



**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
(ADJUDICATION ORDER NO: Order/JS/VC/2026-27/32459)**

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

**In respect of
Bhavin Sureshbhai Thakkar
(PAN: AFCPT8628L)**

In the matter of Evexia Lifecare Limited

BACKGROUND OF THE CASE

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') conducted an investigation in the trading activities in the scrip of Evexia Lifecare Limited (formerly known as 'Kavit Industries Ltd.')(hereinafter referred to as the '**Evexia**' or '**Company**'), to ascertain possible violations of provisions of the Securities and Exchange Board of India Act, 1992 ('hereinafter referred to as '**SEBI Act**') and SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as '**PFUTP Regulations**') by certain entities while trading in the scrip of Evexia.
2. Evexia was originally incorporated as Jal Hi Power Petrochem Ltd., a public limited company on November 11, 1990 and it was listed on BSE on March 21, 1994. The Company was mainly engaged in manufacturing and production of edible oil, agricultural products and trading of chemicals. The name of the Company was changed to Atreya Petrochem Limited on September 21, 2000. The said name was changed to Kavit Industries Ltd. in 2014. On January 13, 2021, the Company changed its name again to Evexia Lifecare Limited. The registered office of the Company is located at Vill - Tundao, Tal - Salvi, Vadodara- 391775, Gujarat.



3. SEBI received Suspicious Transaction Report (STR) from Financial Intelligence Unit - India (FIU-IND), wherein it was, *inter alia*, observed that the entity Ethan Constructions Pvt. Ltd. had trading concentration in a few scrips and its trading turnover was far away from its income range. In this regard, SEBI asked BSE Limited (hereinafter referred to as '**BSE**') to confirm whether any preliminary analysis/ detailed investigation was undertaken earlier in the matter and if not, to undertake preliminary analysis to ascertain any trading related market manipulation (i.e., price/volume manipulation, insider trading, etc.). BSE submitted an investigation report in the scrip of Evexia with recommendation to further investigate possible violation of PFUTP Regulations. Thereafter, SEBI conducted an investigation into trading of certain entities in the scrip of the Company. The period of investigation was August 11, 2016 to November 11, 2016 (hereinafter referred to as '**IP**').
4. Based on the findings of the investigation in the matter of trading by certain entities in the scrip of Evexia, SEBI initiated adjudication proceedings against Bhavin Sureshbhai Thakkar (hereinafter referred to as '**Noticee**') for alleged violation of section 12A (a), (b) and (c) of the SEBI Act read with regulation 3 (a), (b), (c), (d) and regulation 4 (1), 4 (2) (a) and 4 (2) (e) of PFUTP Regulations by the Noticee.

APPOINTMENT OF ADJUDICATING OFFICER

5. An Adjudication Officer (hereinafter referred to as "**AO**") was appointed in the matter vide order dated November 20, 2023. Pursuant to reallocation of matters, the undersigned was appointed as AO in this matter vide April 02, 2025 under section 15-I of the SEBI Act read with rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "**Rules**"), to inquire into and adjudge the aforementioned violations alleged to have been committed by Noticee under the provisions of section 15HA of the SEBI Act.

SHOW CAUSE NOTICE, REPLY AND HEARING

6. Show Cause Notice bearing Reference No. SEBI/HO/EAD-8/SKV/VC/50753/2023 dated December 18, 2023 (hereinafter referred to as '**SCN**') was issued to the Noticee in terms of the provisions of rule 4(1) of the Rules read with section 15-I



of the SEBI Act, requesting to show cause as to why an inquiry should not be held against him and why penalty, if any, should not be imposed upon him under section 15HA of the SEBI Act for the alleged violations. The SCN issued to the Noticee was duly served upon the Noticee and Noticee acknowledged the same.

7. The allegations levelled against the Noticee in the SCN are summarised as under:

“Top 10 Last Traded Price (hereinafter referred to as “LTP”) contributors among buyers:

7.1. During IP, the price of the scrip opened at ₹9.72 and touched a high of ₹23.0 and closed at ₹22.25.

7.2. Top 10 LTP contributors contributed ₹73.99 to net LTP and ₹81.10 to total market positive LTP. Bhavin Sureshbhai Thakkar (Noticee) was the top LTP contributor with contribution of ₹55.94 to net LTP and ₹59.48 to total market positive LTP (40.85% of positive LTP contribution to market total positive LTP).

Trading activities of Noticee:

7.3. The trading pattern of the Noticee contributing to positive LTP is given below:

Table 1

Buyer	No. of trades (LTP>0)	Positive LTP contribution when buy order qty. was of 1 share only		Positive LTP contribution when buy order qty. was between 2-10 shares		Positive LTP contribution when buy order qty were more than 10 shares		Total Positive LTP contribution (₹)	% of Positive LTP to Total Market positive LTP	% contribution through small orders (1-10 shares) to total market positive LTP
		Positive LTP contribution (₹)	No. of trades	Positive LTP contribution (₹)	No. of trades	Positive LTP contribution (₹)	No. of trades			
Bhavin Sureshbhai Thakkar	219	53.16	179	0	0	6.32	40	59.48	40.85%	36.51%

7.4. Noticee had contributed ₹59.48 to total market positive LTP, i.e., 40.85% of the total market positive LTP of Evexia during IP. Out of 219 buy trades of the Noticee contributing to positive LTP, buy order quantity was 1 share for 179 trades (i.e., 81.73% of total buy trades contributed to positive LTP), which contributed to positive LTP of ₹53.16. These single share buy orders contributed 36.51% of total market positive LTP during the investigation period.

7.5. Further analysis of the said 179 small trades of the Noticee (where buy order quantity was 1 share only) where Noticee as a buyer contributed to positive LTP of ₹53.16 is as under:

Table 2

Buyer/seller order quantity	No. of trades	Contribution to LTP (₹)	% Contribution
Buyer's order qty is more than or equal to seller's order qty	4	1.05	0.72%



Buyer's order qty is less than Seller's order qty	175	52.11	35.79%
Total	179	53.16	36.51%

7.6. The aforesaid 179 small trades were further analysed and it was observed that in 4 trades Noticee as a buyer placed orders for higher or equal quantity of shares as compared to the counterparties. However, in 175 trades Noticee placed buy orders for less number of shares even though higher quantity of shares were available in the sell orders. This resulted into small quantity trades, which further resulted into market positive LTP of ₹52.11, i.e., 35.79% market positive LTP, which was significant. In all these 175 trades, the buy orders of the Noticee were limit orders.

7.7. Further, it was observed that most of the small buy orders which contributed to positive LTP were placed after the sell orders, i.e., sellers were already available. From the trade log, it was observed that out of the total of 179 small trades placed by the Noticee (where buy order quantity was 1 share only), 158 small buy trades executed with the sell order price already available in the market, contributed 32.60% positive LTP to the total market positive LTP. In the remaining 21 small buy trades, the buy orders were placed before the sell orders, which contributed 3.91% positive LTP to the total market positive LTP.

7.8. In addition to aforesaid 179 small trades of the Noticee (where buy order of 1 share was placed), it was also observed that 1 buy order having 100 shares was placed by the Noticee, however, trade of 1 share only took place as 1 share sell order was available in market. Including this trade, day-wise summary of 180 single share trades of Noticee is given below:

Table 3

Date	Number of trades	LTP Rate (₹)
17-Aug	1	0.45
22-Aug	28	9.58
23-Aug	13	2.41
25-Aug	1	0.14
26-Aug	2	0.13
30-Aug	1	0.13
31-Aug	2	0.55
01-Sep	1	0.15
02-Sep	4	2.14
06-Sep	3	1.2
07-Sep	7	0.66
09-Sep	6	0.91
12-Sep	4	0.48
14-Sep	7	0.59
16-Sep	4	1.23
19-Sep	13	3.09
20-Sep	1	0.5
21-Sep	4	0.68
26-Sep	2	0.11
27-Sep	7	1.43
29-Sep	1	0.15
03-Oct	4	0.97
04-Oct	8	1.52
05-Oct	8	5.02



Date	Number of trades	LTP Rate (₹)
10-Oct	1	0.05
13-Oct	7	1.94
14-Oct	7	1.03
18-Oct	2	1.22
20-Oct	1	0.35
21-Oct	2	0.59
01-Nov	2	0.31
02-Nov	1	0.19
03-Nov	11	2.63
04-Nov	3	1.99
07-Nov	3	1.9
09-Nov	3	4.3
10-Nov	3	2.13
11-Nov	2	0.46
Total	180	53.31

7.9. From the table above, it was observed that Noticee was following this trading pattern on several days and contributed ₹53.31 to the positive LTP in the scrip of Evexia. The trading pattern of Noticee showed that his intention was not to buy the shares but to increase the price through contributing to positive LTP by repeatedly placing the buy order of one share only.

New High Price (hereinafter referred to as 'NHP') Analysis:

7.10. During investigation, the price of the scrip of Evexia moved from opening price of ₹9.72 to a high price of ₹23.0 and thereby New High Price (NHP) of ₹13.28 was created. In this regard, it was observed that Noticee had contributed ₹5.02 to NHP through its 15 trades, which was 37.80% of the total market NHP as given below:

Table 4

Client name	Quantity	Number Of Trades	Contribution to Market NHP	% of Market NHP
Bhavin Sureshbhai Thakkar AFCPT8628L	3612	15	5.02	37.80%
Sxxxx Hxxxxxx Kxxxxxx DxxxxxxxG	200	1	1.12	8.43%
Axxxx Dxxx Sxxxx. ExxxxxxxD	160	1	0.73	5.50%
Bxxxxxx C Sxxxx BxxxxxxxM	50	1	0.54	4.07%
Bxxxx Dxx AxxxxxxxD	150	1	0.48	3.61%
Mxxxxxx Sxxxx Mxxxx AxxxxxxxM	600	2	0.46	3.46%
Bxxxxxx Mxxxx Bxxxx AxxxxxxxD	250	1	0.45	3.39%
Kxxxxxx BxxxxxxxN	1	1	0.45	3.39%
Y. P. Jxxxx Gxxxx AxxxxxxxR	5000	1	0.39	2.94%
Dxxxxxx Mxxxxxx Pxxxx BxxxxxxxA	52	3	0.39	2.94%
Total	10075	27	10.03	75.53%
Market Total	35458	84	13.28	100.00%



- 7.11. *With regard to aforementioned observations, vide email dated September 18, 2023 Noticee replied that he is a day trader/jobber, i.e., he buys and sells shares, typically in small quantities, within the same day with the aim of profiting from the multiple trades undertaken during the day. Typically, small quantity trades happen when traders like himself need to test the depth of the market. Sometimes, a buyer places a small quantity to see whether the sellers will purchase shares at the price being offered. If they do so fresh trades occur, if not, it is a signal to the buyer to consider reducing his/her bid price.*
- 7.12. *In view of the above, it was alleged that the Noticee was trading in the shares of Evexia in mostly single share or 1 to 10 shares on many occasions as mentioned above, and thereby contributed to major positive LTP despite the corresponding large sell order in the scrip of Evexia were already placed in the system indicated the manipulative intent of the Noticee to set new high price, which is alleged to be fraudulent. Therefore, it is alleged that the Noticee has violated the provisions of section 12A (a), (b) and (c) of the SEBI Act read with regulations 3 (a), (b), (c) and (d), regulations 4(1) and 4(2) (a) and 4(2) (e) of PFUTP Regulations.*
8. Vide email dated January 03, 2024, Noticee requested for inspection of documents and the same was granted to Noticee on January 11, 2024. Noticee submitted his reply to the SCN vide letter dated February 26, 2024. He made additional submissions in the matter vide email / letter dated June 27, 2024. The replies of the Noticee are summarised as under:

Preliminary Submissions

- 8.1. *The SCN suffers from inordinate delay: Noticee submitted that the SCN issued by SEBI is liable to be quashed and set aside as it suffers from an inordinate delay. The Hon'ble Supreme Court of India in Adjudicating Officer, SEBI v. Bhavesh Pabari [(2019) SCC Online SC 294] had made the following observation:
"There are judgments which hold that when the period of limitation is not prescribed, such power must be exercised within a reasonable time. What would be reasonable time, would depend upon the facts and circumstances of the case, nature of the default/statute, prejudice caused, whether the third-party rights had been created etc."*
- 8.2. *This position has also been reaffirmed by the Hon'ble Supreme Court of India in Government of India v. Citedal Fine Pharmaceuticals, Madras and Ors. [AIR 1989 SC 1771] wherein the court observed that in the absence of any prescribed period of limitation, the authority is required to exercise its powers within a reasonable period. In the same vein, the Hon'ble Securities Appellate Tribunal ("SAT") in Ashlesh Gunvantbhai Shah v. SEBI [Appeal No. 169 of 2019] dealing with a similar question of inordinate delay in issuance of a show cause notice relied upon the principle laid down by the Hon'ble Supreme Court and set aside the order wherein the show cause notice was issued after considerable delay.*
- 8.3. *In the instant matter, SEBI investigated between August 11, 2016 to November 11, 2016 and the Noticee was served the SCN on December 18, 2023, i.e., almost 7 years after the trades in question were carried out. The Noticee, given such inordinate delay, is not in a position to recall the specific particulars of the said transactions and therefore, not in a position to effectively defend himself in the said proceedings. It must be considered that the Noticee as a jobber had traded with a similar pattern in*



the shares of many other companies during the same period. Further, the Noticee does not maintain a trading journal to record his trading rationale. The Noticee continued to trade in the shares of Evexia among those of other companies, even after the Investigation Period. Therefore, the inordinate delay has caused grave prejudice to the Noticee, who has now been called upon to defend and prove the bona fides of transactions that happened seven years ago. On such ground alone, the SCN is liable to be quashed and set aside.

- 8.4. Further, Noticee submitted that the SEBI had correctly taken action against SATCO Capital Markets Limited who acted as the broker for the Noticee. The broker did not inform the Noticee of any restrictions in the number of trades executed or the manner in which such trades were executed. It was therefore assumed by the Noticee that the trades executed for the purposes of taking benefit of the volatility in the stock was in the ordinary course of trading and not resulting in any illegal trades.

Submissions on Merits

- 8.5. The SCN itself recognizes the fact that the Noticee is not connected with any other member of the 'Suspected Entities': The SCN in paragraph 9 itself recognizes and states that the Noticee is not connected with any other suspected entity which SEBI has identified in the present case. The SCN states that based on the UCC data, SEBI has observed that the Noticee and Gedalia Multitrading Private Limited share a common mobile number, however, despite such connection, no trades between the Noticee and Gedalia Multitrading Private Limited have been observed during the Investigation Period. In spite of recording that the Noticee is not connected with any other suspected entity, SEBI has proceeded to level such stigmatic charge against the Noticee.
- 8.6. In this regard, Noticee quoted the observations of Hon'ble SAT in the case of HB Stockholdings v. SEBI [Appeal No. 114 of 2012], Shruti Vora v. SEBI [Appeal No. 308 of 2020] and Pooja Menghani v. SEBI [Appeal No. 20 of 2014] and submitted that in the present case, SEBI had observed that the Noticee is not connected with any of the suspected entities. Thus, a charge of fraud cannot be levelled against the Noticee without there being any connection whatsoever with the counterparties to the alleged trades.
- 8.7. Further, Noticee relied upon the observations of Hon'ble SAT in the case of R.K Global Shares and Securities Limited v. SEBI [Appeal No. 158 of 2008] and Saroj & Co. proprietor Sanjay Agrawal v. Adjudicating Officer, SEBI [Appeal No. 213 of 2011] and submitted that the Noticee in the present case is a jobber and has merely traded in the ordinary course of intra-day trading. In the absence of any connection whatsoever with any members forming part of the suspected entities group identified by SEBI, it would be erroneous to conclude that the trades in question were carried out with a mala fide intent of manipulating the market.
- 8.8. The SCN failed to consider the negative contribution to the LTP by the Noticee: Noticee submitted that the charge brought against the Noticee is a result of a superficial analysis conducted by SEBI. Noticee submitted that in similar matters, SEBI had also taken into consideration the negative contribution to LTP by the concerned Noticee. However, in the instant case, SEBI has conveniently ignored the negative contribution to LTP. The Table No. 1 on page 3 of the SCN provides a detailed analysis of the Noticee's contribution to the LTP. Notably, the said table highlights that the Noticee has made both positive and negative contributions to the LTP during the Investigation Period. However, the share of negative contribution to the LTP is completely missing from the final analysis. In view of the same, it is



submitted that figures given in Table No. 1 of the SCN showing LTP calculation are inflated, high and do not show a correct picture of the actual state of affairs. Being so, the SCN deserves to be quashed and set aside for its perfunctory analysis and non-application of the same standard of assessment in establishing the alleged charge against the Noticee.

- 8.9. SEBI has failed to holistically consider the trades made by the Noticee: Table No. 1 containing the LTP analysis of the Noticee clearly shows that the Noticee had traded more quantities of shares which had negative impact on LTP (92,744) and which were at LTP (3,91,325) than the quantities which had a positive impact on LTP (73,878). In fact, the sum of quantities traded which had no or negative impact on the LTP is almost 6 (six) times the quantity of shares traded which had a positive impact on LTP. Thus, SEBI is relying on a limited aspect of a trading pattern beneficial to its narrative to prove its case. The negative LTP trades as well as the zero LTP trades are significant and the large number of trades are consistent with his role as a jobber.
- 8.10. Further, Noticee submitted that the subject matter of the present case, i.e., trading in single shares is not prohibited and as a matter of fact is routinely conducted by jobbers such as the Noticee to test the depth of the market. Not only is the activity of placing orders for single shares not prohibited, but such trades, by their very nature, are incapable of influencing price. It must be considered that prices in the stock market move higher when the buyers in the market, at any given point of time, are more than the sellers (or vice versa). If a single share is offered for sale at a price higher than the current market price, the trade will still be executed at the price of the lowest sell order, and therefore, it is not possible to increase prices unnaturally with single-share trades where there are various sellers. Jobbers like the Noticee regularly place orders of single shares to test the depth of the market since the trading software/screen shows only the lowest sell offer and the highest buy offer, along with the quantities offered by that seller/buyer. Often, a buyer places an order of a very small quantity just to see whether the sellers (anonymous to the said buyers) will sell those shares at the price being offered. If they do, it is a signal to the buyer to consider reducing his/her bid price. However, that transaction will register as a purchase of shares of a very small quantity. The same is perfectly legal and routinely practices by jobbers like the Noticee across the country. A perusal of the Noticee's trade log clearly shows that the Noticee had traded with more than ~70 counterparties.
- 8.11. In this regard, the Hon'ble SAT in *M/s Nishith M. Shah HUF v. SEBI* [Appeal No. 97 of 2019] has categorically stated that selling miniscule amount of shares by itself is not illegal nor manipulative nor violative of regulation 3 and 4 of the PFUTP Regulations unless collusion with others is found. The Tribunal also observed the following:
"Trading in small quantities in scrips is per se not impermissible as held in *Ajmera's* case (*supra*). If trading in miniscule amount leads to an increase in the price of the scrips one can presume or infer that the trading is manipulative but such trading cannot happen unilaterally. There must be evidence to show collusion between the buyer and the seller. In the instant case there is none. The principle of preponderance of probability cannot be exercised in the absence of any connection between the seller and the buyer."
- 8.12. In view of the above, Noticee submitted that the SCN itself categorically notes that the Noticee was not colluding with any member of the suspected entities. Thus, the Noticee merely traded in the ordinary course of trading only to test the depth of the market. In any case, as has been established by the Hon'ble SAT, trading in small quantities in scrips is per se not impermissible.



8.13. In this regard, the SCN alleges that the Noticee out of the 175 trades, placed buy orders for lesser number of shares even though higher quantity of shares were available in the sell orders. The SCN further states that most of the small buy orders which contributed to positive LTP were placed after the sell orders, suggesting that sellers were already available at the higher price. However, it is submitted that the Noticee is not obligated to match the number of sell orders available in the system. Merely because the Noticee did not match the existing number of existing sell orders in the system cannot be the basis to allege price manipulation against the Noticee. Further, the prior existence of sell orders in the system, which the Noticee merely matched to execute a trade, establishes that the Noticee had no involvement in setting the LTP given that he merely matched existing sell orders. Noticee reiterated that he is a jobber and executes several hundred trades every day on the basis of his risk appetite and the trading interest evident in a scrip. To suggest anything to the contrary would amount to misrepresentation of jobbing as a long-standing market practice.

8.14. In light of the above, Noticee submitted that SEBI itself in its adjudication order in the matter of Blue Blends (India) Limited dated December 24, 2019 while quashing the proceedings for an identical charge against the same Noticee, i.e., Bhavin Sureshbhai Thakkar, observed the following:

“Further, I note that no evidence is available on record to show connection of the Noticee (buyer) and its counterparties (sellers) for the alleged trades. Thus, in the absence of any connection between the Noticee (buyer) and sellers in the instant case, it cannot be concluded that the Noticee’s purchase of 2068 shares in 169 trades which includes placement of one share for 39 trades at market price on a recognised stock exchange was manipulative in nature. Further, as seen from the available record that no adverse inference is drawn against the Noticee with regard to any other type of synchronized trades/ reversal trades/ self trades/ off-market transfers.

I also note from the trade log extracts of the Noticee that in all buy orders placed by the Noticee, corresponding sell orders were already placed in the system. i.e. all corresponding sell orders were placed prior to the buy orders of the Noticee. Thus the alleged contribution to significant positive LTP, wherein the sell orders for large quantity of shares were available before placing buy order but the buyer repeatedly placed the buy orders for small quantity, I find that it could not be said that the Noticee has increased the LTP of the scrip of BBIL.

In view of the above and on the basis of the material available on record, I find that there is no evidence to show that the Noticee has violated the provisions of 3(a), 3(b), 3(c) & 3(d) & 4(1), 4(2)(a) and (e) of PFUTP Regulations. Keeping all this in view, I am of the opinion that the allegation of violation of the aforesaid provisions of PFUTP Regulations do not stand established.”

8.15. The SCN fails to discharge the preponderance of probability standard for establishing the charge of fraud on the Noticee: Noticee submitted that the Hon’ble SAT in *Shruti Vora v. SEBI* [Appeal No. 308 of 2020] had observed that mere existence of one or two attendant circumstances will not definitively lead to the satisfaction of the preponderance of probability standard against a person. It is also vital to consider that the charge of violation of the PFUTP Regulations is serious and stigmatic. In the same vein, the Hon’ble Supreme Court of India in the matter of *SEBI v. Shri Kanaiyalal Baldevbhai Patel* [(2017) 15 SCC 7], opined on the standard of evidence required to hold a person liable for a charge under the PFUTP Regulations, and held that: –



“...The inferential conclusion from the proved and admitted facts, so long the same are reasonable and can be legitimately arrived at on a consideration of the totality of the materials, would be permissible and legally justified.”

- 8.16. Further Noticee relied upon the observations of Hon'ble SAT in the case of *Rajesh Jivan Patel v. SEBI* [Appeal No. 222 of 2020] and submitted that the SCN in the present case has itself recognized the fact that the Noticee is not connected with any member of the suspected entities group identified by SEBI. The SCN merely states that the Noticee has a common mobile number with Gedalia Multitrading Private Limited, however, no trades whatsoever were observed between the Noticee and Gedalia Multitrading Private Limited during the Investigation Period.
- 8.17. In light of the above, Noticee submitted that it is settled law that a charge of collusion, price manipulation or fraudulent transaction cannot be proved in the absence of any connection between the buyer and seller. As observed supra by the Hon'ble SAT in *Rajesh Jivan Patel v. SEBI*, connection between buyer and seller is sine qua non for levy of charge of price manipulation which in the instant case is lacking as is borne by the SCN itself. Thus, the SCN is liable to be quashed and set aside.
- 8.18. The charge of fraud cannot be established on flimsy evidence: Noticee submitted that the SCN seeks to impose the stigmatic charge of fraud against the Noticee after seven years of the impugned trades being carried out despite recognizing that the Noticee is not connected with other members of the suspected entities identified by SEBI. In this regard, Noticee quoted the observations of Hon'ble SAT in *DLF Limited v. SEBI* [Appeal No. 331 of 2014].
- 8.19. Similarly, the Hon'ble SAT in *KSL & Industries v. Chairman, SEBI* [Appeal No. 9 of 2003] observed that a wild allegation of market manipulation, in particular, the charge of fraudulent action unsupported with convincing evidence cannot be sustained and an allegation of fraud cannot survive on mere conjectures and surmises. In the same vein, the Hon'ble SAT in *M/s Ess Ess Intermediaries v. SEBI* [Appeal No. 13 of 2013] observed that the allegation of fraud can be levelled against a person/entity only for good reasons and on the basis of clear and unambiguous evidence. Such an allegation of fraud may shake the very foundation of the entity in question and may adversely affect the same. Based on the foregoing, Noticee submitted that in the instant matter, considering that no concrete evidence has been brought forth in the SCN in support of the allegation levelled, the grave charge of fraud/market manipulation cannot be established.

Additional Submissions vide letter dated June 27, 2024:

Jobbing transactions are an established market practice

- 8.20. The Noticee is a jobber and routinely traded in securities as a part of jobbing transactions. Thus, it is pertinent to consider that the Noticee's trading pattern as a jobber is evidenced by the fact that the Noticee has undertaken several hundred trades during the period investigated by SEBI. It is humbly submitted that the Noticee traded with a similar pattern in the scrip of (i) Aarey Drugs & Pharmaceuticals Limited; (ii) High Ground Enterprises Limited; (iii) Blue Blends (I) Limited; (iv) CMI Limited, etc., during the same time period.
- 8.21. Noticee submitted that he regularly executes trades in several entities with the aim of booking profits from thin margins on such scrips. It belies any commercial reasoning that the Noticee would be actively involved in manipulating the price of the scrip as alleged in the SCN only to book paltry profits of INR 6,215 during the



Investigation Period. In the transactions for the scrip in the Financial Year 2016-17 a loss of INR 50,594 was made.

8.22. *In view of the same, Noticee reiterated that being a jobber, the Noticee had executed large number of trades and no mala fide intent of manipulating the price of the scrip can be attributed on such ground alone. Further, it certainly cannot be ruled out that some trades could have matched against entities who were also undertaking jobbing trades in the scrip of Evexia.*

8.23. *The subject matter of the present case, i.e., trading in single shares is not prohibited and as a matter of fact is routinely conducted by jobbers such as the Noticee to test the depth of the market. The same is perfectly legal and routinely practiced by jobbers like the Noticee across the country and in stock markets across the globe. Moreover, many trade orders placed by the Noticee also match with single share orders placed by the counterparties to execute trades which are eventually recorded as a single share trade against the Noticee. Thus, it is imperative that a holistic view is taken on the number of single share trades undertaken by the Noticee in the present case.*

The SCN itself recognizes that the Noticee is not connected with any other member of the 'Suspected Entities'

8.24. *Noticee submitted that there are no allegations in respect of manipulation of share price between the eventual seller for whose benefit the share prices were manipulated. Noticee traded with 88 unique counterparties amongst which the Noticee is not connected to any single counter party. The SCN itself states that the Noticee is not connected with any other suspected entity which SEBI had identified in the present case.*

SEBI has failed to holistically consider the trades made by the Noticee

8.25. *With regards to the charge of creation of NHP, Noticee submitted that on a closer analysis of the relevant extract of the trade log of the Noticee, being Annexure C to the SCN, it emerges that that the Noticee had in fact merely matched existing sell orders available in the system on almost ~315 occasions out of 384 trades extracted in Annexure C to the SCN. Moreover, the investigation report at page 4 of 34 records that out of the total 179 small trade (single share) placed by the Noticee, 158 small buy trade were executed with the sell order price already available in the market. Further, paragraph 17.14 of the investigation report expressly records that "all buy orders placed by Bhavin, corresponding sell orders were already placed in the system i.e., all corresponding sell orders were placed prior to the order of the Noticee".*

8.26. *In this regard, Noticee placed reliance on the decision of the Hon'ble SAT in Rajani Dusad v. SEBI [Appeal No. 651 of 2023] wherein the Hon'ble Tribunal set aside the charge of price manipulation established solely on account of existing sell orders in the system getting matched.*

8.27. *Being so, it is submitted that no charge of price manipulation can stand against the Noticee who merely traded in the ordinary course of jobbing transactions and simply matched existing sell orders available in the system. This is more prominent when it is an admitted position of SEBI that there are no connections with counter parties of those trades. It is not SEBI's case that 88 unique counter parties had colluded with the Noticee. The SCN and the investigation report record the contrary.*

Erroneous reliance on past matters to issue SCN

8.28. *A perusal of the investigation report in the matter suggests that that SEBI did not proceed to frame a charge of price manipulation / fraud against other members forming part of the 'Suspected Entities' identified by SEBI in the present matter. Despite the Suspected Entities being inter se connected and having synchronized*



trades and off market transfers, SEBI has correctly let them off given the lack of evidence to conclusively establish a stigmatic charge of fraud.

8.29. However, in the case of the Noticee, SEBI has erred in issuing the SCN on account of its misplaced reliance on previous administrative actions against the Noticee. It is submitted that the investigation report at paragraph 17.17 makes a reference to the matter of Nutraplus India Limited to form its basis for initiating Adjudication Proceedings in the present matter. Furthermore, Page 34 of 34 enlists 'Past Action' against the Noticee which also makes a reference to the matter of Blue Blends (India) Limited to recommend initiation of Adjudication Proceedings in the present matter.

8.30. In view of the above, Noticee submitted that such reliance on past administrative actions is grossly erroneous and entirely misplaced. The matter of Nutraplus India Limited is factually distinguishable from the present matter. The Noticee in the matter of Nutraplus India Limited was forming part of the suspected entities identified by SEBI in the said matter. The Noticee therein was inter se connected with suspected entities and also had trading history with such connected entities. Notably, the charge against the Noticee in the said matter concerned price manipulation in the scrip of Nutraplus India Limited to provide profitable exit to one Ms. Anchal Ostwal who was a preferential allottee and inter se connected entity. However, the present matter is materially different given that the Noticee is not connected to any member of the Suspected Entities identified by SEBI. Furthermore, there is no charge of providing a profitable exit to any connected/unconnected entity as was the case in the matter of Nutraplus India Limited.

9. In the interest of natural justice, an opportunity of hearing on February 14, 2024 was granted to the Noticee vide notice of hearing dated February 02, 2024. Noticee requested for adjournment of hearing vide email dated February 09, 2024 as settlement application was filed by him in the matter and the said request was acceded to. The settlement application filed by Noticee was rejected vide SEBI letter dated April 15, 2024. Therefore, another opportunity of hearing on May 27, 2024 was granted to the Noticee vide notice of hearing dated May 14, 2024. However, Noticee requested hearing after June 20, 2024. Considering the request, the hearing was rescheduled on June 21, 2024. On the said date, authorised representative of the Noticee Mr. Tomu Francis, Advocate assisted by Mr. Apoorva Upadhyay, Khaitan & Co. (hereinafter referred to as '**AR**') attended the hearing through video-conference and made the submissions on behalf of the Noticee. AR reiterated the submissions made by the Noticee vide letter dated February 26, 2024 and sought permission to file additional submissions by June 27, 2024. Accordingly, vide email and letter dated June 27, 2024, Noticee furnished additional submissions in the matter.



10. Pursuant to transfer of this matter to undersigned, another opportunity of hearing on April 23, 2025 was granted to the Noticee vide notice of hearing dated April 09, 2025. AR of the Noticee appeared for the hearing in person on April 23, 2025 and made submissions in line with the replies of the Noticee dated February 26, 2024 and June 27, 2024.

11. Subsequently, vide email dated April 29, 2026, Noticee made additional submissions on jobbing transactions and market depth, as under:

(a) *Adjudication Order in the matter of MIC Electronics Ltd., further adopted in Order in respect of Adroit Financial Services Private Limited in the matter of Ujaas Energy Limited, held that:*

“Based on the technical analysis, if certain price level is breached, it is perceived as a momentum is caught in direction of the price movement. In order to catch the momentum, jobbers put indicative orders of small quantity of shares near the trigger price on both sides and once any trade get executed, they put more orders in that direction and later at an appropriate opportunity they square off their positions to their advantage.”

(b) *The Hon’ble SAT order in the matter of Kajalben Kiranbhai Trivedi v. SEBI, 2023 SCC OnLine SAT 1654 held that:*

“4. The appellant contended that she was a jobber and was doing intra-day trading of buying and selling the scrips and, in normal routine course, in her jobbing activity with an intent to earn profits, before placing orders in large quantity was placing buy or sell trades in small quantities in order to check the price in the said scrip. It was contended that being an intra-day trader, she traded in a large number of shares which were squared off at the end of the same day.

.....

7. From a perusal of the paragraph nos. 35 and 38 of the impugned order and the chart which has been annexed showing a sample of 50 trades, we find that the appellant had purchased some shares above LTP and in others, the trades were at par with the LTP and lower than the LTP. Therefore, the finding in paragraph nos. 35 that the appellant was only executing small quantities of trades above LTP is incorrect. Table No. 3 showing that 162 trades of one buy order created a LTP of 9.42% does not appear to be correct in the light of the sample of 50 trades which clearly indicate that a number of trades executed were at par with the LTP or below LTP.

8. A finding has also been given that the appellant was also trading in large numbers and, thus, the contention of the appellant that she was testing the market by purchasing one share at a time appears to be correct, coupled with the fact that the details of her trades on a daily basis has been given in paragraph no. 10 of the memo of appeal which shows that on a daily basis the appellant was buying scrip



ranging from 1000 to 10,000 and which was being squared off by selling on the same day.”

- (c) *The effects of trade size and market depth on immediate price impact in a limit order book market*, *Journal of Economic Dynamics and Control*, Volume 120, 2020 - Manh Cuong Pham, Heather Margot Anderson, Huu Nhan Duong, Paul Lajbcygier:

“We consider trades conducted in a limit order book market, and note that if a trade is smaller than the prevailing quoted depth at the best level on the opposite side of the order book, then it can be completely absorbed by the market depth at the best bid or ask price, and hence have zero immediate market impact. Trades that are larger than the available quoted depth will move the best bid or ask level after consuming all liquidity at the current depth, and will result in non-zero price impact. Thus, the quoted market depth information can be used in conjunction with trade size to form a zero-impact trade “detector”, that equals zero when market depth does not support price impact and equals one otherwise. We relabel this zero impact trade detector as a market depth indicator, and argue that its inclusion in a price impact model that is applied to tick by tick data is intuitively justified.”

- (d) *Price Experimentation and Security Market Structure*, Rodney L. White Center for Financial Research, The Wharton School, University of Pennsylvania – J. Chris Leach, Ananth N. Madhavan:

“A rational market maker recognizes that the data used in decision making in the future are endogenously determined because current actions affect the probability distribution of order flow. Consequently, a market maker may undertake myopically suboptimal behavior in order to induce more informative order flow, thereby expediting price discovery. This type of price experimentation constitutes investment in the production of information. Although experimentation is costly in short-run, it can be optimal in a dynamic context because more information lead to more profitable future actions.”

- (e) Clark-Joseph, Adam D. “Exploratory Trading.” (2013):

“Although there are times when supply is unaccommodating and high future demand forecasts price changes that are large enough to profit from, such times are difficult or impossible to identify by merely observing public market data. In this type of setting, a trader can obtain additional information about supply conditions by placing an “exploratory” aggressive order and observing how prices and supply respond. The additional exploratory information enables the trader to determine whether supply is accommodating (and expected price-impact small) or unaccommodating (and expected price-impact large), and this helps the trader to decide whether he can profit by trading ahead of an imminent demand innovation.”



- (f) Joel Hasbrouck, Gideon Saar, *Technology and liquidity provision: The blurring of traditional definitions*, *Journal of Financial Markets*, Volume 12, Issue 2, 2009, Pages 143-172:

“Our findings suggest that the aim of a trader who submits a fleeting order is to demand immediacy. This contrasts with the traditional view of limit order traders as patient providers of liquidity. A trader who wishes to get a quick execution could send a marketable order, but could also send a regular limit order priced inside the quote to search for hidden liquidity. If such hidden depth inside the quote exists, we observe an execution. If there is no such depth, the trader cancels his order almost immediately and either submits a marketable order or looks for a counterparty on other ECNs or among Nasdaq dealers.”

CONSIDERATION OF ISSUES AND FINDINGS

12. I have carefully perused the charges levelled against the Noticee in the SCN, submissions made by the Noticee and material available on record. The issues that arise for consideration in the present case are as follows:

- I. Whether the Noticee violated the provisions of section 12A (a), (b) and (c) of the SEBI Act read with regulation 3 (a), (b), (c), (d) and regulation 4 (1), 4 (2) (a) and 4 (2) (e) of PFUTP Regulations?
- II. Does the violation, if any, attract monetary penalty under section 15HA of the SEBI Act?
- III. If so, what would be the monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in section 15-J of the SEBI Act read with rule 5(2) of the Rules?

13. Before proceeding further, it is pertinent to refer to the relevant provisions of the SEBI Act and PFUTP Regulations which are alleged to have been violated by the Noticee, as under:

SEBI Act:

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

“12A. No person shall directly or indirectly –

- (a) use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of this Act or the rules or the regulations made thereunder;***



- (b) employ any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange;
- (c) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which are listed or proposed to be listed on a recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made there under;”

PFUTP Regulations:

“3. Prohibition of certain dealings in securities

No person shall directly or indirectly—

- (a) buy, sell or otherwise deal in securities in a fraudulent manner;
- (b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;
- (c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
- (d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.”

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

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

Explanation.— For the removal of doubts, it is clarified that any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company shall be and shall always be deemed to have been considered as manipulative, fraudulent and an unfair trade practice in the securities market.

- (2) Dealing in securities shall be deemed to be a manipulative fraudulent or an unfair trade practice if it involves any of the following: —
 - (a) knowingly indulging in an act which creates false or misleading appearance of trading in the securities market;
.....
 - (e) any act or omission amounting to manipulation of the price of a security including, influencing or manipulating the reference price or bench mark price of any securities;”

14. Based on perusal of the material available on record, submissions of the Noticee and the facts and circumstances of the case, the issues raised in this matter are dealt in the following paragraphs.



15. Before I proceed to deal with the matter on merits, I would like to address the preliminary issue raised by the Noticee. Noticee submitted that there was inordinate delay of seven years in the issuance of SCN, which has caused grave prejudice to the Noticee. Noticee further submitted that given such inordinate delay, he is not in a position to recall the specific particulars of the said transactions and therefore, not in a position to effectively defend himself in the said proceedings. Noticee relied upon the rulings of Hon'ble Supreme Court in *Adjudicating Officer, SEBI v. Bhavesh Pabari*¹, *Government of India v. Citedal Fine Pharmaceuticals, Madras and Ors.*² and Hon'ble SAT ruling in *Ashlesh Gunvantbhai Shah v. SEBI*³. In this regard, I note that the Noticee has mainly contented that the IP of the instant proceeding was August 11, 2016 to November 11, 2016 and the SCN was issued only on December 18, 2023.
16. In this context, it is noted from the records that SEBI received STR from FIU, *inter alia*, alleging that an entity had trading concentration in a few scrips and the trading turnover was far away from its income range. The said STR with dissemination date of July 10, 2018 was sent to BSE by SEBI on December 29, 2020, to confirm whether any preliminary analysis/ detailed examination was undertaken earlier in the matter and if not, to undertake preliminary analysis to ascertain any trading related market manipulation. BSE vide email dated June 11, 2021, submitted an examination report in the scrip of Evexia with a recommendation to further investigate possible violations of PFUTP Regulations. As it was decided to investigate, the matter was transferred to the concerned department of SEBI for further investigation. An Investigating Authority (hereinafter referred to as "IA") was appointed in October 2021. Due to administrative exigencies, another IA was appointed in August 2022. The IA had sought information from the stock exchange and other sources. Thereafter an examination of information such as trade logs, order logs, UCC details, bank statements, etc., was carried out for ascertaining price manipulation and possible connections between various entities. SEBI carried out the said investigation between 2021 to 2023 and investigation report

¹ (2019) SCC Online SC 294

² AIR 1989 SC 1771

³ Appeal No. 169 of 2019



in the matter was submitted in October 2023 by the IA. Subsequently, adjudication proceedings were approved in the matter in October 2023 and SCN was issued on December 18, 2023.

17. With respect to the Noticee's contention that the delay has caused grave prejudice to him and he is not in a position to recall the specific particulars of the said transactions to effectively defend himself. I note that Noticee merely made a bald statement and he had not specified as to what particulars of the said trades were not available with him. Noticee was provided with all the relevant and relied upon documents for issuance of the SCN including the investigation report with relevant extract of trade logs of the Noticee as annexures to the SCN. Since all relevant and relied upon documents were provided to the Noticee as annexures to the SCN, in my opinion, the Noticee had sufficient material to defend his case. In fact, he was able to put forth his defense in detail, as apparent from his replies and submissions. In this regard, I note that the Hon'ble SAT in the matter of *Pooja Vinay Jain v. SEBI*⁴ held as follows:

"13. In the present case, the appellant neither put a plea of prejudice before the AO nor before us. It was simply stated that since the proceedings were launched by respondent SEBI after a period seven years, the same should be quashed on the ground of delay. The record would show that all the documents concerning the defense of the appellant were filed by her before the AO. Therefore, for want of any prejudice the proceedings cannot be quashed simply on the ground of delay in launching the same. Further, as explained by the learned counsel for the respondent as recorded in paragraph No. 6.4 above, large numbers of entities and transactions were analysed by SEBI which took some time."

18. It is fact that from the date of dissemination of the STR to the issuance of the SCN in December 2023, it had taken almost five and half years. However, I note from the investigation report that the investigation process involved examination of a large number of entities, connection between various entities, several trails of fund movements and trading activities among several entities. Besides, there were simultaneous investigation of the role of Company and its directors with respect to misrepresentation of the financials and mis-utilisation of the funds, violation of the

⁴ SAT Appeal No. 152 of 2019, decided on March 17, 2020



Takeover Regulations, etc. In addition, there was intermittent periods of nationwide COVID lockdowns. In this regard, reference is drawn to the judgment of Hon'ble Supreme Court in the case of *Adjudicating Officer, SEBI v. Bhavesh Pabari*⁵, wherein it was held that:

“There are judgments which hold that when the period of limitation is not prescribed, such power must be exercised within a reasonable time. What would be reasonable time will depend upon the facts and circumstances of the case, nature of the default/statute, prejudice caused, whether the third party rights had been created, etc.”

19. Further, in *Ravi Mohan & Ors. v. SEBI*⁶, Hon'ble SAT, while referring to its own decision in *HB Stockholdings Ltd. v. SEBI*⁷ and decision of Hon'ble Supreme Court in *Collector of Central Excise, New Delhi v. Bhagsons Paint Industry (India)*⁸, observed as under:

“...Based on decision of this Tribunal in case of HB Stockholdings Ltd. vs. SEBI (supra) it was contended on behalf of the appellants that in view of the delay of more than 8 years in issuing the show cause notice, the impugned order is liable to be quashed and set aside. There is no merit in this contention, because, this Tribunal while setting aside the decision of SEBI on merits has clearly held in para 20 of the order, that delay itself may not be fatal in each and every case. Moreover, the Apex Court in case of Collector of Central Excise, New Delhi vs. Bhagsons Paint Industry (India) (supra) has held that if there no statutory bar for adjudicating the matter beyond a particular date, the Tribunal cannot set aside the adjudication order merely on the ground that the adjudication order is passed after a lapse of several years from the date of issuing notice....”

20. In view of the above, I find that Noticee has not made out a case of prejudice due to the alleged delay in initiation of proceedings. Therefore, the preliminary issue raised by the Noticee is not maintainable. Having dealt with the preliminary issue, I shall now proceed to address the key issues that arise for consideration, in light of the facts of the case and the submissions made by the Noticee.

⁵ 2019 SCC Online SC 294

⁶ Decided on August 08, 2013

⁷ Appeal No. 114 of 2012, decided on August 27, 2013

⁸ 2003 (158) ELT 129 (S.C.)



Issue I. Whether the Noticee violated the provisions of section 12A (a), (b) and (c) of the SEBI Act read with regulation 3 (a), (b), (c), (d) and regulation 4 (1), 4 (2) (a) and 4 (2) (e) of PFUTP Regulations?

21. The first allegation in the SCN against Noticee is that he was the top LTP contributor in Evexia during IP. This allegation against him has the following four parts:
- (a) that he contributed ₹59.48 to total market positive LTP, i.e., 40.85% of the total market positive LTP by 219 trades. Out of these 219 buy trades, he bought only one share in 179 trades, i.e., 81.73% of total buy trades contributed to positive LTP. His single share buy orders contributed ₹53.16 to total market LPT, i.e., 36.51% of total market positive LTP during IP;
 - (b) that in 175 such trades, he placed buy orders for less number of shares even though higher quantity of shares were available in the sell orders and all these 175 trades, the buy orders of the Noticee were limit orders;
 - (c) that most of the small buy orders which contributed to positive LTP were placed after the sell orders, i.e., 158 small buy orders executed with the sell order price already available in the market and the remaining 21 small buy orders were placed before the sell orders;
 - (d) that the Noticee was buying single share on several days (40 days) contributing to positive LTP which showed that his intention was not to buy the shares but to increase the price through contributing to positive LTP.
22. The second allegation in the SCN is that during the IP, NHP of ₹13.28 was created wherein Noticee had contributed ₹5.02 to NHP through his 15 trades, which was 37.80% of the total market NHP. A group of 10 entities had contributed 75.53% of the total market NHP and the Noticee was at the top of this list with 37.80%. However, the SCN observed that the Noticee was not connected to any other entity who had had traded in scrip of Evexia.
23. Based on the aforesaid trading pattern of the Noticee, it was alleged in the SCN that during IP, he was trading in the shares of Evexia in mostly single share on many occasions and thereby contributed to major positive LTP by placing the buy order for small quantity of shares (mostly for 1 share only) despite existence of



large number of sell orders in the system indicated the manipulative intent of the Noticee to set new high price, which was alleged to be fraudulent.

24. In response to above allegations, the Noticee submitted his arguments on the following main grounds:

- (a) SCN failed to consider the negative LTP contribution;
- (b) SCN failed to holistically consider the trades of Noticee;
- (c) jobbing transactions are an established market practice;
- (d) absence of connection with suspected entities;
- (e) erroneous reliance on past matters to issue SCN.

25. Noticee submitted that SEBI had ignored the negative contribution to LTP and thus failed to consider his trades holistically. According to him, Table 1 of SCN containing the LTP analysis clearly shows that he had traded more quantities of shares (i.e., 92,744) which had negative impact on LTP than the quantities of shares (i.e., 73,878) which had a positive impact on LTP. The quantities of shares traded (i.e., 3,91,325) which had no or negative impact on the LTP is almost six times the quantity of shares traded which had a positive impact on LTP. Noticee submitted that SEBI relied on a limited aspect of a trading pattern beneficial to its narrative to prove its case. The negative LTP trades as well as the zero LTP trades are significant and the large number of trades are consistent with his role as a jobber.

26. In this regard, I note from the SCN that positive LTP contribution of the Noticee by buying 73,878 shares in his 219 trades is ₹59.48 and negative LTP contribution by the Noticee by buying 92,744 shares in his 40 trades is ₹3.54. Thus, the net contribution of Noticee to the LTP is ₹55.94 and total market net contribution to the LTP of Evexia during IP is ₹12.53. Hence, I find that net contribution of Noticee to the LTP is 466.44% of the market net contribution to the LTP of Evexia. However, all the aforesaid findings and percentages are based only on the buy-side trade analysis of the Noticee. The impact of sell-side trades of the Noticee on LTP has not been analyzed in the SCN. Since the Noticee has claimed that he is a jobber, his sell-side trades are also considered to arrive at LTP contribution in the following paragraphs.



27. In view of the aforesaid arguments, the trade and order logs were analyzed to see the LTP contribution taking into his sell-side trades as well and to see his trades holistically to check his claim of jobbing. For the said purpose, further fields are supplied to Table 1 taking into account the trades of the Noticee other than the trades referred in the said Table 1 as under:

Table 5

Date	No. of trades where order quantity was one share and LTP contribution was positive	No. of remaining trades of the Noticee (other than the single share trades where LTP contribution was positive, i.e., Column 'B')	Total number of Evexia shares bought by the Noticee on a particular day	Buy Value (Rs.)	Total number of trades in the scrip
A	B	C	D	E	F
17-Aug	1	18	10876	102886.96	49
22-Aug	28	26	174450	1859637.00	281
23-Aug	13	11	4007	44077.00	121
25-Aug	1	12	21502	258884.08	90
26-Aug	2	12	109550	1318982.00	68
30-Aug	1	0	1	12.03	27
31-Aug	2	0	2	24.00	24
01-Sep	1	1	2801	33948.12	42
02-Sep	4	1	14	175.56	39
06-Sep	3	5	25559	319998.68	50
07-Sep	7	11	4040	52802.80	64
08-Sep	0	2	3073	41946.45	51
09-Sep	6	18	11289	153869.07	95
12-Sep	4	13	12171	166134.15	55
14-Sep	7	28	17468	237564.80	118
15-Sep	0	3	27507	374095.20	51
16-Sep	4	0	4	54.24	29
19-Sep	13	5	10002	136327.26	74
20-Sep	1	7	21361	291577.65	35
21-Sep	4	0	4	54.16	93
26-Sep	2	3	43002	580527.00	18
27-Sep	7	0	7	94.22	33
29-Sep	1	0	1	13.65	66
03-Oct	4	12	20000	292400.00	112
04-Oct	8	9	3900	59124.00	74
05-Oct	8	6	35307	579387.87	208
10-Oct	1	0	1	16.05	77
13-Oct	7	0	7	112.07	67
14-Oct	7	0	7	112.21	50



Date	No. of trades where order quantity was one share and LTP contribution was positive	No. of remaining trades of the Noticee (other than the single share trades where LTP contribution was positive, i.e., Column 'B')	Total number of Evexia shares bought by the Noticee on a particular day	Buy Value (Rs.)	Total number of trades in the scrip
A	B	C	D	E	F
18-Oct	2	0	2	33.72	90
20-Oct	1	0	1	17.35	518
21-Oct	2	0	2	34.20	183
01-Nov	2	0	2	35.52	455
02-Nov	1	0	1	18.09	355
03-Nov	11	0	11	202.95	357
04-Nov	3	0	3	57.03	160
07-Nov	3	0	3	60.30	392
09-Nov	3	0	3	60.69	229
10-Nov	3	1	4	87.12	88
11-Nov	2	0	2	45.20	88
Total	180	204	5,57,947	6905490.45	5076

28. It is noted from table above that Noticee had executed a total of 384 trades, out of which 180 trades were single share trades where LTP contribution was positive. Through these 384 trades, Noticee purchased a total volume of 5,57,947 shares. When evaluated contextually, the 180 single share trades represent a miniscule portion of the total shares purchased by Noticee during the IP. However, in one out of the 180 trades, though Noticee had placed large buy order, the same matched against the single share sell order. Therefore, only 179 single share buy trades are considered for the purpose of this proceedings. It is also evident from the table above that Noticee had contributed upto 39% of the total trades in the scrip of Evexia in the stock exchange on a single day. Out of the 40 trading days, his trades contributed 20% and above of the total trades in the stock exchange on twelve days and 10% and above on eight trading days.

29. Moreover, considering that the aforesaid tables have only analyzed the buy-side trades of the Noticee, the sell-side trades of the Noticee are brought in Table below to see his sales holistically:

Table 6



Date	Total number of buy trades	LTP Rate-Buy (Rs.)	Total number of sell trades	LTP Rate-Sell (Rs.)	Total number of Evexia shares bought	Total number of Evexia shares sold	Net LTP Rate (Rs.)
A	B	C	D	E	F	G	H
17-Aug	19	0.59	13	0	10876	10876	0.59
22-Aug	54	8.26	6	-1.85	174450	174450	6.41
23-Aug	24	2.76	6	-0.49	4007	4007	2.27
25-Aug	13	0.33	5	-0.04	21502	21502	0.29
26-Aug	14	1.24	12	-1.04	109550	109549	0.20
30-Aug	1	0.13	0	0	1	0	0.13
31-Aug	2	0.55	0	0	2	0	0.55
01-Sep	2	0.16	1	0	2801	2800	0.16
02-Sep	5	1.94	1	-0.10	14	14	1.84
06-Sep	8	1.30	9	-0.81	25559	5905	0.49
07-Sep	18	0.56	9	-0.11	4040	23600	0.45
08-Sep	2	0	4	0	3073	3073	0
09-Sep	24	0.87	0	0	11289	0	0.87
12-Sep	17	1.23	10	-0.74	12171	23559	0.49
14-Sep	35	0.32	4	-0.15	17468	17468	0.17
15-Sep	3	0.11	7	-0.15	27507	27507	-0.04
16-Sep	4	1.23	1	-0.30	4	3	0.93
19-Sep	18	3.39	2	0	10002	10000	3.39
20-Sep	8	0.55	4	0.15	21361	21361	0.70
21-Sep	4	0.68	0	0	4	0	0.68
26-Sep	5	0.11	0	0	43002	0	0.11
27-Sep	7	1.43	6	-0.10	7	30400	1.33
29-Sep	1	0.15	1	0	1	12616	0.15
03-Oct	16	1.52	7	-0.54	20000	20000	0.98
04-Oct	17	2.14	3	-0.30	3900	3900	1.84
05-Oct	14	5.30	27	-2.80	35307	35305	2.50
10-Oct	1	0.05	0	0	1	0	0.05
13-Oct	7	1.94	1	-0.05	7	6	1.89
14-Oct	7	1.03	1	-0.05	7	7	0.98
18-Oct	2	1.22	1	-0.50	2	2	0.72
20-Oct	1	0.35	0	0	1	0	0.35
21-Oct	2	0.59	1	-0.79	2	2	-0.20
01-Nov	2	0.31	1	-0.34	2	2	-0.03
02-Nov	1	0.19	0	0	1	0	0.19
03-Nov	11	2.63	1	0	11	11	2.63
04-Nov	3	1.99	0	0	3	0	1.99
07-Nov	3	1.90	1	-0.28	3	3	1.62
09-Nov	3	4.30	1	0	3	3	4.30
10-Nov	4	2.13	0	0	4	0	2.13
11-Nov	2	0.46	1	-0.07	2	2	0.39
Total	384	55.94	147	-11.45	5,57,947	5,57,933	44.49



30. From the aforesaid table, it is evident that the Noticee was buying and selling the shares of Evexia in large quantities during the IP. It is also evident that after the price reaching a certain threshold, his trading volume tapered and he claimed to have suffered a loss of Rs.50,594. During the IP, he had bought 5,57,947 shares and sold 5,57,933 shares. His 384 buy trades contributed to a total LTP of Rs. 55.94 and his sell trades contributed Rs.11.45(-ve). Thus, the net LTP contribution of the Noticee during the IP was Rs. 44.49. Further, once the trades of the Noticee is considered holistically, he had bought and sold 11,15,880 shares, and he had bought and sold almost equal number of shares each day which is consistent with his claim that he is a jobber. The total volume traded at exchange during the IP was 91,94,281 shares in 59 trading days, however, the Noticee traded only on 40 trading days. Noticee's total trading volume on the said 40 days was 11,15,880 as against the total volume of 68,02,173 shares in the stock exchange, i.e., Noticee contributed 16.4% of the exchange volume during these 40 days and 12% of the exchange volume during the IP. Taking into account the high volumes of Noticees trades, it is not abnormal that some of his trades had resulted in rise in LTP and NHP.
31. With respect to the allegations that (a) in 175 such trades, the Noticee placed buy orders for less number of shares even though higher quantity of shares were available in the sell orders, and (b) that most of the small buy orders which contributed to positive LTP were placed after the sell orders, the Noticee submitted that he was not obligated to match the number of sell orders available in the system and merely because the Noticee had not matched the existing sell orders cannot be the basis to allege price manipulation. Further, the prior existence of sell orders in the system, which the Noticee merely matched at the lowest sell order price, indicates that the rise in LTP was incidental and a natural corollary of such a trades. In view of the Table 6, it is obvious that the nature of the trades of the Noticee is consistent with that of a jobber, therefore, the manipulative aspect of the trades of the Noticee is examined further.
32. As regards the allegation that Noticees placed buy orders for less number of shares even though higher quantity of shares were available in the sell orders, Noticee claimed that he had no obligation to match the sell orders available in the



system. I find merit in this argument for the reason that a buyer would only buy shares in proportion to his financial capacity, risk appetite and numerous other factors, which would be unique for each trader. It is not proper to allege that the Noticee was expected to wipe out of the entire liquidity in the scrip or walk the book. The allegation appears to be fallacious for one more reason that following the said single share buy order, the Noticee had bought substantial number of shares on the same day as explained in the paragraphs above. He bought just 180 shares in 40 trading days through single share buy trades and in the meantime through his remaining buy trades, he had bought 5,57,767 shares.

33. On an analysis of his trades as given in Table 5 above, it noted that his single share trades were in double digits only on four days during the IP. Therefore, his trades on the day when he executed maximum number of single share trades was examined to see the nature of the trades on the said date, i.e., August 22, 2016. It is found that Noticee had executed a total of 56 buy trades out of which 28 were single share trades. After executing such single share trades, he had bought 1,74,450 shares of Evexia on that day and sold equal number of shares, which accounted for 35.32% of the exchange volume in the scrip of Evexia on that day. It is also found that there is a common pattern that on all days when the Noticee had executed single share trades, he had actually bought substantial quantity of shares in Evexia. However, after the price reaching a certain threshold, i.e., from October 10 to November 11, 2016 his trading volumes reduced drastically. This trading pattern also gives credence to his claim that he was gauging the depth of the market with his single share trades. Therefore, I am of the opinion that arriving at an inference of manipulative intent by looking into the single share trades in isolation and thereby by ignoring the rest of his trades appears to be unwarranted in the given facts and circumstances.
34. The SCN has further alleged that most of the small buy orders which contributed to positive LTP were placed after the sell orders, i.e., 158 small buy orders executed with the sell order price already available in the market and the remaining 21 small buy orders were placed before the sell orders. Therefore, the said 179 trades are analyzed from the trade log extracts of the SCN to ascertain the alleged trading pattern of the Noticee as follows:



Table 7

Buyer/ Seller order quantity	No. of trades	Buy order price was more than the counterparty sell order price	Buy order price was equal to counterparty sell order price	Buy order price was less than the counterparty sell order price
Buyer's order quantity was more than or equal to seller's order quantity	4	0	4	0
Buyer's order quantity was less than seller's order quantity	175	0	175	0
Total	179	0	179	0

35. It is found from the table above that in all the 179 one share buy trades, the buy order price was equal to the counterparty's sell order price, which indicates that the Noticee merely matched the price of existing sell orders. Further, it is observed from the trade log that out of 179 buy orders placed by the Noticee, which contributed to positive LTP, corresponding sell orders in 178 trades were already placed in the system, prior to the buy orders of the Noticee. It means that sellers were already available on the stock exchange platform and they were offering shares at prices higher than the LTP and Noticee only matched the prices offered by the sellers. Hence, it was certain that the said buy orders of Noticee would result in trades increasing the LTP of Evexia. Furthermore, ipso facto, there is no illegality in placing buy orders after the sell orders have come to the system. In this regard, it is relevant to note the submission of the Noticee that the trading software provided by his trading member displayed only the best bid and ask, so that he executed a single share trade to gauge the market depth and thereafter entered voluminous trades. However, Noticee failed to prove his claim that the trading software displayed only the Level 1 order book as the trading member had already surrendered its membership.

36. In this connection, it is noted that even if the Noticee had placed a single share buy order where all his orders were limit orders, the trade will still be executed at



the price of the lowest sell order and since it was single share buy, there was no question of a partial fill resulting in higher LTP(s). Thus, it was not possible to increase price unilaterally with single share limit orders where there were numerous sellers and his buy order price were equal to the price of the lowest sell order. It is an undisputed fact as recorded in the SCN that the Noticee was placing limit orders indicating the maximum price he was willing to pay throughout the IP, that being so, it was certain that the trades were being executed at the lowest sell order prices. Therefore, I am inclined to accept the argument of the Noticee that he was incapable of unilaterally increasing the price of the scrip when there were numerous sellers and his buy trade prices were equal to the price of the lowest sell order prices (best ask).

37. The SCN also alleged that out of 179 instances, the Noticee had placed buy orders before the sell orders in 21 instances which had resulted in trades above the LTP, which would also indicate his intent to raise the LTP. However, on analysis of the trade logs, it is found that the said allegation in the SCN was incorrect. In fact, in 178 out of 179 instances, the buy orders were placed after the sell orders, as it is seen from the order log that the buy orders were matched against the passive sell orders. In one instance, he placed a buy order at a price higher than the prevailing LTP before the corresponding sell order, which resulted in LTP rise, however, adverse inference cannot be drawn on the basis of this one stray order. Further, it is noted from the above table that in said 178 instances, Noticee merely matched the price of existing sell orders to execute a trade and these buy orders were placed as limit orders, demonstrating that the Noticee was only willing to acquire shares at or below a specific price threshold and that price was equal to the lowest sell order price. The said buy orders of Noticee resulted in trades increasing the LTP of Evexia as sellers were offering the shares at prices higher than LTP. Thus, the consequent increase in the LTP of Evexia was not merely driven by the Noticee's actions, rather it was the result of standard order matching rules. The positive LTP contribution occurred simply because independent sellers had already set ask prices higher in the order book which were above LTP and Noticee acquired shares at the offered prices. The Noticee undoubtedly is a liquidity provider here, however, that alone would not suffice to prove his manipulative



intent as long as his connection with the seller is not established. The SCN has categorically stated that the Noticee had no connection either with the suspected entities or with the 88 counter parties to his trades, and this case solely depends on the pattern of the trades of the Noticee. In this regard, it appears difficult to draw a charge of fraud against the Noticee without there being a connection with the counterparties to the alleged trades in the given circumstances as discussed above.

38. With regards to the charge of creation of NHP, it has been argued by the Noticee that on a closer analysis of the relevant extract of the trade log (Annexure C to the SCN), it emerges that that the Noticee had in fact merely matched existing sell orders available in the system on almost 331 occasions out of 384 trades and particularly in single share trades, it was 178 occasions out of 179 occasions. However, as pointed out by the AR of the Noticee, Mr. Tomu Francis, investigation report at para 17.14 took a more liberal view that *“all buy orders placed by Bhavin, corresponding sell orders were already placed in the system, i.e., all corresponding sell orders were placed prior to the order of the Noticee”*. Thus, the allegation that Noticee being solely responsible for such trades contributing to NHP of Rs.5.02 is not supported by SCN and the Annexure of the SCN. In this regard, it is further noted that the SCN merely alleged that Noticee had contributed Rs. 5.02 to NHP through his 15 trades, which was 37.80% of the total market NHP. The said 15 trades of the Noticee, which contributed to NHP were not identified in the investigation report and SCN. However, it appears that these 15 trades were also part of the aforesaid 179 single share trades of the Noticee. Therefore, the Noticee’s contention that he had merely matched existing sell orders available in the system during his jobbing activities is acceptable.
39. Adverse inference was drawn in the SCN with respect to conduct of Noticee where he had placed buy orders for lesser number of shares even though higher quantity of shares were available in the sell orders in 175 trades which contributed to positive LTP. As against this allegation, Noticee argued that there is no obligation on him to match the number of sell orders available in the system. In this regard, I find that these buy orders were placed after the sell orders and Noticee’s buy orders resulted in trades against 88 different counterparties and the Noticee traded



in huge quantity of shares following the single share trade. Given the above, I am inclined to accept the argument of the Noticee that the mere failure to match existing sell orders in the system cannot, by itself, form the basis of an allegation of price manipulation.

40. With regard to Noticee's contention that SEBI had erred in issuing the SCN on account of its misplaced reliance on previous administrative actions against him, I note that SCN was issued based on the findings of investigation and not merely on account of reliance placed on previous administrative actions against the Noticee. It is a standard practice to incorporate past administrative and/or enforcement actions in the investigation report as this could become a relevant factor under section 15J of the SEBI Act while imposing a penalty, only if the Noticee is found guilty. However, it is important to note that in the Investigation Report, past administrative and/or enforcement actions were placed below the Action Matrix, i.e., after proposing the current enforcement action. Therefore, the argument of the Noticee that there is misplaced reliance on previous actions against him, is untenable.
41. In this matter, Noticee relied on the judgement of the Hon'ble SAT in the matter of *Kajalben Kiranbhai Trivedi v. SEBI*⁹, wherein it was observed that *"A finding has also been given that the appellant was also trading in large numbers and, thus, the contention of the appellant that she was testing the market by purchasing one share at a time appears to be correct, coupled with the fact that the details of her trades on a daily basis has been given in paragraph no. 10 of the memo of appeal which shows that on a daily basis the appellant was buying scrip ranging from 1000 to 10,000 and which was being squared off by selling on the same day."* The facts of the said case are similar to the present case, however, the trading volumes is in lakh here compared to thousands in the said case.
42. In said case, it was further observed by the Hon'ble SAT that *"At the same time, we find that no reasonable explanation has been given as to why buy orders was above the LTP. It makes no sense for a buyer to buy at a higher price when the*

⁹ Appeal No. 702 of 2023, decided on August 31, 2023



shares were available at a lower price. Thus, placing buy orders above LTP would lead to an inference of the appellant manipulating the trades of the scrip and may also create misleading appearance of the trading.” However, in the instant matter, reasonable explanation for buying shares above the LTP has been given by the Noticee that the sellers were offering shares at prices higher than the LTP and he only matched the prices offered by the sellers to execute the trades. In the present case, all 179 single share buy orders were placed as limit orders, indicating that the Noticee was only willing to acquire shares at or below a specific price limit which was equal to the lowest sell order price. Accordingly, the Noticee’s buy orders matched with the lowest sell order prices available in the market. It is also observed that 178 out of 179 single share buy orders were placed when the sell orders were already available in the market. Therefore, I am inclined to accept the submissions of the Noticee that his trades are not manipulative in nature.

43. It is noted that the SCN alleged that Noticee violated the provisions of regulations 3 and 4 of the PFUTP Regulations. Therefore, it is relevant to refer to the judgement of the Hon’ble Supreme Court in the matter of *Reliance Industries Limited and Ors. v. SEBI*¹⁰, where Hon’ble Supreme Court considered the ambit of regulations 3 and 4 of the PFUTP Regulations which provides the prohibitions. The Hon’ble Court observed that a reading of both the regulations would reveal that the prohibited act should be directed towards manipulating the market and indulge in the act of fraud for many purposes including to make a gain or to avoid a loss. Upon a closer scrutiny and harmonious reading of regulations 3 and 4 of the PFUTP Regulations, in order to clear doubts and avoid misinterpretation of an enactment having drastic effect on the economy, the Hon’ble Supreme Court interpreted the term ‘fraud’ as under:

“175. We agree with the observation in **Kanhaiyalal Baldevbhai Patel** (*supra*) that fraud is jurisprudentially very difficult to define. However, such difficulty should not result in such a legislation that would cover every act, expression, omission or concealment under the sky. In our opinion, it cannot be the intention of the PFUTP Regulations to give unfettered powers to the respondent authority to decide the question of fraud. We find it apposite to purposively interpret Regulation 2(1)(c). In

¹⁰ 2026 INSC 585



our considered view, both *mens rea* and *actus reus* cannot be made into irrelevant factors for deciding fraud. Therefore, we may outline the following scenarios for a more purposive approach to Regulation 2(1)(c):

- i) *In situations where injury due to wrongful act is established, i.e, inducement to deal in securities has caused the other person to be adversely affected and allowed the party accused of fraud to gain unlawful profits or avert ordinary losses at the former's expense, there would be no requirement on the respondent authority to prove deceitful intention. In other words, where injury is impossible to be proved, the requirement of wrongful intention becomes mandatory.*
- ii) *Secondly, similarly, in situations where deceitful or mala fide intention to defraud and manipulate the securities market is clear from the blatant misconduct or attending circumstances that cogently establish wrongful intention, then proving the injury would not be required.”*

44. After laying down the aforesaid principles, the Hon'ble Supreme Court further considered situations where the mandatory requirement of inducement as discussed above is dispensed with. In this regard, the Hon'ble Court held as follows:

“177. A perusal of the aforesaid exposition indicates that the requirement to prove inducement when the factum of manipulation is established, is similar to the second requirement placed by us in paragraph 175 of this judgment. We say so because the logical conclusion of giving the requirement of inducement a go bye, is that injury also need not be proved once manipulation is sufficiently and cogently established. It is such determination of manipulation that provides a conclusive insight into the intention of the party seeking to defraud the market.

*178. As has been discussed in **Kanaiyalal Baldevbhai Patel** (supra) and **Kishore R. Ajmera** (supra), the test for establishing such manipulation is normally considered to be the test of preponderance of probabilities. However, in situations envisaged under **Rakhi Trading** (supra) where the mandatory ingredient of inducement itself is done away with, it is imperative to ensure that the factum of manipulation is established cogently with all attending circumstances pointing towards the direction that the person so alleged, must have committed fraud.”*

45. In the light of the principles laid down in the aforesaid judgment, the instant matter appears to be falling within the second scenario envisaged by the Hon'ble Supreme



Court where deceitful or mala fide intention to defraud and manipulate the securities market is clear from the blatant misconduct or attending circumstances that cogently establish wrongful intention. However, as further clarified by the Hon'ble Court, where the mandatory ingredient of inducement itself is done away with, it is imperative to ensure that the factum of manipulation is established cogently with all attending circumstances pointing towards the direction that the Noticee, must have committed fraud.

46. In the present case, as observed hereinabove, the Noticee traded in the scrip of Evexia as a jobber and purchased and sold almost equal number of shares on a daily basis. His trades, however, resulted in rise in LTP and established NHPs. Apart from the said consequences of rise in LTP and NHPs, the SCN has not alleged that Noticee gained unlawful profits or averted losses at the expense of other investors. In this matter, the Noticee was not only placing single share buy orders/orders for 1 to 10 shares but rather such orders were followed by buy orders for substantial number of shares where his single day buy volume reached 1.74 lakh shares and on the said day, his trades contributed 35% of the exchange volume. While he bought 179 shares through single shares buy orders, he bought 5,57,768 shares from his remaining 205 trades as explained in Table 6 above.

47. All his buy orders were limit orders where the limit order price was equal to the lowest sell order price. As evident from the order log, he placed almost all these single share buy orders after the lowest sell order price (best ask) became visible in the system. The lowest sell order prices in the system when he placed his single share buy orders were above the LTP, since the sellers were offering to sell their shares only at prices higher than LTP in all the 178 instances discussed above. His buy orders were thus executed against passive sell orders resulting in rise in LTP and in 15 instances in NHPs as well, which was an unavoidable consequence. More so, it is equally relevant that Noticees contributed 16% of the total volume in Evexia on the days he traded (40 days) and 12% the exchange volume during the IP (59 days). No connection was established with his 88 counter parties to the aforesaid trades and the suspected entities in the investigation report.



48. Thus, on perusal of the evidence available on record as aforesaid, in my opinion, the preponderance of probabilities do not lead to a conclusion that the Noticee's trades were manipulative in the given circumstances. Therefore, given the nature of the jobbing transactions where the Noticee was placing limit orders and (not market orders) and the attendant circumstances where the lowest sell orders prices were above LTP, he placed his limit buy orders after the sell orders become visible on the screen at the prices of the lowest sell orders, he traded in substantial quantity of shares and he had no connection with his counter parties to the trade and suspected entities, I am of the opinion that mala fide intention to defraud and manipulate the securities market is not clear from the trading pattern or attending circumstances, therefore, the Noticee is entitled to benefit of doubt.
49. In view of the above, I hold that Noticee has not violated the provisions of section 12A (a), (b) and (c) of the SEBI Act read with Regulations 3 (a), (b), (c) and (d), Regulations 4(1) and 4(2) (a) and 4(2) (e) of PFUTP Regulations.
50. As the violations alleged against the Noticee are not established, other contentions and issues II and III do not merit consideration.

ORDER

51. In view of the findings noted in the preceding paragraphs, I do not find the instant matter fit for imposition of any monetary penalty under section 15HA of SEBI Act and I hereby dispose of the adjudication proceedings initiated against the Noticee, viz., Bhavin Sureshbhai Thakkar, vide SCN dated December 18, 2023 without imposing any monetary penalty.
52. In terms of rule 6 of the Rules, copy of this order is sent to the Noticee and also to SEBI.

Place: Mumbai

Date: June 30, 2026

JAI SEBASTIAN

ADJUDICATING OFFICER