BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

ADJUDICATION ORDER No. Order/MS/KS/2026-27/32725

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

In respect of:

Shri Shreedhar Yellaiah Kodam

PAN: AZGPK9995H

In the matter of Well Pack Papers and Containers Ltd

A. BACKGROUND OF THE CASE

1. Vide Adjudication Order ref. no. EAD-2/DSR/RG/PU/345-403/2015 dated February 16, 2015 (hereinafter referred to as '**AO Order**'), a penalty of Rs. 5,00,000/- (Rupees Five Lakh Only) was imposed on Noticee no. 39 Shri Shreedhar Yellaiah Kodam (hereinafter also referred as '**Noticee'/ 'entity'/ 'you'**) along with other 55 entities in the matter of Well Pack Papers & Containers Limited (WPPCL) under Section – 15HA of SEBI Act, for the alleged violation of provisions of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a), (b), (e) and (g) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003 (hereinafter referred to as '**PFUTP Regulations**').

2. Based on huge rise in the traded volume and price in the scrip of 'Well Pack Papers and Containers Limited', an investigation was conducted for different time periods. It was observed that between November 28, 2008 and March 12, 2010, the scrip unusually increased from ₹9.54 to ₹499.45. The daily high and low traded volume increased from 1,600 to 6,05,201 shares. During the post bonus and split period between March 15, 2010 and June 30, 2010 the scrip price unusually increased from ₹23.20 to ₹73.90 and the daily low and high

traded volume was 16,82,856 shares and 58,49,194 shares. On February 02, 2011, SEBI passed an interim order restraining 39 persons/entities from accessing the securities market and it was confirmed on July 8, 2011. SEBI initiated adjudication and the impugned order was passed.

3. Aggrieved by the aforesaid SEBI Order, the Noticee filed an appeal in the Hon'ble Securities Appellate Tribunal (hereinafter referred to as '**SAT**'), vide Appeal No. 435 of 2025. SAT Vide Order dated February 13, 2026 held that the impugned order is in violation of principles of natural justice and liable to be set aside and inter alia observed:

"

i. Appeal is allowed.

ii. Order dated February 16, 2015 is set aside qua the appellant with a direction to the SEBI to reconsider appellant's case in accordance with law after granting an opportunity to the appellant to defend his cause.

iii. Appellant shall appear before SEBI on March 9, 2026 without any further notice from SEBI…."

B. APPOINTMENT OF ADJUDICATING OFFICER

4. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') vide Order dated February 24, 2026, appointed Adjudicating Officer, under Section 15-I(1)of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act'**) and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as "**Adjudicating Rules**") read with Section 19 of the SEBI Act, to enquire into and adjudge the violations of Regulation 3 (a)(b)(c)(d), 4(1) and 4(2) (a), (b), (e) & (g) of SEBI (PFUTP) Regulations by Noticee Shri Shreedhar Kodam under Section 15HA of the SEBI Act in the matter of Wellpack Papers & Containers Ltd. Subsequent to transfer of erstwhile AO, the present case was assigned to undersigned on May 29, 2026.

C. SHOW CAUSE NOTICE, REPLY AND HEARING

5. Noticee was informed to be present before erstwhile AO for personal hearing in

accordance with directions of SAT, vide email dated February 26, 2026. Noticee sought successive adjournments of hearings scheduled on March 09, 2026, on April 2, 2026 and April 7, 2026.

6. The hearing was re-scheduled to April 08, 2026 and was attended by the AR. During the hearing, SCN No. EAD2/RG/29445/2013 dated November 20, 2013 with annexures were hand delivered to AR with an advice to file a written submission. The AR subsequently submitted a written reply via email April 23, 2026.

7. Pursuant to transfer of this case to this Office, the Noticee was informed vide email dated June 1, 2026 regarding the change of AO and if he wishes to opt for a personal hearing. Noticee vide email dated June 09, 2026 requested to schedule the hearing after June 16, 2026. Accordingly, the hearing was scheduled on June 22, 2026 and was attended by the AR.

8. To proceed further, it is pertinent to note the allegations levelled against the Noticee in the SCN that Mr. Kodam (Noticee No. 39) was acting as part of the 51-member "Walmiki Shah Group," and heavily traded in the scrip of Well Pack Papers & Containers Limited (WPPCL). The said group allegedly executed synchronized trades and off-market transfers which created artificial volumes and manipulated the price of the scrip.

9. The role of the Noticee with respect to current proceedings is tabulated below:

Sr No.	Date(DD-MM-YYYY)	Remarks
1	03-08-2009	Noticee's Bank Account opened
2	09-09-2009	Noticee's Demat Account with "Kifs Trade Capital Pvt Ltd" opened
3	09-10-2009	Noticee's Demat Account with "Religare Broking Limited" opened
4	17-04-2010	Noticee's Bank Account closed

Sr No.	Date(DD-MM-YYYY)	Remarks
5	20-11-2013	SCN issued to 58 entities including the Noticee.
6	16-02-2015	A penalty of 5,00,000/- was imposed on Noticee.

10. The Key submissions made by Noticee as part of its reply dated April 23, 2026 to the SCN, are summarized as under;

11. *SEBI's interim order dated February 02, 2011 restrained 39 persons/entities in relation to trading in various scrips, including WPPCL. The said Order was confirmed vide confirmatory Order dated July 08, 2011. The Noticee, Shreedhar Yellaiah Kodam, was not named in either of these orders*.

12. With regard to Noticee's personal and financial background;

    1. *The Noticee is a Mumbai resident and Class IX pass. He runs a small pan shop, while his wife works at a local beauty parlour. His wife was allotted a house under PM Awaas Yojana, with a personal loan of ₹13.50 lakh and government down payment assistance of ₹1.50 lakh.*

    2. *The Noticee argues that his education and socioeconomic circumstances make it implausible that he could have participated in or orchestrated sophisticated synchronized trading through multiple brokers. The alleged transaction volumes, running into lakhs of rupees, are claimed to be inconsistent with his financial circumstances. The Noticee claims to have no knowledge of capital markets, securities trading, demat accounts or stock exchanges. He states that he never traded in shares or securities, directly or indirectly.*

13. Noticee a victim of identity theft;

    1. *He is a victim of identity theft, wherein Mr. Paras Chaplot – a repeated offender and named in multiple orders passed by SEBI, used to regularly visit his shop sometime in 2009. He had falsely represented himself as a Chartered Accountant (CA) and under the pretext of filing the Income Tax returns for Noticee in order to*

make a credible Income Tax record which would have helped the Noticee in obtaining loans in future for business and kids, induced the Noticee, and consequently the Noticee signed the documents and papers which Paras Chaplot asked him to do. The Noticee submits that in guise of filing the Income Tax Returns, Paras Chaplot used his PAN, opened a bank account, demat account, and trading account. Thereafter, Mr. Chaplot ceased all contact and never returned to the Noticee's shop.

2. *The Noticee mentioned that Chaplot was a repeat offender who allegedly used identities/accounts of innocent persons as evident from other SEBI orders. The Noticee states that he received no consideration or benefit for allowing his accounts to be used.*

3. *After becoming aware of the SEBI proceedings, the Noticee states that he discovered the alleged misuse of his identity. He subsequently filed an FIR against Paras Chaplot, who is stated to be absconding.*

14. With regard to discrepancies in the KYC documents used for opening various accounts;

    1. *Two mobile numbers associated with the Kotak Mahindra Bank records allegedly do not belong to the Noticee. The Noticee relies on this as evidence that someone else operated the account.*

    2. *The Religare Securities trading account allegedly lists an introducer named "Manohar", but the Noticee claims he does not know this person and that no verifiable client details were provided.*

    3. *An account was allegedly opened in his name at Kotak Mahindra Bank, Kalbadevi, Mumbai, in August 2009 and closed in April 2010. The Noticee highlights several anomalies:*

        3.1. *Statement submitted from the Surat branch although the account was maintained at Mumbai.*

        3.2. *Account-opening cheque allegedly came from an unknown third party.*

3.3. Large transactions were allegedly routed through the account despite his limited income.

3.4. Deposits of ₹4 lakh and ₹8 lakh were allegedly made by persons unknown to him.

4. *The Noticee states that checking the Income Tax portal showed that his PAN was not registered, which he argues supports his assertion that the purported income-tax-return explanation given by Chaplot was false.*

15. SEBI Investigation Report — points relied upon by the Noticee;

The Noticee's key argument is that SEBI's own Table 1 allegedly shows:

1. *SEBIs own investigation shows No KYC relationship with other WSG entities. No fund movement with other WSG entities. No off-market share transfers with other WSG entities, apart from one peripheral reference.*
2. *He contrasts this with the extensive connections allegedly found among the core WSG members.*
3. *The Noticee mentions his market-volume contribution was only 0.01% in Period I and 0.00% in Period II.*
4. *He also relies on an observation in the Investigation Report that price manipulation could not be attributed to certain clients whose orders were close to the best available sell orders.*

16. With regard to Off-market transactions;

The Investigation Report allegedly attributes the following transactions to the Noticee's demat account:

1. *14 October 2009: 10,000 shares transferred to Vipul Hiralal Shah.*
2. *1 December 2009: another 5,000 shares transferred to Vipul Hiralal Shah.*
3. *18 May 2010: 2,69,776 shares credited from Santosh Vishram Ghadshi and simultaneously transferred back to him on the same day.*

4. *The Noticee argues that the transactions were undertaken without his knowledge or authorization, generated no financial benefit for him; and particularly in the 2,69,776-share transaction, resulted in a net zero position, suggesting third-party operation of the account.*

17. Noticee further submits that;

1. *He has no prior regulatory action against him.*
2. *He relies on a SAT order concerning Santosh Maruti Patil, where an instance of alleged fraud/identity misuse was considered and relief was granted.*
3. *He also relies on SAT's 14 February 2023 order, arguing that sellers contributing less than 1% of volume had been given relief in that matter.*
4. *His contribution of 0.01%/0.00% is substantially below that level.*
5. *Reliance is also placed on the 5 March 2025 SAT order in Santosh Ramanath Gade, stated to involve analogous identity-misuse/minimal-participation circumstances.*

D. CONSIDERATION OF ISSUES AND FINDINGS

18. I have carefully perused the allegation levelled against the Noticee in the SCN, the written reply filed and material/ documents available on record. In the present case, the issues which arise for consideration and determination are as follows:

Issue No. I: Whether the Noticee has violated the provisions of SEBI Regulations, as alleged?

Issue No. II: If yes, whether the Noticee is liable for imposition of monetary penalty under Section 15HA of the SEBI Act, 1992?

Issue No. III: If yes, what should be the quantum of monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in Section 15-J of the SEBI Act,1992 read with Rule 5(2) of the Adjudication Rules, 1995?

19. Before proceeding further, it is pertinent to refer to the relevant provisions, which are alleged to have been violated by the Noticee. The said provisions are reproduced hereunder;

"…….

Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) (b) (e) & (g) of the SEBI (PFUTP) Regulations, 2003

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 whit any dealing in or issue 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 fraudulent or an unfair trade practice in securities.*

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

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

(b) *dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;*

(c) *………….*

(d) *…………*

(e) *any act or omission amounting to manipulation of the price of a scrip*

(g) *entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security;*

……"

Note: for detailed/ complete text of the provisions, relevant Acts etc., may please be referred.

20. I now proceed to deal with the matter having regard to the submissions of the Noticee on merits:

Issue No. I: Whether the Noticee has violated the provisions of SEBI PFUTP Regulations as alleged?

21. The SCN alleged that the Noticee, Mr. Shreedhar Yellaiah Kodam, was acting as a member of the "Walmiki Shah Group," (WSG) and traded in the scrip of Well Pack Papers & Containers Limited (WPPCL) during the two distinct period investigation periods starting from November 28, 2008 to June 30, 2010. It is, further, alleged that the group executed synchronized trades and off-market transfers to create artificial volumes and manipulate the scrip's price, which created the false and misleading appearance of trading on the exchange. Consequently, the Noticee along with other 55 Noticees was charged with violating the provisions of Regulations 3(a), (b), (c), (d) and 4(1), 4(2)(a), (b), (e), and (g) of the SEBI (PFUTP) Regulations, 2003.

22. In regard to the Noticee it is noted that volume of synchronized trades of buy and sell trades constitutes 0.01% and 0.03% of the total market volume during the first investigation period and 0.00% in the second investigation period. The total net contribution to the Last Traded Price (LTP) was found to be Rs. 5.25 across 231 trades.

Details of trades of Noticee are provided as under;

TRADES	***November 28, 2008 to March 12, 2010 ["IP 1"]***	***March 15, 2010 to June 30, 2010 ["IP 2"]***
Sync. Buy Trades	*5,486 which Constitutes 0.01% of Market Volume*	*2,945 which constitutes 0.00% of the Market Volume*
Sync. Sell Trades	*14,163 which constitutes 0.03% of the Market Volume*	*10,000 which constitutes 0.00% of the Market Volume*

PAN	Client Name	Synchronised buy trades	% of market volume	% of sync to total buy by client	Synchronised Sale trades	% of Market Volume	% of sync to total sale by client
AZGPK9995H	Shreedhar Yellaiah Kodam	2945	0	0.18	10000	0	0.55

23. In response to allegations in SCN, the Noticee contended that his identity documents have been misused by a person namely Mr. Paras Chaplot who introduced himself as a Chartered Accountant. Further that there have been no dealings with Mr. Paras and in any other securities other than WPPCL in the market thereafter. Furthermore, the Noticee filed an FIR against Mr. Paras Chaplot for the identity theft on February 28, 2025.

24. The submission of Noticee have been considered that he handed over his PAN and other KYC documents to a third party, Mr. Paras Chaplot, under the impression that it was for filing Income Tax returns to help him secure future bank loans. While parting with signed documents and personal details in this manner reflects a severe lack of caution and diligence on the Noticee's part.

25. I shall now proceed to examine the specific role and charges levelled against the Noticee. As previously noted, the core premise of the investigation is the certain connected entities connived together and manipulated the prices of the scrip and created artificial volume. The Noticee being alleged to be one of the connected entities. The submission of the Noticee is being examined on this basis.

26. As brought out by the Noticee the SCN does not show any connections whether by KYC association or with respect to any fund movement that Noticee had any connection with the other entities.

27. It is observed that alleged synchronized trades of Noticee constituted 0.01% and 0.03% of the total market buy and sell volume during the first investigation period and further 0.00% during the second investigation period. Furthermore, the net contribution to the Last Traded Price (LTP) was ₹5.25 across the entire duration of the investigation. It is noted that these trades are not in such volume which can influence or manipulate the market, therefore these trades are not significant. Further, the fact of these insignificant trades combined with the fact that there has been no connection brought out in the SCN about the Noticee with any other entities in the WSG group, suggests that allegations made out in the SCN devoid of any substance. In view of the aforesaid mentioned observations, a detailed evaluation of Noticee's role concerning the LTP does not warrant further consideration.

28. Regarding the allegations concerning certain off-market transfer by the Noticee, it is noted that SCN mentioned regarding this transactions and scrutiny of transaction of 2,69,776 shares were credited and debited back on the same day which resulted in net position of zero. The facts suggest the fact that his account may have been operated by a third party as a mere conduit without his knowledge or consent.

29. In regard to this is it is noted that to establish a violation under Regulations 3 and 4 of the SEBI (PFUTP) Regulations, 2003, there has to be clear evidence of fraudulent intent or a conscious 'meeting of minds' or active participation in a manipulative scheme. Therefore, in the absolute absence of deliberate intent and financial gain on the part of Noticee, I find that the essential element of fraud is missing and the charges under the SEBI (PFUTP) Regulations, 2003 cannot be sustained against the Noticee.

30. Given the analysis of all of the facts and evidence on record, it is established that the Noticee has successfully brought out that allegations found to be devoid of merit and cannot be sustained.

Issue No. II: If yes, whether the Noticee is liable for imposition of monetary penalty under Section 15HA of the SEBI Act, 1992?

Issue No. III: If yes, what should be the quantum of monetary penalty that can be imposed upon the Noticee taking into consideration the factors stipulated in Section 15-J of the SEBI Act,1992 read with Rule 5(2) of the Adjudication Rules, 1995?

31. In view of the findings recorded under Issue No. I, wherein the allegations against the Noticee could not be sustained. Issue No. II and Issue No. III does not survive for consideration.

E. ORDER

32. In view of my findings noted in the preceding paragraphs and in exercise of the powers conferred upon me under Section 15-I of the SEBI Act read with Rule 5 of the Adjudication Rules, adjudication proceedings initiated against Shri Shreedhar Yellaiah Kodam (AZGPK9995H) vide SCN no. EAD2/RG/29445/2013 dated November 20, 2013 stands disposed of.

33. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this order is being sent to the Noticee and also to the Securities and Exchange Board of India.

Medha Jeevan Sonparote

Digitally signed by Medha Jeevan Sonparote
Date: 2026.09.22 15:17:51 +05'30'

Date: September 22, 2026
Place: MUMBAI

MEDHA SONPAROTE
ADJUDICATING OFFICER