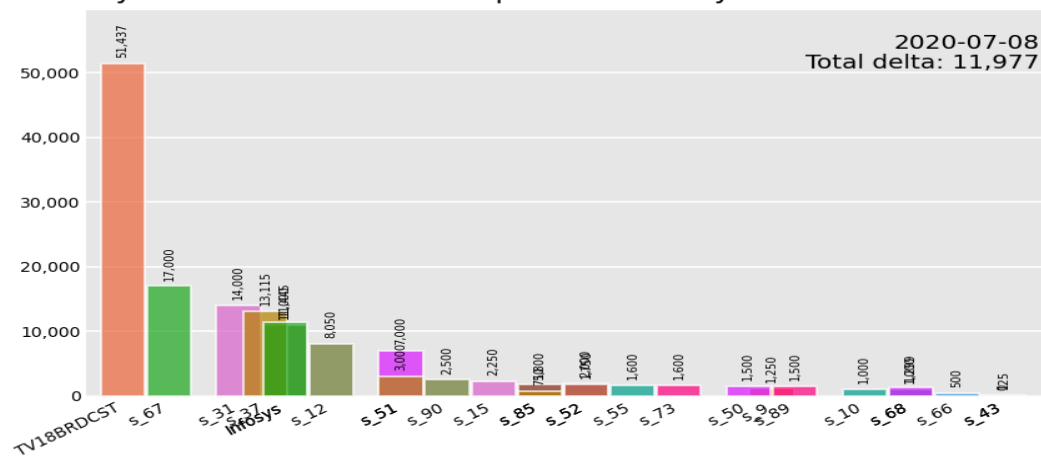
Daily movement in the delta positions of Keyur Maniar across scrips



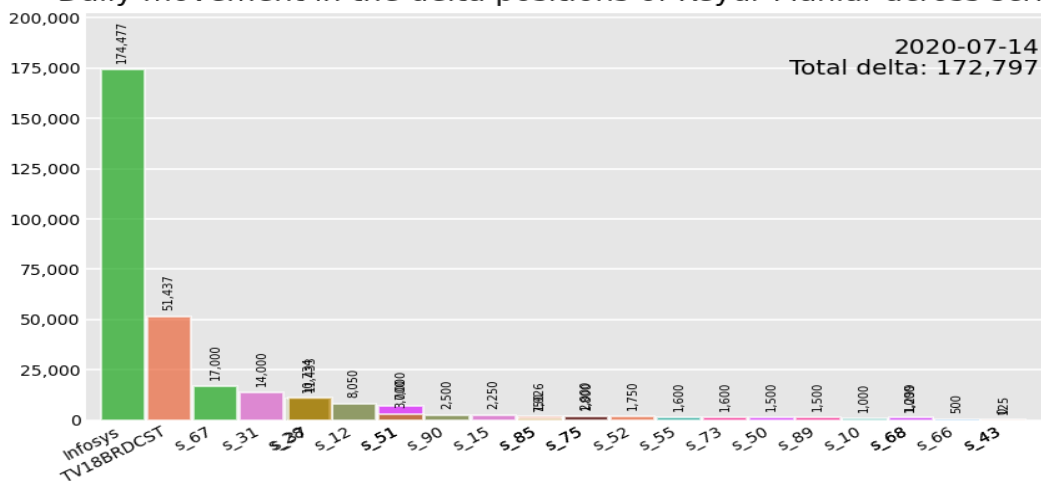
Daily movement in the delta positions of Keyur Maniar across scrips



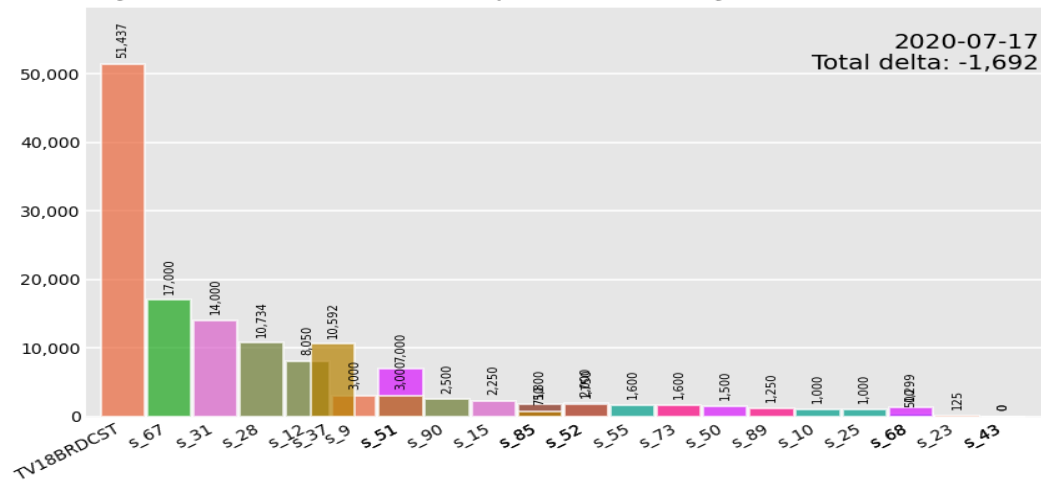
Daily movement in the delta positions of Keyur Maniar across scrips



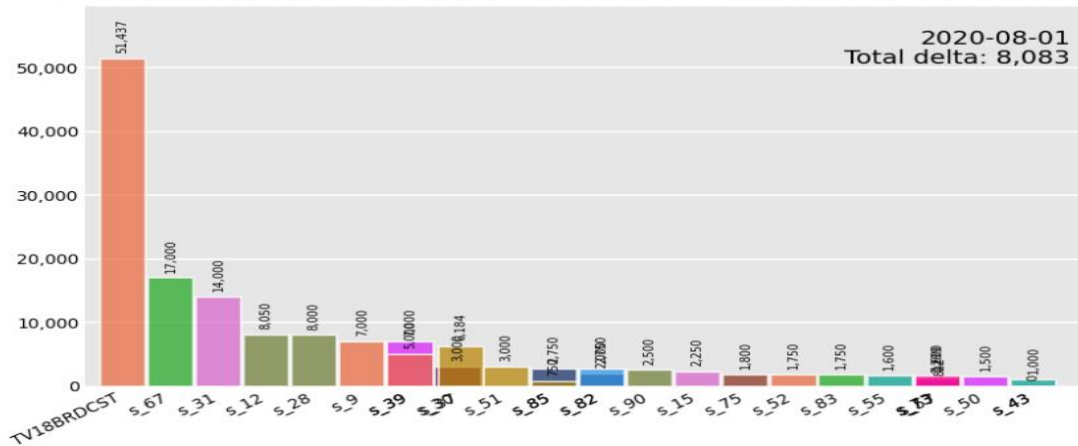
Daily movement in the delta positions of Keyur Maniar across scrips



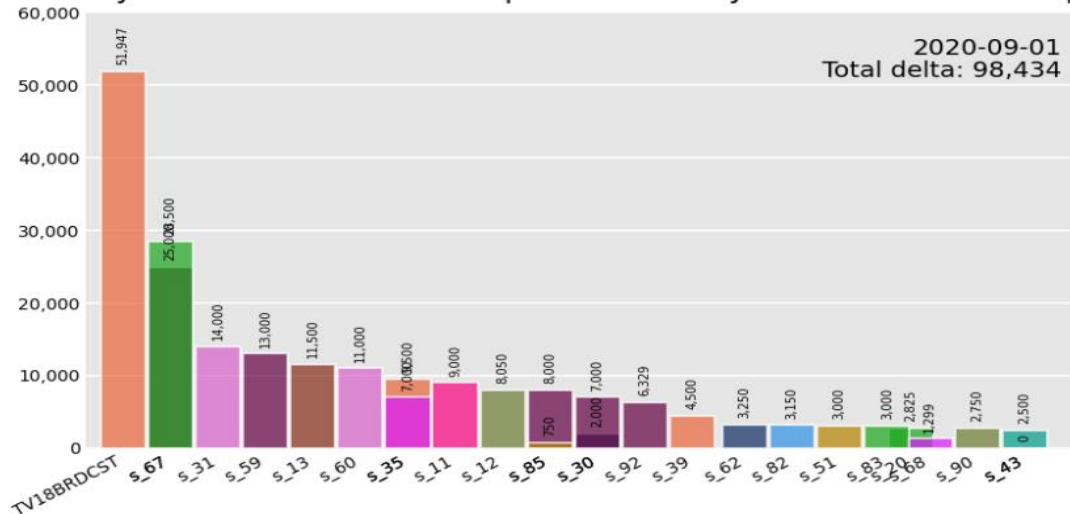
Daily movement in the delta positions of Keyur Maniar across scrips

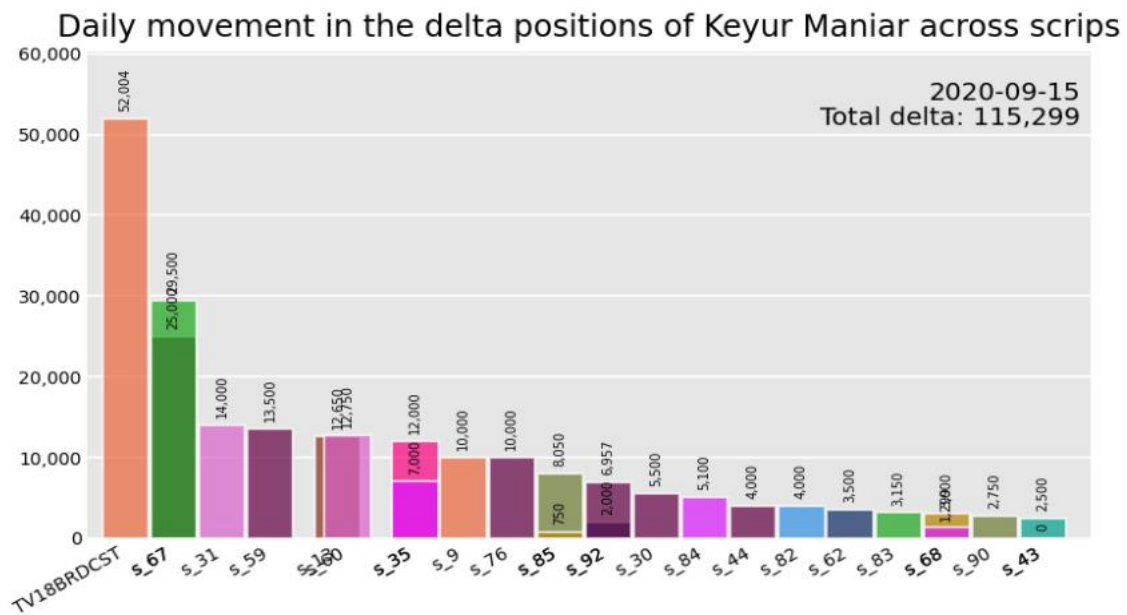


Daily movement in the delta positions of Keyur Maniar across scrips



Daily movement in the delta positions of Keyur Maniar across scrips





Annexure -2

Scrip Code	Legend	Scrip Code	Legend	Scrip Code	Legend
505590	s_1	DEN	s_33	ONWARDTEC	s_64
505840	s_2	DMART	s_34	PAGEIND	s_65
506532	s_3	EDELWEISS	s_35	PARAGMILK	s_66
507981	s_4	EMBASSY	s_36	PATINTLOG	s_67
514302	s_5	EQUITAS	s_37	PRECWIRE	s_68
514448	s_6	FLFL	s_38	PVR	s_69
519475	s_7	FSL	s_39	RADIOCITY	s_70
524440	s_8	GOCLCORP	s_40	RBLBANK	s_71
530431	s_9	HATHWAY	s_41	RELIANCE	s_72
530477	s_10	HIKAL	s_42	SASTASUNDR	s_73
533282	s_11	ICICIBANK	s_43	SDBL	s_74
539986	s_12	IDEA	s_44	SECURCRED	s_75
542484	s_13	IDFCFIRSTB	s_45	SHIL	s_76
ABCAPITAL	s_14	IIFLSEC	s_46	SPAL	s_77
ACE	s_15	INDIGO	s_47	SSWL	s_78
ADVENZYMES	s_16	INDUSINDBK	s_48	TALWALKARS	s_79
ALEMBICLTD	s_17	INFY	Infosys	TALWGYM	s_80
ASHOKLEY	s_18	JAGSNPHARM	s_49	TASTYBITE	s_81
ASIANILES	s_19	JINDALSTEL	s_50	TATACHEM	s_82
ATULAUTO	s_20	JSL	s_51	TATACONSUM	s_83
AVTNPL	s_21	JSLHISAR	s_52	TATAMTRDVR	s_84
AXISBANK	s_22	JUBILANT	s_53	TBZ	s_85
BAJFINANCE	s_23	JUSTDIAL	s_54	TCS	s_86
BATAINDIA	s_24	JYOTHYLAB	s_55	TV18BRDCST	TV18BRDCST
BEPL	s_25	L&TFH	s_56	UJJIVAN	s_87
BHARTIARTL	s_26	M&MFIN	s_57	VSTIND	s_88
BSOFT	s_27	MANAPPURAM	s_58	WESTLIFE	s_89
CENTRUM	s_28	MAXVIL	s_59	WSTCSTPAPR	s_90
CHOLAFIN	s_29	MEGH	s_60	YESBANK	s_91
CIGNITITEC	s_30	NETWORK18	s_61	ZEEL	s_92
DAAWAT	s_31	NEWGEN	s_62	---	---
DCAL	s_32	NILAINFRA	s_63	---	---