

SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

In respect of:

Name of the Applicant	Settlement Application No.	PAN	Settlement Order No.
Mr. Nehal Milan Mehta	8170/2024	AHFPM3319L	SO/SS/RD/2025-26/8170
Mr. Ashish Anup Nigam	8171/2024	ADUPN5191L	SO/SS/RD/2025-26/8171

(Individually known by name and collectively known as Applicants)

In the matter of trading activities in the scrip of BF Investment Limited

1. The Securities and Exchange Board of India (SEBI) had conducted an investigation to ascertain whether Mr. Nehal Milan Mehta, had traded in the scrip of BF Investment Limited while in possession of Unpublished Price Sensitive Information (“UPSI”). The investigation period was from September 4, 2022 to March 20, 2023.
2. The UPSI was the announcement made by BF Investment Limited which was published on the stock exchanges i.e. BSE and NSE on December 30, 2022, wherein the company had informed the exchanges regarding receipt of Initial Public Announcement from Axis Capital Limited (Manager to the Offer), expressing the intention of DGM Realities Private Limited, Ajinkya Investment and Trading Company and Sundaram Trading and Investment Private Limited (collectively referred to as ‘Acquirer Group’) to (a) acquire all the equity shares held by public shareholders and (b) voluntarily delist the equity shares from the stock exchanges. The Acquirer Group were members of the Promoter and Promoter Group of the Target Company i.e. BF Investment Limited. It was observed that the aforesaid information was UPSI in terms of Regulation 2(1)(n)(iv) of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The period of UPSI was considered from December 4, 2022 to December 30, 2022.
3. Pursuant to the investigation, a common show cause notice (SCN) dated September 11, 2024 was issued to the noticees / applicants wherein the following, *inter alia*, was alleged in the SCN:-

Settlement Order in respect of trading activities in the scrip BF Investment Limited

- 3.1 Mr Ashish Anup Nigam who was Executive Director of Axis Capital Limited, the Manager to proposed delisting offer of BF Investment Limited was in possession of UPSI and has communicated the UPSI to Mr. Nehal Milan Mehta who traded in the scrip on the basis of the UPSI and made unlawful gains.
- 3.2 Mr. Ashish Anup Nigam was connected with Mr. Nehal Milan Mehta and was in frequent communication with him during the UPSI period. Further, Mr. Nehal Milan Mehta had placed certain buy orders immediately after the call made with Mr. Ashish Anup Nigam on December 29, 2022 at 14:01:21 hours.
- 3.3 Mr. Nehal Milan Mehta had bought shares in the scrip of BF Investment Limited before the UPSI was made public, and thereafter, had sold the shares after the public announcement of UPSI when the price of the scrip moved from Rs. 292.1 on December 30, 2022 to Rs.458.35 on January 4, 2023 thereby earning unlawful gains of Rs.30.47 lakh through these trades.
- 3.4 Mr. Nehal Milan Mehta had not bought or sold any shares during Pre-UPSI period i.e. September 4, 2022 to December 3, 2022 in the equity segment. During the UPSI period, he had traded only in the scrip of BF Investment Limited. In the Post-UPSI period, he had traded in total 3 scrips including BF Investment Limited. However, 92.1% of his trading activities (in terms of gross traded value) were in the scrip of BF Investment Limited and only 7.9% in other scrips in the Post-UPSI period.
- 3.5 It was, therefore, alleged that Mr. Nehal Milan Mehta had contravened the provisions of Regulation 4(1) of the PIT Regulations and Section 12 A(d) and (e) of the SEBI Act, 1992. Further, Mr. Ashish Anup Nigam had contravened the provisions of Regulation 3(1) of the PIT Regulations and Section 12 A (e) of the SEBI Act, 1992.

4. The Applicants vide the SCN were called upon to show cause as to why:

- 4.1 Suitable directions under Sections 11B(1) and 11(4) r/w 11(1) of the SEBI Act, 1992 should not be issued against the applicants including disgorgement of unlawful gains made by Mr.Nehal Milan Mehta;
- 5.1 An inquiry should not be held against them in terms of Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995; and
- 5.2 Suitable monetary penalties under Sections 11 (4A) and 11B(2) read with Section 15G of the SEBI Act, 1992 should not be imposed upon them.

5. SEBI received two separate Settlement Applications from the Applicants in terms of the SEBI (Settlement Proceedings) Regulations, 2018, (“the Settlement Regulations”) proposing to settle the instant proceedings through a settlement order without admitting or denying the allegations. The details of the Settlement Applications filed by the Applicants are as follows:

S.No.	Name of the Applicants	Registration Number	Date of Receipt
1.	Mr.Nehal Milan Mehta	8171/2024	November 11, 2024
2.	Mr.Ashish Anup Nigam	8170/2024	November 08, 2024

6. Pursuant to the above, the Authorised Representatives of the Applicants had meetings with the Internal Committee (IC) of SEBI on December 11, 2024 wherein the settlement terms proposed by the Applicants were deliberated. The IC considered the factors enumerated under Regulation 10 and Schedule II of the Settlement Regulations and permitted the Applicants to submit the following Revised Settlement Terms. Accordingly, Mr. Nehal Milan Mehta vide letters dated December 27, 2024 and January 16, 2025 and Mr. Ashish Anup Nigam vide letter dated December 24, 2024 submitted the following Revised Settlement Terms:-

Name of the Applicants	Revised Settlement Terms
Mr. Nehal Milan Mehta	- Rs. 57,20,000/- (Rupees Fifty-Seven Lakh, Twenty Thousand only) as settlement amount. - Rs.30,47,000/-(Rupees Thirty Lakh, Forty-Seven Thousand only) as disgorgement amount. - Rs.6,81,329.28 (Rupees Six Lakh, Eighty-One Thousand Three Hundred Twenty-Nine and Paise Twenty-Eight only) as interest on disgorgement amount. - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Mr.Ashish Anup Nigam	- Rs.55,90,000/- (Rupees Fifty-Five Lakh, Ninety Thousand only) as settlement amount. - Voluntary undertaking to be debarred from the securities market for a period of 6 months.

7. The said Settlement Applications alongwith the Revised Settlement Terms were placed before the High Powered Advisory Committee (HPAC) in its meeting held on January 29,

2025 for consideration. The HPAC considered the Revised Settlement Terms proposed by the Applicants and recommended the case for settlement.

8. In terms of Regulation 14(3) of the Settlement Regulations, 2018, the recommendations of the HPAC were approved by the Panel of Whole Time Members (WTMs). The Panel of WTMs accepted the recommendations of the HPAC on February 20, 2025.
9. A notice of demand was issued to Mr. Nehal Milan Mehta on March 3, 2025 for Rs.57,20,000/- (Rupees Fifty-Seven Lakh, Twenty Thousand only) as the settlement amount and Rs.37,28,329.18 (Rupees Thirty Seven Lakh, Twenty Eight Thousand, Three Hundred Twenty Nine and Paise Eighteen only) towards disgorgement and interest amounts. Mr. Nehal Milan Mehta remitted the said amounts and confirmed the same vide email dated April 3, 2025. A notice of demand was issued to Mr. Ashish Anup Nigam on March 3, 2025 for Rs.55,90,000/- (Rupees Fifty-Five Lakhs, Ninety Thousand only) as the settlement amount. Mr. Ashish Anup Nigam remitted the amount and confirmed the same vide email dated April 1, 2025. The receipt of these amounts from the Applicants have been confirmed in file by concerned department of SEBI, on April 9, 2025.
10. On the basis of the aforesaid, in exercise of powers conferred under Section 15JB read with Section 19 of the SEBI Act, 1992 and in terms of Regulation 23 read with Regulation 28 of the Settlement Regulations, 2018, it is hereby ordered that the proceedings initiated against the Applicants vide Show Cause Notice dated September 11, 2024, is disposed of as per the following terms:-
 - 10.1 The Applicants shall be under prohibition and restraint for a period of 6 (six) months in terms of the Revised Settlement Terms approved for each of them, separately.
 - 10.2 SEBI shall not initiate any other enforcement action against the Applicants for the violations as alleged in the SCN.
 - 10.3 This Order is without prejudice to the right of SEBI to initiate any enforcement action with regard to the alleged violations against any or all of the Applicants, if:-
 - 10.3.1 Any representations made by the Applicants in the settlement proceedings are subsequently found to be untrue; or

- 10.3.2 The Applicants breach any of the clauses / conditions of undertakings or waivers filed during the current settlement proceedings; or
- 10.3.3 There was a discrepancy while arriving at the settlement terms.

11. This Settlement Order shall come into force with immediate effect.

12. In terms of Regulation 25 of the Settlement Regulations, 2018, a copy of this Settlement Order shall be sent to the Applicants and also to SEBI.

Date: April 11, 2025

Place: Mumbai

SANTOSH SHUKLA
CHIEF GENERAL MANAGER
SECURITIES AND EXCHANGE BOARD OF INDIA