BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/JS/YK/2026-27/32530-32542]

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

In respect of:

Noticee No.	Noticee Name	PAN
1	Mr. Anupam Narain Gupta	AIQPG8113N
2	Mr. Narain Kumar Gupta	ABFPG9303G
3	Narain Kumar Gupta HUF	AAEHN7150C
4	Mr. Abhay Narain Gupta	AIZPG5166A
5	Abhay Gupta HUF	AALHA3280P
6	Pro Fin Capital Services Ltd.	AAACP0251F
7	Ambe Securities Pvt. Ltd.	AAACA7950L
8	Triyamb Securities Private Ltd.	AACCT7484L
9	Mr. Rohit Arora	AHQPA4971P
10	Mr. Amesh Surajlal Jaiswal	AFZPJ0067Q
11	Mr. Jalaj Agrawal	AUDPA0226H
12	Mr. Arvind Shukla	ISZPS7481G
13	Mr. Aviral Saxena	KVYPS1652D

*(The Noticees are individually referred to by their respective Noticee No. as mentioned above and collectively referred to as **"Noticees")***

In the matter of market manipulation using social media in the scrip of Moksh Ornaments Limited

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BACKGROUND

1. Moksh Ornaments Limited (hereinafter referred to as **"Company/MOL"**) is a company listed in National Stock Exchange of India Ltd. (hereinafter referred to as **"NSE"**).

Securities and Exchange Board of India (hereinafter referred to as **"SEBI"**) had carried out investigations in certain scrips in which stock recommendations/tips were circulated in telegram channels. During investigations, SEBI conducted search and seizure operations and, *inter alia*, seized digital device of middleman/operator named Mr. Jalaj Agarwal (Noticee 11). On analysis of data extracted from his digital device, it was, *inter alia*, alleged that Noticees 10 to 13 were involved in posting misleading stock recommendations/tips in the scrip of MOL in telegram channels on January 31, 2022 and February 01, 2022.

2. Thereafter, SEBI carried out further investigation in the matter. The investigation was carried for the period from May 31, 2021 to March 31, 2022 (hereinafter referred to as **"Investigation Period/IP"**). Based on the investigation, it was alleged that Noticee 1 was the main perpetrator of the scheme who accumulated shares of MOL and offloaded after circulation of misleading telegram messages in collusion with Noticee 10. It was further alleged that Noticees 2 to 9 have aided and abetted Noticee 1 in offloading shares of MOL.

3. In view of the above, it was alleged that Noticees 1 to 13 have violated the provisions of sections 12A(a), (b), (c) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as **"SEBI Act"**) and regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), 4(2)(k) and 4(2)(r) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as **"PFUTP Regulations"**). It was further alleged that Noticee 10 had failed to appear before the Investigating Authority (IA) as required under summons/reminder summons issued under section 11C(5) of SEBI Act. Therefore, it was alleged that Noticee 10 has also violated the provisions of section 11C(5) of SEBI Act.

APPOINTMENT OF ADJUDICATING OFFICER

4. In view of the above, SEBI initiated adjudication proceedings and appointed the undersigned as the Adjudicating Officer vide communiqué dated May 16, 2025 under

section 15-I of SEBI Act read with rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as **“Rules”**), to inquire into and adjudge under section 15HA of SEBI Act for the violations of the provisions of sections 12A(a), (b), (c) of SEBI Act and regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), 4(2)(k) and 4(2)(r) of PFUTP Regulations alleged to have been committed by Noticees 1 to 13 and under section 15HB of SEBI Act for the violations of the provisions of section 11C(5) of SEBI Act alleged to have been committed by Noticee 10.

SHOW CAUSE NOTICE, REPLY AND HEARING

5. Show Cause Notice Ref. No. SEBI/EAD-2/JS/YK/16320/1-27/2025 dated June 18, 2025 (hereinafter referred to as **“SCN”**) was issued to Noticees in terms of rule 4 of the Rules read with section 15-I of the SEBI Act to show cause as to why an inquiry should not be held against Noticees and why penalty, if any, should not be imposed on them in terms of the provisions of section 15HA of SEBI Act for the violations of the provisions of sections 12A(a), (b), (c) of SEBI Act and regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), 4(2)(k) and 4(2)(r) of PFUTP Regulations alleged to have been committed by Noticees 1 to 13 and under section 15HB of SEBI Act for the violations of the provisions of section 11C(5) of SEBI Act alleged to have been committed by Noticee 10.

6. The SCN dated June 18, 2025, *inter alia*, alleged the following:

Misleading recommendations in the scrip of MOL posted in telegram channels

(a.) SEBI conducted search and seizure operations and seized digital device of Noticee 11. On analysis of data extracted from his digital device, various WhatsApp messages and related information with respect to buy recommendations in the scrip of MOL were observed which are as under:

(i) Whatsapp messages between Noticee 11 (79XXXXXX33) and Noticee 10 (99XXXXXX99 and 95XXXXXX59): The messages were exchanged between Noticee 11 (Jalaj Agarwal) and Noticee 10 (Amesh Jaiswal) on February 01, 2022 regarding buy recommendation in the scrip of MOL containing entry price, stop loss, buy quantity and target prices in the scrip. These messages were sent with the claim of at least 40-50% return in 5-7 days.

(ii) Whatsapp messages between Noticee 11 (79XXXXXX33) and Noticee 12 (94XXXXXX44): The messages were exchanged between Noticee 11 (Jalaj Agarwal) and Noticee 12 (Arvind Shukla) on January 31, 2022 and February 01, 2022 regarding buy recommendation in the scrip of MOL containing entry price, stop loss, buy quantity and target prices in the scrip. These messages were sent with the claim of at least 40-50% return in 5-7 days.

(b.) It was observed that statements of Mr. Jalaj Agrawal (Noticee 11), Mr. Arvind Shukla (Noticee 12), and Mr. Aviral Saxena (Noticee 13) were also recorded during the course of investigation. The submissions of these Noticees in their statements are as under:

<u>Statement of Mr. Jalaj Agrawal (recorded on January 10, 2025)</u>

(i) I was working with Apex Global in Indore. Mr. Yadunath Singh Thakur was owner of the firm. Mr. Amesh Jaiswal was friend of Mr. Yadunath Singh. I met with him in the office of Apex Global. I was working with Apex Global from 2015 to April 2016.

(ii) I was approached by Mr. Amesh Jaiswal for the promotion of scrip Moksh Ornaments Ltd. during January 2022. I have forwarded these messages to Mr. Aviral Saxena and Mr. Arvind Shukla for posting in their Telegram Groups, i.e., "Sure Means Sure", "Share market Trading Tips". I don't remember two other channels' name.

(iii) Mr. Aviral Saxena was operating Telegram Channels related to stock market recommendation. I was forwarding messages received from Mr. Amesh Jaiswal in different scrips to Mr. Aviral Saxena for posting in his different telegram channels. Mr. Arvind Shukla (using name Sachin Shukla) was also operating Telegram Channels. I was working with both of them for posting stock recommendations.

(iv) Mr. Aviral Saxena and Mr. Arvind Shukla are friends. I have forwarded message received from Mr. Amesh Jaiswal in the scrip of Moksh Ornaments Ltd. to both of them for posting in Telegram Channels.I have received 1.3 lakh and Mr. Arvind Shukla received 4.5 lakh in cash for posting message in Moksh Ornaments Ltd. through Mr. Amesh Jaiswal on January 31 or February 1, 2022.

<u>Statement of Mr. Arvind Shukla (recorded on February 07, 2025)</u>

(i) I am Mr. Arvind Shukla residing at Shastri Nagar, Bighapur, Dist. Unnao, Uttar Pradesh – 229 503. My current mobile nos. are 96XXXXXX25 and 81XXXXXX33. I am also known by other names, i.e., "Sachin Shukla" and "Sobhit".

(ii) I have started three Telegram Channels during 2021. I posted information/ recommendations in various scrips through my own research available in public domain. Name of the channels were "Intraday Share Trading Equity Stocks", "Intraday Trading Equity Stock", "Share Market Equity Stock", and "Sure Means Sure Intraday Share". Please note that in Telegram, admin can change name of the channel. Hence, I have changed names of my said channels many times. I have around 3000 to 4000 active subscribers and total 1.5-2 lakh total subscribers in each of these channels. I also given admin rights to Mr. Jalaj for these telegram channels to view active members and messages posted in channels.

(iii) Mr. Jalaj Agarwal approached me for posting recommendations prepared by him in my said channels. Mr. Jalaj paid Rs. 20,000/- per day initially and thereafter Rs. 25,000/- for posting such recommendations. I got around total Rs. 20-22 lakh from him for posting such recommendations in various scrips in my telegram groups during November 2021 to March 2022 in cash.

(iv) Mr. Jalaj personally visited Lucknow many times and made the cash payment to me. I also received cash payment from Mr. Aviral Saxena.

(v) I posted telegram messages in the scrip of Moksh. However, I don't remember exact dates as of now. I used to post messages received from Mr. Jalaj as it is in my channels. Further, as per instruction of Mr. Jalaj, I used to delete messages in telegram channels after-market hours or as and when instructed by Mr. Jalaj.

(vi) I also posted telegram messages in the scrips of Svarnim Trade Udyog Limited, Superior Finlease Limited, Unison Metals Limited and Tine Agro Limited as forwarded by Mr. Jalaj.

(vii) Mr. Aviral Saxena has informed me about SEBI raid on Mr. Jalaj's home, hence, I have deleted all my telegram channels thereafter. Currently, I am not operating any telegram channel.

(viii) Mr. Aviral Saxena is my friend since 2014-15. We met at Unnao (UP) during family function. He also known as "Varun". Mr. Aviral also started telegram channels and posted recommendations sent by Mr. Jalaj along with me.

Statement of Mr. Aviral Saxena (recorded on February 07, 2025)

(i) During covid, I have started three Telegram Channels. I posted information/ recommendations in various scrips through my own research available in public domain. Name of the channels were "Intraday Trading Tips", "Sharemarket trading Tips" and "Intraday Trading Stocks". I have around 5000 to 7000 active subscribers and total 1.5-2 lakh total subscribers in each of these channels.

(ii) Mr. Jalaj Agarwal has approached me for posting recommendations prepared by him in my said channels. Mr. Jalaj paid Rs. 25,000/- per day for posting such recommendations. I got around Rs. 18-20 lakh from him for posting such recommendations in telegram groups during November 2021 to March 2022 in cash.

(iii) I met Mr. Jalaj personally at Mumbai, Neemuch (at his home) and Indore wherein the cash payment was received by me from Mr. Jalaj. Apart from this, I have borrowed Rs. 10 lakh from him for personal need and returned the same thereafter in 2022. Mr. Jalaj has informed me about SEBI raid on his home, hence, I have deleted all my telegram channels thereafter. Currently, I am not operating any telegram channel.

(iv) Mr. Jalaj has forwarded the message to me related to Moksh Ornaments Ltd. which I had posted by me in my said 3 telegram channels on January 31, 2022. Mr. Jalaj always instructed to delete the message posted in telegram channels by end of the day.

(v) Mr. Arvind Shukla is my friend since 2014-15. We met at Unnao (UP) during family function. He also known as Mr. Sachin Shukla. Mr. Arvind also started telegram channels and post recommendations sent by Mr. Jalaj along with me.

(c.) From the aforesaid messages in para 3.1.1. and the statement of Mr. Jalaj Agrawal (Noticee 11), it was observed that Mr. Amesh Jaiswal (Noticee 10) had forwarded the messages of buy recommendation in the scrip of MOL to Mr. Jalaj Agrawal (Noticee 11) for broadcasting in different Telegram Channels. It was further observed that Noticee 11 in his statement had also stated that he had received payments from Noticee 10. It was further observed that call data records of Noticee 11 and Noticee 10 have also been analyzed wherein it was observed that Mr. Amesh Jaiswal (99XXXXXX99 and 95XXXXXX59) was in constant touch with Mr. Jalaj Agrawal (79XXXXXX33). There were total 41 calls (between mobile no. 79XXXXXX33 and 99XXXXXX99) and 131 calls (between mobile no. 79XXXXXX33 and 95XXXXXX59) exchanged between them on day of recommendations, i.e., January 31 and February 01, 2022.

(d.) From the aforesaid messages in para 3.1.2. and the statement of Mr. Jalaj Agrawal (Noticee 11) and Mr. Arvind Shukla (Noticee 12), it was observed that Mr. Jalaj Agrawal (Noticee 11) had approached Mr. Arvind Shukla (Noticee 12) for promoting the scrip of MOL in his Telegram channels against which payment had been received in cash. It was further observed that call data records of Noticee 11 has also been analyzed wherein it was observed that Mr. Jalaj Agrawal (79XXXXXX33) was in constant touch with Mr. Arvind Shukla (81XXXXXX33). There were total 4 calls (between mobile no. 79XXXXXX33 and 81XXXXXX33) exchanged between them on day of recommendation, i.e., January 31, 2022.

(e.) From the statement of Mr. Jalaj Agrawal (Noticee 11), Mr. Arvind Shukla (Noticee 12) and Mr. Aviral Saxena (Noticee 13), it was observed that all of them have accepted in their statements that Mr. Aviral Saxena is also involved in the posting of telegram messages related to the scrip of MOL. It was further observed that Noticee 13 had also admitted that he had received payment in cash from Noticee 11. It was further observed that call data records of Noticee 11 has also been analyzed wherein it was observed that Mr. Jalaj Agrawal (79XXXXXX33) was in constant touch with Mr. Aviral Saxena (88XXXXXX90). There were total 12 calls (between mobile no. 79XXXXXX33 and 88XXXXXX90) exchanged between them on day of recommendations, i.e., January 31, 2022.

(f.) It was observed that in order to determine the impact of aforesaid misleading telegram messages, price volume data of the scrip of MOL was perused which is as under:

Table 1

Date	Open	High	Low	Close	Volume	No of trades	% change in closing price	% change in volume
27-Jan-22	30.00	33.95	29.00	33.00	56,93,733	9,944	-	-
28-Jan-22	33.70	34.30	32.60	33.30	12,06,244	2,442	0.91%	-78.81%
31-Jan-22	33.90	36.35	31.60	36.05	29,89,999	12,301	8.26%	147.88%
01-Feb-22	36.40	37.90	35.10	36.35	27,38,979	14,467	0.83%	-8.40%
02-Feb-22	36.60	36.70	32.75	32.75	14,17,777	5,901	-9.90%	-48.24%
03-Feb-22	29.50	32.00	29.50	29.50	32,76,280	6,945	-9.92%	131.09%
04-Feb-22	28.10	29.50	26.55	26.55	23,48,817	8,888	-10.00%	-28.31%
07-Feb-22	25.25	25.25	25.25	25.25	2,95,604	1,778	-4.90%	-87.41%
08-Feb-22	24.00	26.40	24.00	26.00	35,73,512	7,307	2.97%	1108.88%
09-Feb-22	25.90	26.20	24.70	25.05	8,94,102	3,458	-3.65%	-74.98%
10-Feb-22	24.95	25.35	23.80	23.80	10,04,203	3,666	-4.99%	12.31%
11-Feb-22	23.95	24.95	22.95	24.35	11,87,091	3,174	2.31%	18.21%
14-Feb-22	23.55	23.70	23.15	23.15	2,14,860	1,106	-4.93%	-81.90%
15-Feb-22	22.00	22.70	22.00	22.00	11,66,135	1,667	-4.97%	442.74%
16-Feb-22	20.90	22.00	20.90	21.40	12,17,315	3,939	-2.73%	4.39%
17-Feb-22	21.85	22.45	20.35	22.45	20,63,200	2,470	4.91%	69.49%
18-Feb-22	23.00	23.55	22.20	23.50	17,48,585	2,436	4.68%	-15.25%
21-Feb-22	23.05	24.15	22.35	22.35	5,38,627	1,478	-4.89%	-69.20%
22-Feb-22	21.25	22.80	21.25	21.45	2,85,991	924	-4.03%	-46.90%
23-Feb-22	20.70	21.45	20.40	20.40	3,47,727	1,555	-4.90%	21.59%
24-Feb-22	19.40	19.40	19.40	19.40	61,038	600	-4.90%	-82.45%
25-Feb-22	18.45	19.35	18.45	18.45	13,31,494	1,802	-4.90%	2081.42%
28-Feb-22	17.55	17.55	17.55	17.55	4,33,832	988	-4.88%	-67.42%

(g.) From the aforesaid table, it was observed that the price of the scrip had witnessed ~ 9.09% increase in closing price on days of recommendations through aforesaid misleading telegram messages, i.e., January 31, 2022 and February 01, 2022 compared to closing price on January 28, 2022. Further, both number of trades and volume also increased substantially on these days, i.e., more than 5 times increase in no. of trades on both the days and ~374.94% total increase in volume compared to no. of trades/ volume of January 28, 2022 (previous trading day). Thereafter, from February 02, 2022 onwards, the price of the scrip had decreased constantly and closed at Rs. 17.55 on February 28, 2022, i.e., decrease of 51.72% in total 19 trading days as compared to closing price of Rs. 36.35 on February 01, 2022.

(h.) It was further observed that the number of public shareholders witnessed huge jump from 11,229 as on January 28, 2022 (last trading day before the misleading Telegram messages) to 22,248 as on February 04, 2022 (3 days after the misleading Telegram messages), i.e., increase by 198.13%. Similarly, on quarter to quarter basis, number

of public shareholders increased from 3,849 for the quarter ending December 31, 2021 to 23,483 for the quarter ending March 31, 2022, i.e., increase by 510%.

(i.) In view of the aforesaid observations, it was alleged that Noticees 10 to 13 had colluded and posted buy recommendations in the scrip of MOL on telegram channels to induce public investors to acquire shares. Therefore, it was alleged that the Noticees 10 to 13 have violated the provisions of sections 12A(a), (b), (c) of SEBI Act and regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), 4(2)(k) and 4(2)(r) of PFUTP Regulations.

Failure to appear before Investigating Authority

(j.) It was observed that summons and reminder summons were issued to Noticee 10 on the available addresses and email IDs on January 17, 2025, January 27, 2025 and February 14, 2025. However, the summons issued physically were returned undelivered. The said summons and reminder summons were served upon the Noticee 10 through digitally signed email on the email IDs - aXXXX949@gmail.com and aXXXXX9@gmail.com *on February 14, 2025. Further, the said summons and reminder summons were also served upon the Noticee 10 through Market Infrastructure Institutions (MIIs) on February 14, 2025. However, it was observed that Noticee 10 neither appeared in-person before the Investigating Authority nor submitted any reply in response to the summons and reminder summons.*

(k.) In view of the aforesaid, it was alleged that Noticee 10 failed to appear before the Investigating Authority as required under summons and reminder summons served upon him and thereby, violated the provisions of section 11C(5) of the SEBI Act.

Offloading holdings in the scrip of MOL

(l.) Price volume data of Scrip of MOL in NSE during IP, pre IP and post IP were as under:

Table 2

	Period		***Opening Price (volume) on first day of period (Rs.)***	***High price (volume) during the period (Rs.)***	***Low price (volume) during the period (Rs.)***	***Closing Price (volume) on last day of period (Rs.)***	***Avg. no. of shares traded daily during the period***
Pre IP	*21/05/2021 to 30/05/2021*	*Price*	*68.90*	*70.00 (2021-05-21)*	*60.05 (2021-05-26)*	*61.25*	*97,113*
		Volume	*7,16,944*	*7,16,944 (2021-05-21)*	*47,335 (2021-05-27)*	*63,287*	
During IP	*31/05/2021 to 31/03/2022*	*Price*	*64.95*	*61.15 (2022-01-18)*	*14.35 (2022-03-31)*	*14.70*	*9,18,466*
		Volume	*2,99,151*	*35,91,193 (2022-01-18)*	*61,038 (2022-02-24)*	*9,27,676*	

	Period		Opening Price (volume) on first day of period (Rs.)	High price (volume) during the period (Rs.)	Low price (volume) during the period (Rs.)	Closing Price (volume) on last day of period (Rs.)	Avg. no. of shares traded daily during the period
Post IP	01/04/2022 to 30/06/2022	Price	15.15	23.15 (2022-04-28)	13.40 (2022-06-02)	19.55	6,43,097
		Volume	1,95,771	37,47,367 (2022-06-21)	22,380 (2022-05-09)	5,73,383	

(m.) From the above table, it was observed that during IP the average volume increased by 846% compared to pre-IP average volume. Thereafter, the average volume decreased by 30% during post-IP compared to average volume during the IP.

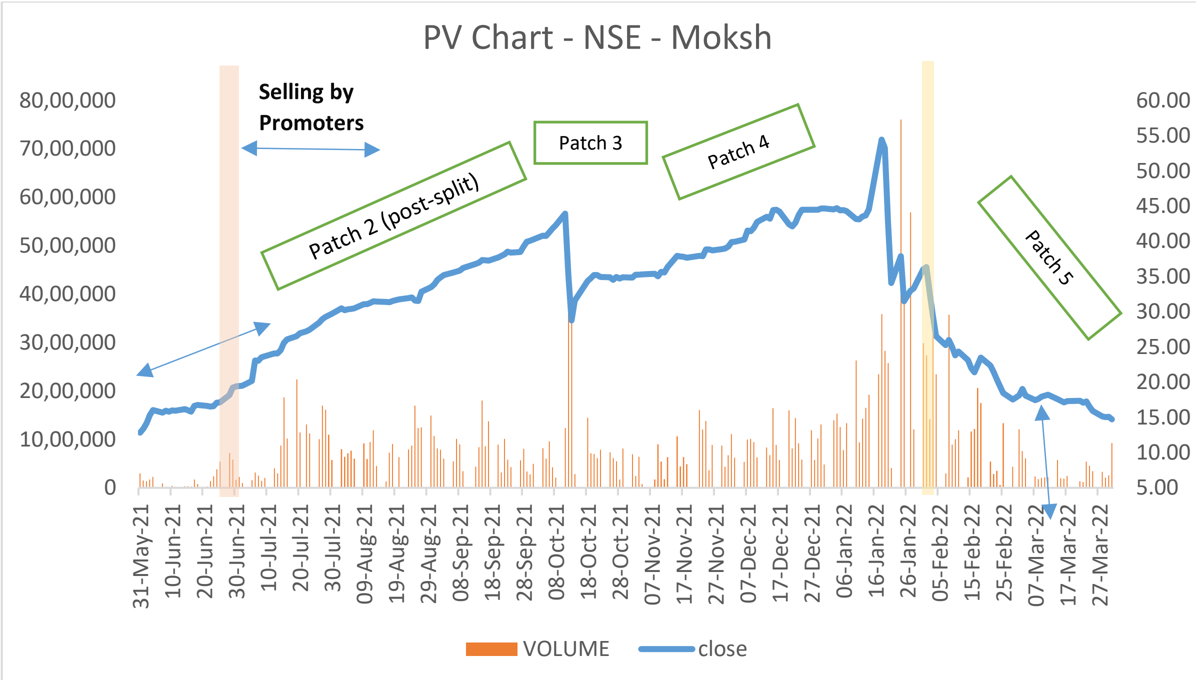
(n.) Based on the price volume data, the entire IP was divided in five patches. The price-volume data during such patches were as under:

Table 3

Period		Opening Price (volume) on first day of period (Rs.)	High price (volume) during the period (Rs.)	Low price (volume) during the period (Rs.)	Closing Price (volume) on last day of period (Rs.)	Avg. no. of shares traded daily during the period
Patch I - Price Rise: 31/05/2021 to 13/07/2021	Price	64.95	123.85 (2021-07-07)	61.00 (2021-05-31)	120.40	6,77,197
	Volume	2,99,151	7,18,308 (2021-06-28)	12,590 (2021-06-09)	2,97,622	
Patch II - Price Rise: 14/07/2021 to 11/10/2021	Price #	24.45	44.40 (2021-10-11)	24.00 (2021-07-14)	43.95	37,06,147
	Volume	8,71,756	22,40,665 (2021-07-19)	1,28,908 (2021-08-16)	12,33,096	
Patch III - Price Fall: 12/10/2021 to 13/10/2021	Price	44.90	49.00 (2021-10-12)	28.20 (2021-10-13)	28.75	9,78,937
	Volume	36,28,546	37,83,747 (2021-10-13)	36,28,546 (2021-10-12)	37,83,747	
Patch IV - Price Rise : 14/10/2021 to 18/01/2022	Price	29.25	61.15 (2022-01-18)	29.25 (2021-10-14)	54.45	12,33,617
	Volume	2,84,378	35,91,193 (2022-01-18)	81,815 (2021-11-04)	35,91,193	
Patch V - Price Fall: 19/01/2022 to 31/03/2022	Price	54.90	57.90 (2022-01-19	14.35 (2022-03-31)	14.70	12,66,148
	Volume	28,27,605	76,08,524 (2022-01-24)	61,038 (2022-02-24)	9,27,676	

(#) Stock was split on July 14, 2021 from face value of Rs. 10 to face value of Rs. 2 each.

(o.) The Price Volume during the IP presented in graphical chart below:



Note 1 – With effect from May 21, 2021, the shares of MOL migrated from NSE's SME platform to Main board.

Note 2 – Promoters sold 10,41,000 shares of total value of Rs. 9.39 Crore during June 24 – 29, 2021 and sold 53,10,300 shares of total value of Rs. 18.11 Crore during Aug 12 to Sept 15, 2021 (highlighted portion in above chart).

Note 3 - Stock was split on July 14, 2021 from face value of Rs. 10 to face value of Rs. 2 each. Hence, the closing price and volume were adjusted accordingly for the period May 31, 2021 to July 13, 2021 in the above chart.

(p.) Based on the top 10 Last Traded Price (LTP) contributors, Unique Client Code (UCC) data, off-market transactions, common directorship and bank transactions, Noticees 1 to 9 were identified as suspected entities. Connection among these 9 entities were as under:

Table 4

Sr. No.	***Noticees***	***Details of connection***
1	*Mr. Anupam Narain Gupta (Noticee 1)*	*Son of entity at Sr. No. 2* *Common address, i.e., Oberoi Gardens, Thakur Village, Kandivali East, Mumbai with entities at Sr. No. 2, 3 and 4* *Director of entity at Sr. No. 6 since February 16, 2011* *Bank transactions with Sr. No. 2, 3, 5 and 6* *Off-market transaction with entity at Sr. No. 3*

Sr. No.	Noticees	Details of connection
2	Mr. Narain Kumar Gupta (Noticee 2)	Father of entity at Sr. No. 1 Common address, i.e., Oberoi Gardens, Thakur Village, Kandivali East, Mumbai with entities at Sr. No. 1, 3 and 4 Bank transactions with Sr. No. 1
3	Narain Kumar Gupta HUF (Noticee 3)	Common address, i.e., Oberoi Gardens, Thakur Village, Kandivali East, Mumbai with entities at Sr. No. 1, 2 and 4 Off-market transaction with entity at Sr. No. 1
4	Mr. Abhay Narain Gupta (Noticee 4)	Son of entity at Sr. No. 2 Karta of entity at Sr. No. 5 Director and authorized person for placing the order of entity at Sr. No. 6 Common address, i.e., Oberoi Gardens, Thakur Village, Kandivali East, Mumbai with entities at Sr. No. 1, 2 and 3
5	Abhay Gupta HUF (Noticee 5)	Sr. No. 4 is Karta of HUF Bank transactions with entities at Sr. No. 4 and 7
6	Pro Fin Capital Services Ltd. (Noticee 6)	Sr. No. 1 is director and authorized person for placing the order of entity Sr. No. 4 is director of entity Bank transactions with Sr. No. 1, 4 and 7
7	Ambe Securities Pvt. Ltd. (Noticee 7)	Common email id, i.e., abXXXp@gmail.com with Sr. No. 4 (mentioned in ASPL's HDFC bank A/c no. 05XXXXX34) Common address, i.e., Oberoi Gardens, Thakur Village, Kandivali East, Mumbai with entities at Sr. No. 1, 2, 3 and 4 (mentioned in ASPL's HDFC bank A/c nos. 05XXXX34 and 50XXX02) Bank transactions with Sr. No. 1, 2, 3, 4 and 6 Sr. No. 1 and 4 were common directors of entity from August 16, 2008 to June 22, 2019
8	Triyamb Securities Pvt. Ltd. (Noticee 8)	Common mobile no., i.e., 93XXXXXX06 with Sr. No. 1, 2, 4, 5, 6 and 7 Common mobile no., i.e., 93XXXXXX89 with Sr. No. 7 Sr. No. 1 and 4 are directors of this entity
9	Mr. Rohit Arora (Noticee 9)	Off-market transaction with entity at Sr. No. 7 Sr. No. 1 is a friend of entity from last 12 years (statement of Sr. No. 1)

(q.) It was alleged that profit earned by Noticees 1 to 9 during the IP were as under:

Table 5

Sr. No.	Name of entity	Total Buy	Buy Value	Total Sell	Sell Value	Profit*
1	Anupam Narain Gupta (Noticee 1)	1,96,14,732	75,82,39,628	2,02,63,817	78,04,73,256	-21,33,031
2	Abhay Narain Gupta (Noticee 4)	63,17,944	24,64,49,459	63,66,271	24,89,21,451	6,89,137
3	Ambe Securities Pvt. Ltd. (Noticee 7)	20,97,018	7,90,44,762	20,93,518	7,62,06,517	-27,09,603
4	Pro Fin Capital Services Ltd. (Noticee 6)	14,52,500	4,53,86,659	10,23,041	3,83,85,133	80,77,749
5	Triyamb Securities Pvt. Ltd. (Noticee 8)	13,40,000	3,83,88,365	6,41,000	2,31,40,479	47,77,090
6	Narain Kumar Gupta HUF (Noticee 3)	12,18,726	5,15,06,428	11,24,244	4,61,52,611	-13,60,770

Sr. No.	Name of entity	Total Buy	Buy Value	Total Sell	Sell Value	Profit*
7	Abhay Gupta HUF (Noticee 5)	11,10,304	4,60,48,784	11,10,304	4,53,25,718	-7,23,066
8	Narain Kumar Gupta (Noticee 2)	8,84,150	3,75,00,685	8,83,425	3,68,02,928	-6,67,006
9	Rohit Arora (Noticee 9)	11,06,000	3,98,52,005	11,06,000	4,09,71,880	11,19,875
Total		3,51,41,374	1,34,24,16,775	3,46,11,620	1,33,63,79,974	70,70,374

**Profit was calculated for pre-split period on FIFO basis and for post-split period based on formula, i.e., (average sell price – average buy price) * no. of shares sold.*

(r.) It was observed that Noticees 1 to 9 had bought total 3,51,41,374 shares (18.22% of total market volume) at total value of Rs. 134.24 crores and sold 3,46,11,620 shares (17.94% of total market volume) at 133.63 crores during the IP. It was further observed that Noticees 1 to 9 had accumulated around 35,31,480 shares of MOL at the end of Patch IV, i.e., January 18, 2022. Out of 35,31,480 accumulated shares, Noticees 1 to 9 net sold 30,86,726 shares during patch V (January 19, 2022 to March 31, 2022) and net sold 12,93,276 shares from January 31 to March 31, 2022, i.e., after the telegram messages broadcasted on January 31, 2022. It was alleged that pursuant to this, they have earned total profit of Rs. 70,70,374/- during the IP.

(s.) It was further observed that call data records of Anupam Narain Gupta (Noticee 1) and Amesh Jaiswal (Noticee 10) has also been analyzed wherein the following was observed:

(i) 19 calls/SMSs were exchanged between mobile number 98XXXXXX89 (Noticee 1) and 99XXXXXX99 (Noticee 10) from February 03, 2022 to October 08, 2022.
(ii) 5 calls/SMSs were exchanged between mobile number 98XXXXXX06 (Noticee 1) and 99XXXXXX99 (Noticee 10) from January 22, 2022 to February 04, 2022.
(iii) 4 calls/SMSs were exchanged between mobile number 98XXXXXX89 (Noticee 1) and 95XXXXXX59 (Noticee 10) on February 04, 2022.
(iv) 9 calls/ SMSs were exchanged between mobile number 98XXXXXX06 (Noticee 1) and 95XXXXXX59 (Noticee 10) from February 03, 2022 to April 26, 2022.

(t.) It was further observed from location/meeting point analysis of call data records that Noticee 10 (Mobile no. 99XXXXXX99 and 95XXXXXX59) and Noticee 1 (mobile no. 93XXXXXX89) were present at the same location on January 21, 2022 and August 01, 2022. It was further observed that Noticee 1 in his statement also stated that he knows Noticee 10. It was observed that statements of Mr. Anupam Narain Gupta (Noticee 1) and Mr. Abhay Narain Gupta (Noticee 4) were recorded during the course of investigation. The submissions of these Noticees in their statements are as under:

Statement of Anupam Narain Gupta (recorded on March 03, 2025)

(i) He is currently residing at Oberoi Gardens, Thakur Village, Kandivali East, Mumbai, Maharashtra - 400101. His current mobile nos. are 98XXXXXX89 and

93XXXXXX89. He was working with Indiabulls Securities as Senior Vice President for four years and resigned in 2008.

(ii) All the trading decisions of his family are being taken by him only.

(iii) He is a regular trader in the market from the last 20 years. He bought the shares of Moksh since free float of the scrip was low initially. He was anticipating good profit by trading in this stock that point of time. He traded during this period to get good intraday profit.

(iv) With respect to calls with Mr. Amrit Shah (promoter of MOL), Mr. Anupam Gupta stated that he met Mr. Amrit Shah twice in relation to the investment proposal offered to him. Apart from this, he does not have any direct or indirect relationship/ association with the company.

(v) With respect to calls with Mr. Amesh Jaiswal, he stated that he knows Mr. Amesh Jaiswal but don't know anything about his company, ASJ Advisory Pvt. Ltd. Mr. Amesh has approached him in 2021-22 and even before that time for various investment proposal. He could not recollect the discussion held on calls or SMS with him. He has not conducted any business with him till date. Further, he also met him 4-5 times till date personally. However, he never worked with Mr. Amesh Jaiswal or have any business association with him directly or indirectly.

(vi) Mr. Rohit Arora is his friend and know him from last 12 years. Mr. Arora was used to bring business related to funding requirements by others to him.

<u>Statement of Abhay Narain Gupta (recorded on March 03, 2025)</u>

(i) All the trading and bank accounts of family are being handled by his brother Mr. Anupam Gupta. Therefore, he does not know anything about trading in MOL and other related matter.

(ii) He met Mr. Amrit Jawanmalji Shah 3-4 years ago in relation to the investment proposal offered to his brother, Mr. Anupam Gupta. Apart from this, he does not have any direct or indirect relationship/ association with MOL.

(iii) The mobile no. 98XXXXXX06 and 98XXXXXX89 are being used by his brother, Mr. Anupam Gupta. He neither know Mr. Amesh nor his company ASJ Advisory Pvt. Ltd. Further, he does not have any direct or indirect relation/ association with him.

(u.) It was observed that based upon the presence of Noticees 1 and 10 at common points, calls between Noticees 1 and 10, statements of Noticees 1 and 4, and considering the significant profit made by Noticee 1 along with connected entities, it is alleged that Noticee 1 had engaged Noticee 10 for circulation of misleading telegram messages in the scrip of MOL to induce public investors to acquire shares which enabled Noticee 1 along with his connected entities (Noticees 2 to 9) to offload their holdings in the scrip of MOL. It was further alleged that Noticees 2 to 9 who were connected entities of Noticee 1 have aided and abetted Noticee 1 for offloading shares of MOL. Therefore, it was alleged that Noticees 1 to 9 have violated the provisions of sections 12A(a), 12A(b), 12A(c) of the SEBI Act and regulations 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a), 4(2)(k) and 4(2)(r) of the PFUTP Regulations.

Noticees 1 to 8

7. The SCN was duly served upon Noticees 1 to 8 in consonance with the Rules. Since, these Noticees have not submitted their replies within stipulated time, they were provided with an opportunity of hearing before the undersigned on August 19, 2025 which was adjourned to September 03, 2025 on the request of these Noticees. The authorized representative (AR) of these Noticees, Mr. Pradeep Tulsian, Advocate attended the hearing and requested for time until September 10, 2025 to file their written submissions which was filed vide email dated September 22, 2025.

8. The relevant extracts of submissions made vide email dated September 22, 2025 are reproduced below:

(a.) None involvement of Noticee No. 1 to 8 in circulation of any misleading information through the telegram channel in collusion with any of Noticee i.e. Noticee No. 10 to 13 during the period January 31, 2022 to February 1, 2022. Para no. 1 on page no. 3 of the show cause notice where the brief background of the investigation was described, it is clearly mentioned by the SEBI that the based on some information the SEBI has carried out the investigation on certain script where the share are accommodated/tips were circulated using the telegram channels where one of the script is Moksh. It also stated that based on the search and seizure carried out at the Noticee No. 11, it is concluded that the Noticee No. 10 to 13 were involved in the posting misleading stock recommendation/ tips in the script Moksh in telegram channels during the period January 31, 2022 to February 1, 2022. The said findings are very clearly indicated that the Noticee No. 1 to 8 are nowhere involved in any such activity or involved in circulating any misleading recommendation/tips through any of the Telegram Channels and therefore, no were responsible or having any role to manipulate the script price.

(b.) Mr. Anupam Narain Gupta (Noticee No. 1) is solely responsible for the transaction and investment decision made towards the investment made by Noticee 1 to 8. During the personal hearing, it was explained that the investment made and profit/loss earned/incurred by them are based on the independent decision and study made by the Noticee No. 1 and it was neither influenced by any social media channel nor the Noticee No. 1 to 8 are involved in any of such activity which had used any of such channel which was used to mislead the public and/or manipulate the script price as alleged in the notice. Further, he is stated that they were not involved with any social media or social channels. Neither Noticee No. 1 to 8 were running any social channel nor has any connection with any such person, who was running any of such social media channels. Thus, investment made in the "Moksh" is based on the independent decision and study done by the Noticee 1, i.e., Mr. Anupam Narain Gupta. Therefore,

Noticee No. 2 to 8 (who are either the family members or associate concern of Noticee No. 1) are neither involved nor responsible for any transactions or decision taken in relation to the investment made in the "Moksh". The said fact was also accepted by the Noticee No. 1, i.e., Mr. Anupam Narain Gupta in his statement given to SEBI during the investigation on 03.03.2025, which was reproduced in the notice. Further, the above fact is also clear from show cause notice para 2 given on page no. 3 where the SEBI in investigation has stated that the Noticee No. 1 is the main perpetrator of the script who has accumulated the shares and offloaded the same after circulation of the recommendation / tips on the telegram channel by Noticee No. 11 (in collusion with Noticee No. 10 to 13) during the period January 31, 2022 to February 1, 2022. Therefore, it is an accepted fact that the Noticee No. 1 is only person who has taken all the decision with regards to the investment and sale of the shares and Noticee No. 2 to 8 are nowhere involved in any of the decision. Noticee No. 1 is taking all such decisions on behalf of Noticee No. 2 to 8 as they being a family member and associate concern.

(c.) As it was pointed out in the statement by Noticee, i.e., Mr. Anupam Narain Gupta (para 5.24.1 to 5.24.6 of the SCN) that he had an experience of more than 20 years of the share market and is a regular trader. He carried out the trading activity through his family friends and associate concerns. He further stated that he had worked with India bulls Securities as Senior Vice President for 4 years, i.e., till 2008. His experience as Senior Vice President is very much helpful to understand the market conditions and to analysis the particular script based on the public information, trading pattern, promotors position and action, company performance, present and future sector growth in which company works, public holding and free floats in the market and other various factor which influence the market price in present and future. Therefore, his investment in Moksh was not arbitrary or based on external inducement. From the outset, Noticee No. 1's trading was guided by a clear investment thesis based on publicly available information and his own independent research on the script.

(d.) The key factors based on which noticee has taken a decision to invest in the script during earlier 2021:

(i) The stock of Moksh split into the face value of Rs. 2/- from face value of Rs. 10/- w.e.f. July 14, 2021, which have increased the free float in the market. When the free float increases in the market, there are always a good chance to increase in the volume in the market and as volume increases the price also increases due to demand and supply. The said fact is also established in the investigation table (table 3) given in point no 5.16 of the SCN. The table clearly indicated that as the stock was split, the volume of the script was increased from 6,77,197 shares to 37,06,147 shares after the split (if the ratio of 5 apply the volume should be 33,85,985 against the volume of 37,06,147 shares). Therefore, the volume increased which decreased subsequently as the price and market got stabilized.

(ii) There is public information (Note no. 1 of para 5.17 of SCN) that the scrip is going to migrate to main platform of NSE from NSE's SME platform w.e.f. May 21, 2021. This information further boosted the confidence of the investors as the lot size is not applicable and small investors will also be interested in the scripts so those who cannot buy the bulk quantity also come in the market to buy good scrip which increased the volume due to demand increases. The said result is clearly indicated in the table 3 reproduced herein above.

(iii) Analysis of Commodity Markets: The primary driver for investment thesis was the strong outlook for gold prices during the financial year 2021-22. Based on the study of the Noticee No. 1 indicating that the price performance of the gold and jewellery sector in India from April 2021 to March 2022 were bullish and having a good demand during this period. The period from April 2021 to March 2022 was seemed positive one for the Indian gems and jewelry sector. The search results highlighted several key factors that contributed to this performance:

- *Strong Export Growth: The sector experienced significant export growth, with an increase of 54.13% compared to the same period in the previous year (April 2020 - March 2021) and a 10.44% increase over pre-Covid levels (April 2019 - March 2020). This growth was driven by a revival of consumer spending, the lifting of Covid-19 restrictions, and continued recovery in key export markets like the USA and Europe.*
- *Increased Domestic Demand: There was a return to pre-pandemic consumer spending patterns within India.*
- *Government Support: The government's continued support for the sector and the the Comprehensive Economic Partnership Agreement (CEPA) with the UAE were seen as positive developments that would further boost exports.*
- *The overall trend for the gold and jewelry sector during April 2021 to March 2022 was largely positive, driven by strong fundamentals like a recovery in consumer demand and robust export growth. The stock prices of major players like Titan reflected this positive sentiment. The period was characterized by a broad recovery and a return to normal business operations after the disruptions caused by the COVID-19 pandemic.*
- *Month-by-month gold prices for a specific 12-month period in India (April 2021 to March 2022) can vary slightly by city and are often reported as daily or yearly averages. Further, based on available historical data, Noticee submitted a breakdown of the general trend and approximate monthly prices.*
- *As Moksh primary business involves the trading of gold and gold ornaments, the prediction that the gold and jewelry market will do better during the year the Noticee identified it as a suitable vehicle to capitalize on analysis of the commodities market.*

(e.) Analysis of Company Financials: Noticee's decision was further solidified by the company's strong and publicly declared financial performance. The quarterly results, available to all investors, showed robust growth. Specifically, for the quarter ending September 2021, the company reported a net profit increase of 91.31% compared to

the previous quarter. This strong financial indicator was a key part of his independent assessment and a legitimate reason for my continued investment in the scrip. The financial results of the company were given on point no. 5.4 of the Annexure 2 attached to the SCN. The financial result published by the company and available on the public domain and exchange, it clearly indicated that the total revenue from year to year was increasing and company has shown a good growth in the profit over the period from March 21 to March 23. Not only this but the quarterly result for September 2021 was very good and not only the revenue but the profit was almost doubled. The Noticee no. 1's study of the sector wise details and price of gold and jewelry which are on increasing trend supported to invest in the company reflected in the profitability of the company. The profitability of the company in subsequent quarter was affected from the various political crisis arises during that period. Prices began to show a significant upward trajectory in early 2022, primarily driven by rising geopolitical tensions, especially the Russia-Ukraine conflict, which started in late February 2022.

(f.) Some of the sector shares which are listed on exchanges and information was available on public clearly indicated that the sector is having a good time to invest and the theory and research which is based on noticee experience reflected in the price of the shares of the sector specific script Stock prices are volatile.

(g.) Consistent and Long-Standing Trading Pattern: A review of Noticee's trading patterns reveals a consistent pattern of both buying and selling Moksh shares across all five trading periods ("patches") identified in the investigation. Noticee's activity began in Patch 1 and continued through Patch 5, demonstrating a sustained and bona fide interest in the scrip. This is not the trading pattern of an individual acting on a short-term "tip," but rather that of an active market participant with an ongoing investment strategy. The fact that Noticee was actively trading long before the telegram messages of January 31 and February 1, 2022, underscoring that Noticee presence in the scrip was not tied to this specific event.

(h.) No Association with Alleged Telegram Channels or Operators: Noticee stated that he had no connection, communication, or involvement whatsoever with the telegram channels "Sure Means Sure" or "Share market Trading Tips," nor with their administrators or the operators named in the investigation, including Mr. Jalaj Agrawal and Mr. Amesh Jaiswal. Noticee have never been a member of these groups, have never received information from them, and have never participated in their operations. Noticee trading decisions have always been his own. Also as written in the notice "No connection was observed between MOL/its promoters/directors and Suspected entities during the IP based on UCC Data, off-market transactions, common directorship and bank transactions."

(i.) Detailed Financial Analysis: Evidence of Loss, Not Unfair Gain: The central premise of the SCN that the noticee 1 to 8 profited from a manipulative scheme is directly contradicted by a factual analysis of my trading account. The data shows not only negligible overall returns relative to the investment but a substantial loss during the critical period of the alleged manipulation. Overall Profit Calculation (FIFO Method): For the entire investigation period from May 31, 2021, to March 31, 2022, Noticee No.

1 to 8 net profit from trading in Moksh, was Rs. 58,21,848/-. This calculation of the profit earned by the Noticee is just based on the purchase and sale of shares but it does not have calculated the loss incurred on the closing stock of 444515 shares which were remained unsold as on 31.03.2025. Further, the calculation of the profit should have to be looked and worked out on patch wise basis which will reflect that the profit which was made by the Noticee was in the very initial period of the investment but has incurred losses/ nominal profit (without closing stock) and therefore, the Noticee's were in losses due to the market manipulation made by the promotors and operators, where the Noticee's is one of the losers.

Noticee 9

9. The aforesaid SCN was issued to Noticee 9 through SPAD at the addresses of the Noticee available on record and digitally signed SCN was also sent in email at the email addresses of the Noticee available on record. However, SCN issued through SPAD returned undelivered with the remarks, "Door Locked" and "No such person in the address". Therefore, service of SCN was also attempted through hand delivery and affixture. However, the same had also been failed with the remark, "Consignee shifted" and "Incorrect address".

10. In view of the above, in terms of rule 7(3) of the Rules, the SCN and hearing notice were served upon Noticee 9 by way of publication in newspapers where the Noticee was last known to have resided. The notice regarding issuance of SCN and the hearing notice was published in the following manner on September 12, 2025:

Table 6

Newspaper Edition	English Newspaper	Hindi Newspaper	Marathi Newspaper
Mumbai	The Times of India	Navbharat Times	Navarashtra
Delhi	Hindustan Times	Navbharat Times	NA

11. The aforesaid newspaper publications gave notice of issuance of the SCN and Noticee 9 was advised to download the copies of the said SCN from the SEBI website. Noticee was also informed through the publication that, in the interest of natural

justice, an opportunity for a personal hearing was granted to him on September 30, 2025. It was mentioned in the said publication that in case Noticee fails to submit his reply to the aforesaid SCN and/or fails to avail the opportunity of a personal hearing within the given date/time, the AO would proceed further on the basis of material available on record. However, the Noticee neither submitted any reply nor appeared for the hearing.

Noticee 10

12. The aforesaid SCN was issued to Noticee 10 through SPAD at the four addresses of the Noticee available on record and digitally signed SCN was also sent in email at the email addresses of the Noticee available on record. However, SCN issued through SPAD was served at only one of the address and returned undelivered from rest three addresses. Since, Noticee 10 had not submitted any reply within the stipulated time, Noticee was provided with an opportunity of hearing before the undersigned on August 19, 2025. The hearing notice was issued to Noticee 10 through SPAD at the four addresses of the Noticee available on record and digitally signed hearing notice was also sent in email at the email addresses of the Noticee available on record. However, hearing notice issued through SPAD returned undelivered from all the four addresses with the remark, “Addressee left”, “No such person in the address” and “consignee shifted”.

13. In view of the same, in terms of rule 7(3) of the Rules, the hearing notice was served upon the Noticee 10 by way of publication in newspapers where the Noticee was last known to have resided. The notice regarding issuance of SCN and the hearing notice was published in the following manner on September 12, 2025:

Table 7

Newspaper Edition	English Newspaper	Hindi Newspaper	Marathi Newspaper
Mumbai	Hindustan Times	Navbharat Times	Lokmat (Nagpur edition)

Newspaper Edition	English Newspaper	Hindi Newspaper	Marathi Newspaper
Pune	The Times of India		Deshonnati (Akola edition)

14. The aforesaid newspaper publications gave notice of issuance of the SCN and Noticee was also informed through the publication that, in the interest of natural justice, an opportunity for a personal hearing was granted to him on September 30, 2025. It was mentioned in the said publication that in case Noticee fails to submit his reply to the aforesaid SCN and/or fails to avail the opportunity of a personal hearing within the given date/time, the AO would proceed further on the basis of material available on record. However, the Noticee neither submitted any reply nor appeared for the hearing.

15. In this regard, reference is drawn to the following rulings of Hon'ble Securities Appellate Tribunal (SAT):

(a) In the matter of Viju Babulal Jain v. SEBI (Appeal No. 828 of 2022 decided on November 14, 2022), Hon'ble SAT held as under:

"5. There is no assertion in the memorandum of appeal alleging non-receipt of the show cause notice through email. ***In view of Rule 7(b) of the Rules, service of the show cause notice was duly served through email. We are consequently of the opinion that the procedure adopted by the AO for serving the show cause notice was in accordance with the Rule 7(b) of the Rules."*** (Emphasis supplied)

(b) In the matter of Menika and Ors. v. SEBI (Appeal No. 468 of 2022 decided on January 05, 2023), Hon'ble SAT held as under:

"6. On the issue of service, we find that the show cause notice was sent to Menika vide speed post acknowledgment due on July 16, 2020 on her residential address which is the same as indicated in the memo of appeal. Since the acknowledgement card was returned with a remark "No Status", the respondent served the show cause notice vide email on the email I.D. "menika124@gmail.com" and also at "deepakkgrade@gmail.com". ***The show cause notice was delivered on the aforesaid email address, which, in our opinion, is sufficient service as per the proviso to Rule 7(b) of the Securities and Exchange Board of India***

(Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as 'Rules of 1995'). In addition to the aforesaid, the show cause notice was also published on March 2, 2021 in various newspapers, *namely, Times of India (Chandigarh and Varanasi edition), The Hindustan Times (Delhi edition), Navbharat Times (Delhi edition), Dainik Jagran (Ghaziabad and Varanasi edition) and Dainik Bhaskar (Chandigarh edition). …*

…

9. The aforesaid facts have not been disputed by the appellants. We are of the opinion, ***that in view of the glaring evidence that has been filed by the respondent, service of the show cause notice, etc. was properly done by the respondent under the Rules of 1995. We are satisfied that the appellants were duly served with the show cause notice and as well as the notice for hearing. In spite of service, the appellants chose not to appear."*** (Emphasis supplied)

16. In view of the aforesaid discussions, it is noted that the SCN, along with the documents relevant to and relied upon in the SCN and the hearing notice, were duly served on Noticees 9 and 10 in consonance with the Rules and sufficient opportunities were granted to these Noticees to make submissions in reply to the SCN and for a personal hearing. However, it is noted that Noticees 9 and 10 had neither submitted any response to the SCN or hearing notice nor attended the hearing.

Noticee 11

17. The SCN was duly served upon Noticee 11 in consonance with the Rules. Since, Noticee 11 had not submitted his reply within stipulated time, he was provided with an opportunity of hearing before the undersigned on August 19, 2025 vide hearing notice dated July 24, 2025. Subsequently, AR of Noticee, Mr. Manish Gupta, vide email dated July 30, 2025, requested to provide a copy of investigation report and statement of all witnesses. In response, it was informed to AR of Noticee that relevant extracts of investigation report and copy of statements relied upon in the present matter had already been provided to Noticee as annexures to the SCN. Thereafter, AR of Noticee vide email dated August 07, 2025, reiterated his request for entire investigation report, statement of all person and an opportunity to cross-examine Arvind Shukla, Amesh Jaiswal and others. In response, vide email dated August 08, 2025, Noticee was again

informed that all the documents that are relied upon in the present proceedings including relevant extracts of investigation report and copy of statements were provided to Noticee along with the SCN. Further, with respect to request for cross examination, AR was informed that the request for cross-examination can be examined only after reply to the SCN has been filed. AR was also advised to take note of the ruling of Hon'ble SAT in the matter of Rana Kapoor v. SEBI (Appeal No. 525 of 2021). Accordingly, AR was advised to submit his reply, if any, immediately. Then, Noticee vide email dated August 18, 2025, requested to adjourn the hearing scheduled on August 19, 2025 which was acceded to and the hearing was rescheduled to September 04, 2025 which was further adjourned to September 11, 2025 on the request of AR of Noticee. Vide email dated September 10, 2025, AR of Noticee submitted that an appeal has been filed before Hon'ble SAT against the aforesaid email dated August 08, 2025 and requested to adjourn the hearing till the disposal of the appeal. The said request of the AR was acceded to and the hearing was adjourned till further notice.

18. The appeal filed by Noticee 11 was listed as Jalaj Agrawal v. SEBI (Appeal No. 420 of 2025) on September 25, 2025. In the said appeal, Hon'ble SAT vide order dated September 25, 2025, *inter alia*, held as under:

"6. So far as the cross-examination of the aforementioned persons is concerned, Shri Kanade is right in his submission that the appellant may make his application after filing reply. If such an application is filed, the same shall be considered in accordance with law.
……….
ii. SEBI is directed to furnish the investigation report excluding the file notings and some portion of the internal communication between page Nos. 1 and 5. The appellant may make application seeking cross-examination and the same shall be considered in accordance with law."

19. In view of the above and in the interest of natural justice, Noticee was provided with a copy of complete investigation report along with all annexures. Subsequently, AR of Noticee filed his reply vide email dated November 24, 2025 and reiterated his request

for cross examination of Arvind Shukla, Aviral Saxena, Amesh Jaiswal and other Noticees. Considering the request of Noticee, he was granted cross examination of Mr. Arvind Shukla on January 06, 2026 and Mr. Aviral Saxena on January 07, 2026. However, the request for cross examination of Investigating Officer, Mr. Amesh Jaiswal and other Noticees was not acceded on account of following reasons:

(a) Investigating Officer: No statement of Investigating Officer was recorded and relied upon in the present matter.
(b) Mr. Amesh Jaiswal: No statement of Amesh Jaiswal was recorded and relied upon in the present matter.
(c) Other Noticees: There are 12 other Noticees in the present matter (Noticees 1 to 10, 12 and 13) out of which cross examination of Mr. Arvind Shukla (Noticee 12) and Mr. Aviral Saxena (Noticee 13) was provided. The reason for denial of cross examination of Mr. Amesh Jaiswal (Noticee 10) has already been explained above. With regard to the cross examination of Noticees 1 to 9, it was noted that only statements of Noticee 1 (Mr. Anupam Narain Gupta) and Noticee 4 (Mr. Abhay Narain Gupta) were recorded during the course of investigation which had not been relied upon for the allegations made against Mr. Jalaj Agarwal (Noticee 11).

20. Cross examination of Mr. Arvind Shukla and Mr. Aviral Saxena were conducted by AR of Noticee on January 06, 2026 and January 07, 2026 respectively. Subsequently, vide email dated January 30, 2026, Noticee 11 filed his additional submissions. Thereafter, an opportunity of hearing was provided to Noticee on February 17, 2026 which was attended by his AR who reiterated the submissions made vide letters dated November 24, 2025 and January 19, 2026. It is noted that Noticee in his replies had submitted that he cannot make specific comments on CDR provided to him as an annexure to SCN as the CD in which CDR has been enclosed in not readable. Accordingly, all the annexures to the SCN and IR including those provided to Noticee in CD has been uploaded in work drive and link of the said work drive was sent to Noticee through email dated May 05, 2026. Further, Noticee was also provided the opportunity to file his additional submissions, if any, by May 12, 2026. However, Noticee did not file any additional submissions thereafter.

21. The relevant extracts of submissions made vide letters dated November 24, 2025 and January 19, 2026 are reproduced below:

(a.) SEBI has initially served a morphed and partial copy of the investigation report and when an appeal was filed in SAT bearing Appeal No. 420 of 2025, SEBI submitted that page 1 to 4 of investigation report are file noting and do not have any relevance with the case, However, when the complete report is finally served, it is evident from para 1.2 page 1 of the investigation report that "1.2 It may be noted that NSE had carried out an examination in the scrip of MOL for the period October 01, 2021 to March 31, 2022. NSE, inter alia, stated that multiple alerts were generated at exchange level for the scrip during the aforesaid period, however, no adverse findings were observed. It was further stated that the price movement in the scrip during the aforesaid period was driven purely by the forces of demand and supply." Thus, it is clear that the investigation officer has not been fair in investigation and has tried to conceal material information that can prove the innocence of the Noticee, and thus the investigation is biased with a mala fide intention to implicate the Noticee into a case where he is innocent;

(b.) The investigation officer has forcefully obtained signatures of the answering Noticee on some documents and served them as statements given by Noticee, it is pertinent to mention here that the statements taken from Noticee annexed in annexure 4 of the SCN are taken by coercion and duress and the officer has intimidated the Noticee that they can destroy his family life if he does not cooperate and thus the Noticee was forced to sign on some documents without even getting a chance to read them properly and that is why the Noticee sought an opportunity to cross-examine the investigation officer;

(c.) The entire allegation against Noticee 11 is solely founded upon certain purported WhatsApp messages allegedly retrieved from the digital device seized by SEBI. SEBI alleged that misleading investment tips were posted on Telegram channels. However, no screenshot, transcript, mirror, cache extraction or server record of any telegram message posted from the device of Noticee No. 11 has been produced. SEBI has not recovered any telegram logs, channel screenshots, forwarding paths or digital forensic data demonstrating that Noticee No. 11 ever posted, forwarded or drafted any investment tip on telegram. In several past SEBI proceedings involving telegram-based recommendations, SEBI relied on actual telegram screenshots, channel logs or supporting metadata to substantiate circulation of messages. No such evidence exists or has been provided in the present matter. Therefore, the assumption that alleged WhatsApp conversations equate to Telegram postings is speculative, unverified and legally untenable;

(d.) The alleged WhatsApp chat logs relied upon by SEBI appear to be forged and/or fabricated as there is no signature of either the Noticee from whose device they are allegedly recovered neither there is any signature of the officer who has purportedly recovered them, further, there is no seizure memo of these purported messages and no witness to attach credibility to recovery and/or extraction of such messages and thus the messages cannot be relied upon and the Noticee must be given an opportunity to cross-examine the investigation officer in this matter;

(e.) That the purported WhatsApp messages have not been accompanied by a valid certificate under section 65B of the Indian Evidence Act, which is a mandatory condition for electronic evidence to be admissible. In absence of such certification, the alleged chats are not legally admissible and cannot form the basis of allegations or punitive proceedings. Noticee No. 11 is unaware of how such chats were extracted, generated, altered or interpreted, as no forensic methodology report, chain of custody or digital integrity certificate has been shared, thus the said alleged WhatsApp chats appear to be forged and fabricated and that is why the Noticee must be allowed to cross-examine the investigation officer;

(f.) Noticee No. 11 has no knowledge of accumulation or offloading of shares by any Noticee, as per the SCN itself the present noticee is only alleged to have been connected to Noticee 10, 12 and 13 and no connection has been established with any other noticee including Noticee 1. Noticee No. 11 has not traded in the scrip of MOL nor has Noticee 11 advised anyone to trade based on privileged or coordinated information. No link as to financial, digital, transactional, or communication-based between Noticee 11 and the alleged trading activity has been demonstrated;

(g.) During the search and seizure process, Noticee No. 11 was subjected to psychologically coercive environment and verbal pressure wherein he was told that non-cooperation would "destroy his family life". Such pressure caused severe distress and resulted in involuntary, unclear and incomplete responses. Any statement recorded under coercion is not valid and cannot be relied upon without independent corroboration, which is absent;

(h.) The SCN states that the investigation spans May 31, 2021 to March 31, 2022, however, the alleged chat extracts pertain only to one or two dates without establishing any pattern, continuity, or participation in any organised scheme. Isolated unverified messages without proof of execution, publication or market impact cannot constitute manipulation;

(i.) Reply to Para 1: The contents of this paragraph are a matter of record to the extent they describe the listing of Moksh Ornaments Limited and the fact that SEBI conducted investigations. However, Noticee No. 11 denied the allegation that he was involved in "posting misleading stock recommendations/tips" in any Telegram channel. No telegram post, screenshot or channel evidence linking Noticee 11 to any such postings has been produced. The allegation is based solely on alleged WhatsApp chats, without any proof that the same resulted in telegram postings, and therefore is speculative, uncorroborated and unsustainable. Furthermore, Noticee 11 does not understand how such chats were generated or interpreted, as no certified copy, forensic chain of custody, section 65B certificate or digital extraction report has been provided with the SCN. It is submitted that the entire case seems to be based on the forced and coerced statements of answering Noticee and other co-Noticees, the answering respondent believes that the attitude of SEBI officer in concealing the important pages of investigation report clearly indicate that there is overwhelming chances that statements of other co-Noticees have also been taken under coercion and duress and thus a cross-examination of Arvind Shukla, Aviral Saxena and all

other Noticees alongwith investigating officer must be allowed to ascertain the veracity of their testimony;

(j.) Reply to Para 2: The contents of this paragraph so far as relates to period of investigation is matter of record. Noticee No. 11 denied all allegations that he participated in any scheme to manipulate the market or that he colluded with Noticee 1 or any other person. Noticee No. 11 had no involvement in accumulation or offloading of shares of MOL. He did not profit, receive, solicit, or promise any compensation or benefit in connection with MOL. That in this regards it is pertinent to mention that the <u>investigation report also clearly mentions that the NSE has conducted an examination</u> in MOL and found out that during the period of investigation "the price movement in the scrip is driven purely by the forces of demand and supply." It may be noted that the investigation officer has concealed not only the pages from 1-4 but also has deleted para 3 on page 5 before serving copy to the answering respondent, had the answering respondent not approached SAT, he would not have got a fair chance to defend himself, thus the entire investigation is biased and cannot be relied upon;

(k.) Reply to Para 3: This paragraph contains legal conclusions unsupported by evidence so far as Noticee 11 is concerned. Noticee 11 denied any violation of sections 12A(a), (b), (c) of the SEBI Act and regulations 3(a–d), 4(1), 4(2)(a), (k), (r) of the PFUTP Regulations. No ingredient of fraud, inducement, dissemination of false information or participation in an unfair trade practice has been established against the Noticee. Specifically, no investor has been shown to have acted upon any alleged message from Noticee 11. No causal link between alleged forged WhatsApp chats and market activity has been presented. No telegram post by Noticee 11 has been produced. Without admissible electronic evidence (section 65B compliance), reliance on extracted chats is legally untenable. The only evidence marshalled is the testimony of co-Noticees taken under coercion and duress and the conduct of the investigation officer makes it clear that such confessional statements cannot be relied upon without affording an opportunity of cross-examination;

(l.) Reply to Para 4: The initiation of proceedings and appointment of the Adjudicating Officer is a matter of record. However, Noticee 11 submits that the continuation of proceedings against him is unjustified in absence of admissible evidence establishing participation in any violation alleged in the SCN. Noticee 11 further reserves the right to submit additional, detailed written submissions following complete access to evidence and personal hearing. It is also submitted that the noticee reserves the right to submit additional replies and submissions after he has been provided an opportunity to cross-examine the co-Noticees, the investigation officer and other persons;

(m.) Reply to Para 5: Noticee 11 denied the entire set of allegations contained in para 5 of the SCN. The foundation of para 5 rests on two elements: (i) alleged WhatsApp chats retrieved from Noticee 11's device and (ii) statements recorded from Noticees 11, 12 and 13. Both these bases are legally unreliable, uncorroborated and insufficient to sustain charges, for the following reasons:

(i.) That, the alleged WhatsApp messages at Annexure 3 of SCN are forged and fabricated as they do not have the signature of the noticee or the officer who has allegedly recovered these chats, they do not contain any date on which such alleged chats are recovered, there is no seizure memo prepared or witness attested on the said chats to give them any credibility and further they have not been accompanied by a section 65B certificate of the Indian Evidence Act nor has SEBI provided forensic extraction methodology, chain-of-custody proof, device imaging records, metadata, or verification reports. In absence of these mandatory evidentiary requirements, the alleged electronic messages are inadmissible and cannot be relied upon as evidence in law. Thus, the messages at annexure 3 which are allegedly from WhatsApp are forged and fabricated and are specifically denied and cannot be admitted for the purpose of this adjudication;

(ii.) The core allegation is that misleading recommendations were posted on telegram. However, SEBI has not produced a single piece of direct telegram evidence showing participation of Noticee 11 including screenshots of the alleged posts, telegram message logs, channel ownership or admin access details, message IDs, timestamps or digital footprints. Had such posts existed, SEBI would have recovered them, especially since it conducted search and seizure operations. The absence of telegram records proves that no such posting ever took place. Further, Arvind Shukla in his statements has stated that he has given admin rights to the answering respondents, if that would have been the case firstly SEBI would have recovered the telegram data from Noticees device instead of alleged forged WhatsApp data and Secondly, answering noticee would not have needed Noticee 12 Arvind Shukla for posting and no question of any payment would have arisen and thus the statements of Arvind Shukla are false and frivolous probably taken under threat and coercion just like those of answering Noticee and thus they cannot be relied upon unless an opportunity to cross-examine is given. That, the statements of Arvind Shukla are visibly false and taken under duress as he has stated that he received 20-22 lakh in cash however no details of cash payments has been taken as to on which date how much amount was received. Further, he has been paid some amount through banks which is admitted position in SFL and SNIM cases and that has been concealed in this statement. Furthermore, he has stated that his channels had 1.5-2 lakh subscribers, this also proves that the investigation officer has pre-recorded these statements and taken signatures of Noticees by force and coercion as channels of Arvind Shukla had 8 lakh and 15 lakh subscribers as per the SCN in SFL and SNIM which means that as the officer had no knowledge of channels they fabricated statements to suit their line of investigation without actually taking any statements from Noticees. That, it is thus specifically submitted that the statements recorded of answering Noticee Jalaj Agrawal were recorded under coercion and duress and looking at the conduct of investigation officer there is a high probability that statements of Arvind Shukla and Aviral Saxena are also recorded under coercion and threat and thus without cross-examination and corroborative evidence they cannot be relied upon. It is also

submitted that if statements of Aviral Saxena are perused it is clear that they are repetition of Arvind Shukla same number of followers on telegram channel and same amount of cash receipts recorded without any detail of how much and when these alleged cash was paid, further no GPS location details are present in this matter and this raises suspicion on reliability of these statements. The answering respondent denied either receipt or payment of any cash to any one and thus without a cross examination of Arvind Shukla and Aviral Saxena their testimony cannot be relied upon;

*(iii.) The Noticee 11 submitted that his statement was not voluntary and was recorded under coercion, duress and threat, including statements that his "family life would be destroyed" if he did not agree to affix his signature on the pre-recorded statements of the officers. SEBI appears to have relied on such statements only because it could not find supporting evidence**,** which in turn reflects that no factual material exists linking Noticee 11 to the alleged manipulation and the statement cannot be treated as true or binding in law, it is pertinent to note that there is no corroborative material to substantiate the statements, mere statements without cross-examination cannot be relied upon;*

(iv.) The SEBI has alleged that Noticee 11 both received and paid cash to other Noticees. Noticee 11 refuted this. Importantly, no cash has been recovered, no bank account trail exists, no ledgers, diaries, receipts or acknowledgments of payment are produced, no financial investigation supports the existence of such alleged transactions. These allegations rely solely on uncorroborated statements of co-Noticees, which are inadmissible unless independently supported and opportunity to cross examination is given. These statements are lacking any specifics like on which dates how much cash was exchanged, if any. The investigation officer has not made any effort to check the CDR, GPS Location details of Noticee 11 and 12 for such alleged dates on which alleged cash transfer has happened. These question clearly establish that the story of cash payment is falsely implanted by the investigation officer in frustration because they cannot find anything against answering noticee to implicate him into this false case;

(v.) That, the CDRs only show that two persons communicated on certain dates, which is neither illegal nor indicative of manipulation. SEBI has not shown, what was discussed, whether discussions related to MOL, or whether anything unlawful was planned or executed. Drawing negative inference merely from call frequency is speculative and unsustainable in law. Further, it was stated that the CD sent by SEBI is unreadable and thus answering respondent in unable to make specific comments on CDR whether calls were actually exchanged or SEBI investigation officer has forged these records also like other records;

(vi.) Para 5.6 and 5.7 record a completely frivolous, capricious and vexatious finding such that no reasonable man could come to such conclusions, It seems that the comparison of volume and number of trades with a day prior are a method of face

saving for SEBI Investigation officer. <u>That, if SEBI had taken Patch V of the investigation period from 19/Jan/2022 it should have at least calculated the performance of scrip for a period from 19/01/2022 to 28/01/2022 prior to alleged recommendation day and compared the average performance of these days with the alleged recommendation day, But that would not have served the premeditated and malafide agenda of the investigation officer as the average volume of period from 19/01/2022 to 28/01/2022 is 35,34,211 shares and average trades is 12,273 trades per day.</u> Here, it is pertinent to mention that average trades per day do not show any effective market movement the volume still has some importance but the investigating authority chose to take only a day prior without any rational basis, only because that was the only day which suited his agenda and thus the entire investigation being motivated, partial and biased, stands vitiated by such acts of investigating authority. That the SEBI has alleged increases in price, volume, and shareholder count around the dates of alleged postings. However, market movement was never shown to have been caused by any action of Noticee 11 on the contrary the NSE report which the investigating authority tried to hide clearly mentions that the market has moved purely by the forces of Demand and Supply. No investor was identified who acted upon any message allegedly originating from Noticee 11. No causal chain between Noticee 11's conduct and market behaviour has been demonstrated. In absence of causation, mere price or volume movement cannot amount to market manipulation specially when NSE report has specific findings to the contrary;

(vii.) For a violation under sections 12A(a)–(c) of SEBI Act and regulations 3 and 4 of PFUTP Regulations, SEBI must demonstrate, inducement, dissemination of false information, intent to manipulate and resulting unfair impact on investors. None of these elements is supported by evidence in this matter. The case against Noticee 11 is entirely built on unverified forged WhatsApp screenshots, coerced statements and assumptions without digital or transactional proof;

(viii.) The observations in para 5.8, 5.9 and 5.10 are capricious and vexatious as the increase and decrease in price has happened purely by the forces of demand and supply as the NSE report correctly mentions and the alleged telegram channel on which no one knows if the tip was posted cannot have impact for days together, further the prices started falling from 18/01/2022 and the alleged tips if any were posted on 31/01/2022 there was already a fall of more than 45% from 61 to 33 before such alleged posting and thus posting of such alleged tips could not have had any impact on the price of scrip as correctly held by NSE report;

(ix.) It is alleged that answering respondent was only connected to Amesh Jaiswal and Mr. Jaiswal was in turn connected to Mr. Anupam Gupta. However, it is also stated in the investigation report that Mr. Jaiswal and Mr. Gupta had exchanged last call on 22/01/2022 after that there was no call between the two even after the date of alleged telegram posting, in such a case how, has the conspiracy been hatched

by the main perpetrators is questionable, further, the answering respondent was in touch with Amesh Jaiswal only for the purpose of opening a BAR in Indore city alongwith Mr. Jaiswal, however the partnership could not be concluded fruitfully. That, para 5.14 to 5.16 in tables 2 and 3 observe that the volumes in shares has risen to 846% during the inspection period but the alleged tips were posted in allegedly 5th patch, further the main reason of rise in volumes has been shift of shares of MOL from SME board to the main board of NSE on 21/05/2021, and IP is taken after this period, without taking this crucial aspect into account no observation can be validated as for example:
That the above volume figures as taken from internet clearly establish that the NSE Main Board is at the least 50 - 100 times bigger and has more market capitalisation and liquidity than SME platform and thus the investigation officer has conveniently concealed these factors from the investigation again in order to drive the investigation to their pre-meditated agenda and thus the investigation driven by bias shall be quashed and the matter must be dropped;

(x.) The remaining observations in para 5 of the SCN pertain to trading activity, profit booking and transactional patterns of other Noticees who allegedly dealt in the scrip of Moksh Ornaments Limited. These findings relate to entities and individuals who allegedly traded in the scrip and are described as "net profit makers" during the Investigation Period. Accordingly, Noticee 11 cannot be made liable for the conduct, actions or trading outcomes of third parties over whom he had no control, knowledge or association. As per the SCN itself neither the answering respondent has made any profits nor he has any connections with the trading entities that is N1 to N9 and thus even if there was any pump and dump scheme in play the answering respondent had no knowledge of the said scheme. Further, as per investigation, the trading entities sold 30,31,480 shares during patch V out of which 12,93,276 shares are sold from 31/01/2022 to 31/03/2022, which even if taken on face value is 42.66 % of total sale volume, here it is pertinent to note that the investigation officer has again disclosed data with mala fide intent, if at all a tip is posted on some telegram channel on 2 days, how does it has an impact till next 60 days and why not beyond that 60 days period specially when as per statements these alleged tips are deleted same day, this aspect is completely arbitrary and vexatious the entire investigation is premeditated and biased and thus it shall be quashed and the noticee must be exonerated from the charges. Therefore, to the extent the remaining parts of para 5 relate to other Noticees, Noticee 11 submitted that such observations have no bearing on him and cannot be used to impute any wrongdoing on his part and they were specifically denied.

(n.) Reply to Para 6 to 13: Noticee 11 submitted that paragraphs 6 to 13 of the Show Cause Notice primarily reproduce statutory provisions of the SEBI Act and PFUTP Regulations, procedural requirements and administrative directions. While these provisions are acknowledged, they do not apply to Noticee 11 in absence of any legally admissible evidence establishing violation of the said provisions. Accordingly,

the allegations in paras 6 to 13 are denied in their entirety, and no action under sections 15HA or 15HB of the SEBI Act is maintainable against Noticee 11;

(o.) It is pertinent to mention that the pages of the investigation report which were concealed clearly show that, there was no significant trading by suspected entities among themselves during the IP, further, there were no significant synchronised trades among themselves, no significant reversal trades, no circular trades among themselves and no significant LTP contribution, furthermore it specifically records that, there was no significant contribution of alleged suspected entities in either the price rise or price fall, specially in patch V when the alleged tips were posted, it also mentioned that Anupam Gupta and Amesh Jaiswal had no calls between 22/01/2022 to 04/02/2022 and thus no one could have actually conspired to finally instruct the present noticee as to when and what tips are to be posted. It is very pertinent to note that the table 46 at page 40 (Concealed earlier) clearly states that the 3 suspected entities could only sell at best 2,66,033 shares of the scrip on the alleged recommendation day despite this the observation that 12,93,276 shares were sold after this period in next 60 days clearly show the bias in the investigation, specially when the investigation also stated that the alleged messages were deleted on the same day when posted, how did they had an impact for next 60 days is only known to the investigation officer and that is why an opportunity to cross-examine the IO should be given;

(p.) Promoters have been found to have sold a major chunk of their holdings during the IP. Despite this, the price fall has not been alleged to be an outcome of their action rather it is blamed on posting of an alleged tip on TG. This interpretation is also biased and so unreasonable that no prudent man can reach to this conclusion;

(q.) The answering respondent reiterated that the cross-examination of investigation officer is very important to disprove his investigation report which is both full of irregularities and bias, it is pertinent that the learned AO and SEBI allow their investigation officer to be cross-examined so that the truth in investigation report can be ascertained, though his statements may not have been recorded but his investigation report is relied upon for the purpose of these proceedings. If the IA is not allowed to be cross-examined his entire investigation report stands disproved by the sheer fact that he is unable to defend it;

(r.) The IA has taken his signatures on his statement by exercising force, coercion and threat to destroy his family life and the Noticees No. 12 and 13 in their cross-examination have submitted that their statements were taken under pressure and threat, it is essential that the IA be allowed to be cross-examined as all the Noticee's have made allegations against the IA that he/she has exercised coercion and threat while recording statements;

(s.) Both the Noticees No. 12 and 13 have stated that they used to post tips in their telegram channel on their own research and in a day they used to post about 20-25 tips, which clearly indicates that even if they might have posted the tip in MOL once during the day, it would not have had any impact on the subscribers as the channels used to post multiple tips in a day and that is why the reliability of a single tip would

be 1/25th that is very low. Further, they have stated that they had not posted any tip in MOL but only accepted posting such tips because the SEBI officer taking statements has forced them to make such statement, and misguided them that they have evidence of posting on TG but did not show them any such evidence;

(t.) It was further submitted that both the Noticee's No. 12 and 13 have clearly admitted in cross-examination that they have not received any cash from Noticee 11 and the submissions regarding receiving cash are also forcefully entered into the statements and they have been coerced to sign such statements with intimidation that they can only leave the SEBI office if they sign on statements as per the whims of the IA;

(u.) It has also come on record that the IA neither explained the impact of statements under section 11C(5) nor administered any oath on Noticee No. 12 and 13, they were simply asked to put their signatures on the statements which the IA recorded on her own whims and fancies;

(v.) The Noticee No. 12 and 13 are not aware of the fact whether their replies are filed or not and their cross-examination has revealed several important facts and has brought the entire investigation under circumspection in such cases SEBI has earlier adopted an approach that only those allegations which are corroborated with independent facts with preponderance of probability are upheld in the present case however the probability is in favour of the acquittal/discharging of the answering respondent and there is no evidence to support the investigation which is based solely on assumptions and presumptions and is thus vague and omnibus and deserves to be set-aside;

(w.) This fact coupled with the fact that the IA concealed the important pages of investigation report where there is a clear finding of NSE that the price movement is pure outcome of demand and supply forces, further concealing the exact data of trades done on the alleged date of tips posting, furthermore, making calculations in increase in volume arbitrarily with only one day prior instead of taking the average volume of patch V which has been considered from 19th January 2022, also conveniently avoiding the fact that even the CDR of Noticee 11 shows that they have not had any conversation with noticee 1 between 22/01/2022 and 04/02/2022 and thus there was no method by which the alleged pump and dump could have been orchestrated. It is also very essential to note that the increase in volume of shares traded and public holding is specifically due to listing of share on the NSE main Board from NSE MSME board which has 50-100 times more volume and trades and this aspect has been concealed by the IA all these facts lead to only one logical conclusion that the investigation is biased and based on fabricated evidences and is targeted at implicating the answering respondent illegally just to shred responsibility of locating real culprits, if any, for the alleged price movement;

(x.) If the price pattern and volumes of the entire quarter of January to March is studied it will be found out that the volumes on the alleged day of recommendation were completely normal and definitely not the highest and price is definitely 45% less then the highest price of Rs. 61/- to Rs. 33/-, further without a proper communication link between net sellers and alleged telegram channel operators/middleman on the

alleged day of recommendation, it is difficult to understand as to how net-sellers would have known as on which date the alleged tips would be posted. The IA has miserably failed in conducting a fair and impartial investigation and the learned AO may if he deems fit order an enquiry for such a conduct;

(y.) The cross-examination of Noticee 12 and 13 are annexed herewith for the learned adjudicating officer's perusal, and it is once again requested that the IA be allowed to be cross-examined in light of the submissions made in this additional reply. In case the opportunity to cross-examine the IA is allowed the answering respondent craves to submit further additional reply.

<u>Noticee 12</u>

22. The SCN was duly served upon Noticee 12 in consonance with the Rules. The ARs of Noticee, Rupendra Kumar Porwal/Vivek B Rai/Ishu Dubey (i/b. RallyMark Legal) vide letter dated July 11, 2025 requested for six weeks' time to file reply. Considering the request, Noticee was provided time until July 31, 2025 to file his reply. The ARs of Noticee vide letter dated July 31, 2025 submitted the reply to the SCN. The relevant extracts of the reply are reproduced below:

(a.) Covid-19 Pandemic struck the whole of the country during the February –March 2020 and during second wave in year 2021, which led collapse of all business/trading activities and also rendering ample amount of free time to individuals to indulge in social media. Faced with an urgent need to support his family and with limited options at hand, Noticee-12/ Arvind Shukla turned to the digital space for alternate income source to support his studies;

(b.) During Covid-19, Noticee 12 watched videos on You Tube which basically taught as to how to use telegram channel for promotion activities such as movies, songs, promotion of other telegram channels. That his curiosity grew further and he learned further as to how to create telegram channels and which all activities could be undertaken through these telegram channels;

(c.) Noticee 12 after having learnt ways and means to create and operate Telegram Channels, created the following Telegram Channels to operate the same on subscription model and earn money through subscription amount:

- *Intraday Trading Tips*
- *Share Market trading Tips*
- *Intraday Trading Stocks*

Hereinafter, the Telegram Channels shall be referred "Telegram Channels" for ease of reference;

(d.) The aforesaid facts have already been disclosed by the Noticee 12 in his statement recorded on 07.02.2025 in the SEBI Office before the concerned officer;

(e.) In order to increase the subscriber base in Telegram Channel(s), he used cross promotion and began allowing or posting public link of other channels in his telegram channel(s) and other telegram channel(s) also posted the public link in their telegram channel(s);

(f.) Noticee 12 was contacted by Noticee 11(Jalaj Agrawal) wherein he asked Noticee-12 to promote the company on commission basis on the Telegram Channels. The Noticee-12 with no knowledge about listing procedure of a company at stock exchange and in a vulnerable mindset given his tender age got lured by his mesmerizing picture for generating money and making good career and life in the stock market related activities;

(g.) SCN has elaborately covered/defined the roles and connection of each Noticee and wherein it has been held that Noticee-12 was only connected to Noticee 11, other than Noticee No. 13 (Mr. Aviral Saxena), being a friend. That it is evident that Noticee No. 1 to Noticee No. 9 along with Noticee No. 10 are mastermind, orchestrator and executor of the Manipulative Scheme ("Mastermind/Orchestrators"), thus are directly involved in this Manipulative Scheme. Categorization of the Noticees in SCN has not been carried out as per, express or implied, roles played by the Noticees, which has resulted in bundling up of Noticee-12 along with Mastermind/Orchestrators of the Manipulative Scheme of MOL;

(h.) Noticee-12 has been dragged unjustifiably along with the Mastermind/Orchestrators of the Pump and Dump Scheme of MOL despite having no role in planning, orchestrating, buying/selling of the scrip of MOL and has not generated any unlawful profit from trading of the scrip. That role of Noticee-13 is limited to acting as telegram operator of the channels to promote scrip of MOL during the Recommendation Dates i.e. 31.01.2025 & 01.02.2025 during Patch-V;

(i.) It is evident from the findings of SEBI in SCN and in the Investigation Report (annexure No. 2 of SCN) briefly cited in above paras that Noticee No. 10 (Mr. Amesh Surajlal Jaiswal) was connected to Noticee No. 1 (Mr. Anupam Narain Gupta) (and in loop from Noticee No. 2 to Noticee No. 9) and Noticee-11. The connection between Noticee No. 10 with Noticee-11 expressly indicate and establish that Noticee-11/ Jalaj Agrawal were aware about the intentions and actions of the Noticee No. 1 (and in loop from Noticee No. 2 to Noticee No. 9);

(j.) Noticee 10 (Mr. Amesh Surajlal Jaiswal) provided stock recommendations to Noticee 11 mentioning details such as entry price, stop loss, buy quantity and target price in the scrip and Noticee 11 forwarded the same stock recommendations to Noticee No. 12 for posting on the telegram channels on recommendation dates (i.e., 31.01.2022 and 01.02.2022). The stock recommendations were posted and removed from the telegram channels as per the instructions of the Noticee No. 10 passed to Noticee-11 and who in turn instructed the Noticee No. 12 for posting and removal of these messages on/from his telegram channels. Noticee No. 10 paid amount to Noticee 11 for posting stock recommendations. Noticee No. 12 has never been involved in conspiracy or devising of the Manipulative Scheme of MOL and further he has not made even a single transaction of buying or selling of the scrip of MOL;

(k.) Noticee No. 12 was solely connected to Noticee 11 and used to post the recommendations in the same format received from Noticee 11, who in turn received from Noticee 10. That role of Noticee No. 12 was limited to post the scrip recommendation (as received) on his telegram channels, hence he cannot be clubbed together along with conspirators, masterminds, orchestrators and net sellers in this Manipulative Scheme responsible for artificially increasing the price of scrip of MOL and dump to gullible investors;

(l.) SCN itself clearly demonstrates that Noticee No. 1 (Mr. Anupam Narain Gupta), Noticee No. 2 (Mr. Narain Kumar Gupta), Noticee No. 3 (Narain Kumar Gupta HUF), Noticee No. 4 (Mr. Abhay Narain Gupta), Noticee No. 5 (Abhay Gupta HUF), Noticee No. 6 (Pro Fin Capital Services Ltd.), Noticee No. 7 (Ambe Securities Pvt. Ltd.), Noticee No. 8 (Triyamb Securities Private Ltd.), Noticee No. 9 (Mr. Rohit Arora), are orchestrators, executors, buyers and sellers in all Patches (during the period commencing from 31.5.2021 and ending on 31.3.2022) of this Manipulative Pump and Dump scheme and consequently generated unlawful gains. Noticee No. 1 to Noticee No. 9 in collusion with Noticee No. 10 and Noticee- 11 through Noticee No. 10 has /have executed the Manipulative Pump and Dump scheme. It is emphasized that role of Noticee No. 12 was limited to posting stock recommendations on telegram channels only on Recommendation Dates (i.e. 31.01.2022 and 01.02.2022) and therefore, the Noticee No. 12 cannot be held liable or accountable for spurt in the share price of MOL during Patch I to Patch V except for Recommendation Dates (i.e., 31.01.2022 and 01.02.2022);

(m.) It is evident that Noticee No. 1 to Noticee No. 9 were involved in trading of scrip of MOL from the Patch-1 to Patch-4 wherein the Noticee No. 12 was even not aware of any transaction nor posted any stock recommendations of MOL. Further Noticee No. 1 To Noticee No. 9 traded in the scrip of MOL before and after the recommendation dates (i.e., 31.01.2022 and 01.02.2022) during Patch-5, hence Noticee No. 12 cannot be clubbed together Noticee No. 1 to Noticee No. 9 for carrying out transactions in the shares of MOL during Patch-1 to Patch-5, except for transactions taken place on recommendation dates (i.e., 31.01.2022 and 01.02.2022). Neither SCN nor Investigation Report provides the details of shares transacted by Noticee No. 1 to Noticee No. 9 on recommendation dates (i.e., 31.01.2022 and 01.02.2022), so that correct position could be ascertained for fixing the accountability on the Noticee No. 12;

(n.) It is also submitted that scrip of MOL attained highest price of Rs. 61.15/- during Patch-4 and not during the Patch-5 including on Recommendation Dates (i.e. 31.01.2022 and 01.02.2022). That factually the price of MOL scrip on 31.01.2022 opened at Rs. 33.90/- (previous closed at Rs. 33.30/-) and reached to high of Rs. 36.35/-, thus an increase of 7.22% was noted. Further, price of MOL scrip on 01.02.2022 opened at Rs. 36.40/- (previous closed at Rs. 36.05/-) and reached to high of Rs. 37.90/-, thus an increase of 4.12% was noted. Thus, it is evident that stock recommendations on recommendation dates (i.e., 31.01.2022 and 01.02.2022) had very negligible impact of the price rise (Para 5.6 and 5.16 of SCN);

(o.) The SCN records that Noticee No. 10 (Mr. Amesh Surajlal Jaiswal) instructed Noticee No. 11 to circulate recommendations for MOL on telegram channels and in turn, Noticee No. 11 passed these instructions to Noticee No. 12. The Noticee No. 12, simply posted such recommendations upon receiving instructions from Noticee No. 11, without any independent action or knowledge regarding the ultimate intent behind such postings;

(p.) Noticee No. 12 used to receive commission amount of Rs. 20000/- per day either in cash or in the bank account and he received total amount of Rs. 20 lakh-Rs. 22 lakh for posting recommendations in various scrips of different companies during November 2021 to March 2022 (Para 5.2.15.). The SCN itself establishes that Noticee No. 12's actions were limited solely to posting messages, without any role in either conceptualizing, coordinating, or benefiting from the alleged scheme. He neither participated in any planning nor had any financial linkage to the promoters or their related entities. His conduct was purely mechanical, acting as a service provider in the ordinary course of his business, without any malafide intent or market manipulative objective. Thus, attempting to categorize the role of Noticee No. 12 alongside other Noticees who allegedly devised and executed the scheme for their direct financial gains during all Patches would be wholly misconceived, factually unsustainable and legally impermissible;

(q.) It is evident from the finding of SEBI in SCN briefly cited in above paras that Noticee No. 12 has never transacted in scrip of MOL in any of the Patches, i.e., Patch-1 to Patch-5, including on Recommendation Dates (i.e. 31.01.2022 and 01.02.2022). It is established that Noticee No. 12 is not beneficiary of this Manipulative Scheme except a small amount of Rs. 20,000/- per day for posting stock recommendations on his telegram channels during recommendation dates, i.e., 31.01.2022 and 01.02.2022 during the Patch-V;

(r.) Another issue that could have been addressed was whether the telegram channels of Noticee No. 12 were only channels in this Manipulating Scheme? The finding would have been more justified and realistic, had there been investigations of other channels as well, so that factual position could have emerged and guilty could be tracked. Noticee 12 carried out a basic search at YouTube on 26.07.2025 at 04.25 PM and found that there are number of channels and posts propagating about scrip of MOL including with changed name;

(s.) That the above finding itself clarifies that promotion of the scrip of MOL were being carried out in all patches through multiple telegram and YouTube channels, however the Investigating Authority has deliberately failed to investigate or failed to include in the ambit of investigation the fact of stock recommendations of MOL being made on hundreds of different social media platforms and telegram channels simultaneously and repeatedly. Therefore, the Stock Recommendation posted by the Noticee No. 12 on his telegram channel was only 1 (one) of the hundred other modes/medium through which such manipulation was carried out by the other Noticees and levying blame of entire spurt in trade volume of stock of MOL within the Pump and Dump

scheme solely on the 3 (three) Telegram Channels of the Noticee No. 12 is completely unjustified and unreasonable and strongly objected;

(t.) Section 12A(a), (b) and (c) of the SEBI Act and regulations 3 (a), (b), (c), read with regulations 4(1), 4(2)(a), (k) and (r) deal specially with acts of fraudulent nature and dealing and trading of securities. However, Noticee No. 12 has neither been involved in any trading activity of the Scrip of MOL nor was aware or was part of the Manipulative Scheme/ Pump and Dump Scheme of the main perpetrators nor traded in scrip/shares of MOL at any stage and made any profit. As submitted above, it is acknowledged within the paras of the SCN that Noticee-11 was the sole contact of Noticee No. 12 and it was Noticee-11 who forwarded the message to be posted on his Telegram Channels on the disguise of promoting the said scrip for listing for a commission and also such recommendations were removed from telegram channels as per directions of the Noticee-11. The Noticee No. 12 had no control over the content of the said posts or the knowledge to comprehend the objective of such posting or its impact when posted. Noticee No. 12 fell prey to the nefarious designs of the other Noticees through Noticee- 11 who misused platform of Telegram Channel to post stock recommendation;

(u.) It was also submitted that there was no disproportionate gain or any advantage to the Noticee No. 12 (except commission), nor any loss was caused to any subscriber of his Telegram Channel as a result of alleged default and therefore no penalty should be imposed on the Noticee No. 12;

(v.) A perusal of the above stated provisions of regulation 4 and its sub-regulations reveals that the allegation of fraud can be leveled against a person/entity only for good reasons and on the basis of clear and unambiguous evidence. The SCN here does not demonstrate the manner in which the Noticee No. 12 actions have led to the creation of a false market and the basis on which Noticee No. 12 has been held liable for the commission of fraud in connivance with others;

(w.) Noticee No. 12 has fully cooperated with SEBI's investigation. He has promptly complied with all notices, appeared as and when summoned, and has made full and voluntary disclosures. This conduct further demonstrates his good faith and absence of any intention to mislead or obstruct the investigation;

(x.) The above section specifically includes that the dealing in securities shall be deemed to be fraudulent or an unfair trade practice if it involves fraud, however, there has been no act of fraud being acted by the Noticee No. 12. That Hon'ble High Court of Calcutta in the matter of Surendra Nath Ghose v. Emp held that the word "fraud" involves two conceptions, namely, deceit and injury to the person deceived;

(y.) Noticee No. 12 was not planner, manipulator or a beneficiary of unlawful profit generated in entire pump and dump scheme. Had Noticee No. 12 been aware or part of the Pump and Dump Scheme, he would have certainly attempted to benefit from the buying and selling in scrip of MOL as well, however no such buying and selling of the MOL scrip either before the Recommendation Dates or on the Recommendation Dates or even after has been observed in case of Noticee No. 12. His involvement within the whole scheme was limited to mere posting of recommendation on his

Telegram Channels which was given to him by Noticee- 11. His actions are ones rooted in ignorance and not with any malice whether willful or otherwise;

(z.) Noticee No. 12 in his statement of examination of oath dated 07.02.2025 has admitted to the fact that he used to receive an amount in the form of commission of Rs. 20,000/- per day from Noticee- 11 for posting stock recommendation of MOL. That Noticee No. 12 has received total commission of Rs. 20 Lakh to Rs. 22 Lakh during the period from November 2021 to March, 2022. There are/were end numbers of modes/platforms, wherein stock recommendation with respect to MOL was floated/floating much before the built up on recommendation dates, i.e., 31.01.2022 and 01.02.2025 and fact/issues have been left out in the investigation. The investigation limited itself to the telegram channels of Noticee No. 12, such approach has resulted in micro evaluation limiting to the Telegram Channels of Noticee No. 12 in the available numerous modes at various platforms.

23. Henceforth, the Noticee was provided with an opportunity of hearing on September 11, 2025. However, the Noticee did not appear for the hearing. In the interest of natural justice, Noticee was provided with one more opportunity of hearing on February 05, 2026, which was attended by another AR, Mr. Devdeep Singh. During the hearing, the AR of Noticee requested for one weeks' time to file additional submissions which was acceded to. Thereafter, Noticee filed his additional submissions vide email dated February 12, 2026. The relevant extracts of the reply are reproduced below:

(a.) Noticee 12 had entered into some unfortunate and unavoidable disputes with his earlier Advocate Mr. Rupendra Porwal, further he was not aware of the facts as to whether a reply in this matter has been filed by the said counsel or not thus he is constrained to withdraw any reply that might have been filed by an Advocate Mr. Rupendra Porwal. Noticee never authorized any reply to be filed by Advocate Mr. Rupendra Porwal. In light of the aforesaid statements Noticee urged to consider the present reply as the only valid reply. In case any earlier reply has been filed, it shall stand withdrawn and replaced by this reply;

(b.) The, contents of paragraph no. 1 are denied for being false and frivolous to the extent of the allegations of circulating tips/recommendation in telegram channel. Further the allegations of involvement of answering respondent based on data extracted from allegedly ceased devices of Noticee No. 11 also false and frivolous and in the absence of any corresponding data ceased from the device of answering respondent the same cannot be held against the answering respondent for lack of verification. Noticee denied all the allegations made in paragraph no. 2 for being false and frivolous and submitted that he has played no role in circulation of any alleged tips or recommendations in any telegram channel. Allegation made in

paragraph no. 3 and 4 of the show cause notice are formal in nature and were denied in totality;

(c.) The allegation in paragraph no. 5.1, 5.1.1 and 5.1.2 were denied in totality and that the snapshots of WhatsApp messages in annexure 3 do not belong to Noticee 12 and he has never received or sent any such messages. Further, the said messages are allegedly recovered from the ceased device of Noticee no. 11 but the investigating authority has neither recovered nor made any attempt for the recovery of corresponding messages from the device of Noticee 12. Furthermore, though the evidence at annexure 3 look fabricated, even then if they are taken on their face value, they do not prove that the same are posted on any telegram channel. Further, the investigating authority in its investigation has failed to produce a single screenshot of any such alleged telegram channel. Despite the facts that the SEBI officers during the relevant period have joined this telegram channel as subscribers for the sole purpose of taking screenshots of manipulative recommendations as submitted by the investigating authority themselves in the case of SFL AND SNIM;

(d.) The averments made in paragraph no. 5.2, 5.2.12 and 5.2.4 by Mr. Jalaj Agarwal primarily appears to be taken under duress and coercion as the investigating authority has exercised intimidation, threats and coercion on Noticee 12 the same appears to be the case of Mr. Jalaj Agarwal and thereafter sought to cross examine Mr. Jalaj Agrawal just like Mr. Jalaj Agrawal has been allowed to cross examine the Noticee 12. That the, averments made in paragraph no. 5.2.5 (0 5.2.12 have been made under intimidation, threat and coercion exercised by the investigating authority of SEBI which is also been revealed during the cross examination of the Noticee 12 and thus this statement are not reliable. Further, to verify the veracity of the statements so made under threat and coercion, a cross examination of investigating authority shall be allowed;

(e.) Averment made in 5.2.13 to 5.2.17 are related to another Noticee and thus do not require any reply, however, any incriminating statements against the Noticee 12 were denied in totality and a chance to rebut such incriminating statements by way of cross examinations were requested;

(f.) Averment made and conclusions drawn in Paragraph no. 5.3 and 5.4 and 5.5 were denied in totality for being false as the cross examination of Noticee 12 has clearly brought on record that his Statements were taken under coercion and there is not a single piece of evidence to prove that even if the WhatsApp chats were taken on face value, actual posting on telegram channel has happened specially when SEBI officer had joined the telegram channel as subscribers and were keeping an eye and taking screenshots of all the tips that were posted, in the absence of any screenshots of tips actually posted on telegram channels, this averments fell short on the test of preponderance of probability as laid down by the honorable apex court in many cases;

(g.) Averments made and conclusions drawn in Paragraph no. 5.6, 5.7, 5.8., 5.9 and 5.10 are false, frivolous and motivated with the buyers to affix guilt on the Noticee 12 and clearly exhibit that the investigation has not been fair and is in violation of the rights of Noticee 12 as enshrined under Article 21 because the Investigating officer in paragraph no. 5.7 has compared the numbers of trades and volume from previous trading day and held to be five times higher but miserably failed to compare the volume from that of 27th January which is almost half on the alleged day of recommendations;

(h.) Averments in paragraph no. 5.8 are also false and frivolous and clearly exhibit the malice in investigation as it is held in paragraph no. 5.8 that the prices in the scrip started falling from 02/02/2022 onwards after the alleged recommendations. However, if table 3 on page no. 9 is to be perused, it would be found that the scrip has touched a high of Rs. 123.85 in July 2021 and the prices have been continuously falling since then. Further, on 19/01/2022 the prices are shown to be Rs. 57.90 and they have been falling at least ever since 19 January and thus the alleged recommendation day has not made any substantial change in price;

(i.) Averments made and conclusions drawn in paragraph no. 5.9 were also denied in totality, for the aforementioned reasons. Further, no data date wise of change in public share holdings has been provided in table I to make a logical comment on the conclusion drawn by the Investigating officer. However, from the show cause notice and data available on the internet it is clear that the scrip of MOL was listed on the main board of NSE from the SME board of NSE somewhere in July 2021, the volume and number of traders/public share holder active on the main board of NSE is at least fifty to hundred times higher than those on SME board and thus without taking this factor into consideration making such allegations is only unsubstantiated;

(j.) Averments made in paragraph no. 5.10 and the conclusions drawn thereof were denied in totality for the reasons mentioned in preceding paragraphs;

(k.) Averments and the conclusions in paragraph no. 5.11 to 5.25 are not related to Noticee 12 and thus do not need a specific reply;

(l.) Paragraph no. 6 to 13 are formal in nature and do not need a specific reply, however any incriminating interpretations thereof against the answering respondent no. 12 were denied in totality;

(m.) Entire show cause notice does not points out a single reliable piece of evidence that the Noticee 12 has posted any message on any telegram channel despite the fact that the officers of SEBI had joined these telegram channel as subscribers and were keeping an eye/taking screenshots of every tip posted as per their own investigation in the case of SFL AND SFIM during which the alleged screenshot at annexure 3 were allegedly recovered from Noticee no. 11.

24. It is noted that AR of Noticee 12 had requested for the opportunity to cross-examine Mr. Jalaj Agrawal (Noticee 11) and Investigating Authority. Considering the request of Noticee, he was granted with an opportunity of cross examination of Mr. Jalaj Agrawal on May 18, 2026, however, on the request of either Noticee 12 or Noticee 11, the same was adjourned multiple times and finally concluded on June 16, 2026. However, the request for cross examination of Investigating Authority was not acceded to as no statement of Investigating Authority has been recorded and relied upon in the captioned matter. Post conclusion of cross examination on June 16, 2026, Noticee 12 was provided with an opportunity to file his additional submissions, if any, by June 22, 2026. However, Noticee 12 did not file any additional submissions.

Noticee 13

25. The SCN was duly served upon Noticee 13 in consonance with the Rules. The ARs of Noticee, Rupendra Kumar Porwal/Vivek B Rai/Ishu Dubey (i/b. RallyMark Legal) vide letter dated July 11, 2025 requested for six weeks' time to file reply. Considering the request, Noticee was provided time until July 31, 2025 to file his reply. The ARs of Noticee vide letter dated July 26, 2025 submitted the reply to the SCN. The Noticee was provided with an opportunity of hearing on September 11, 2025 which was attended by his ARs who reiterated the submissions made vide letter dated July 26, 2025. During the hearing, the ARs of Noticee also requested for one weeks' time to file additional submissions which was acceded to. Thereafter, AR of Noticee filed his additional submissions vide email dated September 19, 2025. It is noted that cross-examination of Noticee 13 was conducted by AR of Noticee 11 on January 07, 2026. Post conclusion of cross-examination, Noticee 13 was granted additional time of 10 days to file its further submissions, if any. However, Noticee has not filed any further submissions.

26. The relevant extracts of the aforementioned replies are reproduced below:

(a.) Faced with an urgent need to support his family during COVID and with limited options at hand, Noticee-13 turned to the digital space for alternate income source to support his studies;

(b.) During Covid-19, Noticee-13 watched videos on You Tube which basically taught as to how to use telegram channel for promotion activities such as movies, songs, promotion of other telegram channels. That his curiosity grew further and he learned further as to how to create telegram channels and which all activities could be undertaken through these telegram channels;

(c.) Noticee-13 after having learnt ways and means to create and operate Telegram Channels, created the following Telegram Channels to operate the same on subscription model and earn money through subscription amount:

- *Intraday Trading Tips*
- *Share Market trading Tips*
- *Intraday Trading Stocks*

Hereinafter, the Telegram Channels shall be referred "Telegram Channels" for ease of reference;

(d.) The aforesaid facts have already been disclosed by the Noticee-13 in his statement recorded on 07.02.2025 in the SEBI Office before the concerned officer;

(e.) In order to increase the subscriber base in Telegram Channel(s), he used cross promotion and began allowing or posting public link of other channels in his telegram channel(s) and other telegram channel(s) also posted the public link in their telegram channel(s);

(f.) Noticee-13 was contacted by Noticee- 11 wherein he asked Noticee-13 to promote the company on commission basis on the Telegram Channels. Noticee-13 with no knowledge about listing procedure of a company at stock exchange and in a vulnerable mindset given his tender age got lured by his mesmerizing picture for generating money and making good career and life in the stock market related activities;

(g.) SCN has elaborately covered/defined the roles and connection of each Noticee and wherein it has been held that Noticee-13 was only connected to Noticee- 11-(Jalaj Agrawal), other than Noticee-12 (Arvind Shukla), being a friend. That it is evident that Noticee No. 1 to Noticee No. 9 along with Noticee No. 10 are mastermind, orchestrator and executor of the Manipulative Scheme ("Mastermind/Orchestrators"), thus are directly involved in this Manipulative Scheme. Categorization of the Noticees in SCN has not been carried out as per, express or implied, roles played by the Noticees, which has resulted in bundling up of Noticee-13 along with Mastermind/Orchestrators of the Manipulative Scheme of MOL;

(h.) Noticee-13 has been dragged unjustifiably along with the Mastermind/Orchestrators of the Pump and Dump Scheme of MOL despite having no role in planning, orchestrating, buying/selling of the scrip of MOL and has not generated any unlawful profit from trading of the scrip. That role of Noticee-13 is limited to acting as telegram operator of the channels to promote scrip of MOL during the Recommendation Dates, i.e., 31.01.2025 and 01.02.2025 during Patch-V;

(i.) It is evident from the findings of SEBI in SCN and in the Investigation Report (annexure No. 2 of SCN) briefly cited in above paras that Noticee No. 10 (Mr. Amesh Surajlal Jaiswal) was connected to Noticee No. 1 (Mr. Anupam Narain Gupta and in loop from Noticee No. 2 To Noticee No. 9) and Noticee-11. The connection between Noticee No. 10 with Noticee-11 expressly indicate and establish that Noticee-11 were aware about the intentions and actions of the Noticee No. 1 (and in loop from Noticee No. 2 to Noticee No. 9);

(j.) Noticee No. 10 provided stock recommendations to Noticee-11 mentioning details such as entry price, stop loss, buy quantity and target price in the scrip and Noticee-11 forwarded the same stock recommendations to Noticee No. 13 for posting on the telegram channels on recommendation dates (i.e., 31.01.2022 and 01.02.2022). The stock recommendations were posted and removed from the telegram channels as per the instructions of the Noticee No. 10 passed to Noticee-11 and who in turn instructed the Noticee No. 13 for posting and removal of these messages on/from his telegram channels. Noticee No. 10 paid amount to Noticee-11 for posting stock recommendations. Noticee-13 has never been involved in conspiracy or devising of the Manipulative Scheme of MOL and further he has not made even a single transaction of buying or selling of the scrip of MOL;

(k.) Noticee-13 was solely connected to Noticee- 11 and used to post the recommendations in the same format received from Noticee- 11, who in turn received from Noticee 10. That role of Noticee-13 was limited to post the scrip recommendation (as received) on his telegram channels, hence he cannot be clubbed together along with conspirators, masterminds, orchestrators and net sellers in this Manipulative Scheme responsible for artificially increasing the price of scrip of MOL and dump to gullible investors;

(l.) SCN itself clearly demonstrates that Noticees 1 to 9 are orchestrators, executors, buyers and sellers in all Patches (during the period commencing from 31.5.2021 and ending on 31.3.2022) of this Manipulative Pump and Dump scheme and consequently generated unlawful gains. Noticee No. 1 to Noticee No. 9 in collusion with Noticee No. 10 (and Noticee- 11 through Noticee No. 10) has /have executed the Manipulative Pump and Dump scheme. It is emphasized that role of Noticee No. 13 was limited to posting stock recommendations on telegram channels only on Recommendation Dates (i.e., 31.01.2022 and 01.02.2022) and therefore, the Noticee No. 13 cannot be held liable or accountable for spurt in the share price of

MOL during Patch I to V except for Recommendation Dates (i.e., 31.01.2022 and 01.02.2022);

(m.) It is evident that Noticee No. 1 to Noticee No. 9 were involved in trading of scrip of MOL from the Patch-1 to Patch-4 wherein the Noticee-13 was even not aware of any transaction nor posted any stock recommendations of MOL. Further Noticee No. 1 to Noticee No. 9 traded in the scrip of MOL before and after the recommendation dates (i.e., 31.01.2022 and 01.02.2022) during Patch-5, hence Noticee No. 13 cannot be clubbed together Noticee No. 1 to Noticee No. 9 for carrying out transactions in the shares of MOL during Patch-1 to Patch-5, except for transactions taken place on recommendation dates (i.e., 31.01.2022 and 01.02.2022). Neither SCN nor Investigation Report provides the details of shares transacted by Noticee No. 1 to Noticee No. 9 on recommendation dates (i.e., 31.01.2022 and 01.02.2022), so that correct position could be ascertained for fixing the accountability on the Noticee-13;

(n.) It was also submitted that scrip of MOL attained highest price of Rs. 61.15/- during Patch-4 [From 14.10.21 to 18.01.22] and not during the Patch-5 [From 19.1.22 to 31.3.2022] including on Recommendation Dates (i.e. 31.01.2022 and 01.02.2022). That factually the price of MOL scrip on 31.01.2022 opened at Rs. 33.90/- (previous closed at Rs. 33.30/-) and reached to high of Rs. 36.35/-, thus an increase of 7.22% was noted. Further, price of MOL scrip on 01.02.2022 opened at Rs. 36.40/- (previous closed at Rs. 36.05/-) and reached to high of Rs. 37.90/-, thus an increase of 4.12% was noted. Thus, it is evident that stock recommendations on recommendation dates (i.e., 31.01.2022 and 01.02.2022) had very negligible impact of the price rise (Para 5.6 and 5.16 of SCN). Noticee-13/Aviral Saxena only knew Noticee- 11 and Noticee-12, as an old friend;

(o.) The SCN records that Noticee No. 10 instructed Noticee No. 11 to circulate recommendations for MOL on Telegram channels and in turn, Noticee No. 11 passed these instructions to Noticee No. 13. The Noticee No. 13, simply posted such recommendations upon receiving instructions from Noticee No. 11, without any independent action or knowledge regarding the ultimate intent behind such postings;

(p.) Noticee No. 13 used to receive commission amount of Rs. 25000/- per day either in cash or in the bank account and he received total amount of Rs. 18 lakh-Rs. 20 lakh for posting recommendations in various scrips of different companies during November 2021 to March 2022 (Para 5.2.15.). The SCN itself establishes that Noticee-13's actions were limited solely to posting messages, without any role in either conceptualizing, coordinating, or benefiting from the alleged scheme. He neither participated in any planning nor had any financial linkage to the promoters or their related entities. His conduct was purely mechanical, acting as a service provider in the ordinary course of his business, without any malafide intent or market manipulative objective. Thus, attempting to categorize the role of Noticee-

13 alongside other Noticees who allegedly devised and executed the scheme for their direct financial gains during all Patches would be wholly misconceived, factually unsustainable, and legally impermissible;

(q.) It is evident from the finding of SEBI in SCN briefly cited in above paras that Noticee-13 has never transacted in scrip of MOL in any of the Patches, i.e., Patch-1 to Patch-5, including on Recommendation Dates (i.e., 31.01.2022 and 01.02.2022). It is established that Noticee-13 is not beneficiary of the this Manipulative Scheme except a small amount of Rs. 25,000/- (Rupees Twenty Five Thousand only) per day for posting stock recommendations on its telegram channels during recommendation dates, i.e., 31.01.2022 and 01.02.2022 during the Patch-V;

(r.) Another issue that could have been addressed was whether the telegram channels of Noticee-13 were only channels in this Manipulating Scheme? The finding would have been more justified and realistic, had there been investigations of other channels as well, so that factual position could have emerged and guilty could be tracked. Noticee 13 carried out a basic search at YouTube on 26.07.2025 at 04.25 PM and found that there are number of channels and posts propagating about scrip of MOL including with changed name. The details of channels and posts are annexed herewith as Annexure No. 1 https://www.youtube.com/results?search_query=MOKSH+ORNAMENTS+LIMITED+share+ (26.07.2025 at 04.25 PM);

(s.) That the above finding itself clarifies that promotion of the scrip of MOL were being carried out in all patches through multiple telegram and YouTube channels, however the Investigating Authority has deliberately failed to investigate or failed to include in the ambit of investigation the fact of stock recommendations of MOL being made on hundreds of different social media platforms and telegram channels simultaneously and repeatedly. Therefore, the Stock Recommendation posted by the Noticee-13 on his Telegram Channel was only 1 (one) of the hundred other modes/medium through which such manipulation was carried out by the other Noticees and levying blame of entire spurt in trade volume of stock of MOL within the Pump and Dump scheme solely on the 3 (three) Telegram Channels of the Noticee-13 is completely unjustified and unreasonable and strongly objected;

(t.) Section 12A(a), (b) and (c) of the SEBI Act and regulations 3 (a), (b), (c), read with regulations 4(1), 4(2)(a), (k) and (r) deal specially with acts of fraudulent nature and dealing and trading of securities. However, Noticee-13 has neither been involved in any trading activity of the Scrip of MOL nor was aware or was part of the Manipulative Scheme/ Pump and Dump Scheme of the main perpetrators nor traded in scrip/shares of MOL at any stage and made any profit. It is acknowledged within the paras of the SCN that Noticee- 11 was the sole contact of Noticee-13 and it was Noticee- 11 who forwarded the message to be posted on his Telegram Channels on the disguise of promoting the said scrip for listing for a commission

and also such recommendations were removed from telegram channels as per directions of the Noticee- 11. The Noticee-13 had no control over the content of the said posts or the knowledge to comprehend the objective of such posting or its impact when posted. Noticee-13 fell prey to the nefarious designs of the other Noticees through Noticee- 11 who misused platform of Telegram Channel to post stock recommendation;

(u.) It was also submitted that there was no disproportionate gain or any advantage to the Noticee-13 (except commission), nor any loss was caused to any subscriber of his Telegram Channel as a result of alleged default and therefore no penalty should be imposed on the Noticee-13;

(v.) A perusal of the above stated provisions of regulation 4 and its sub-regulations reveals that the allegation of fraud can be leveled against a person/entity only for good reasons and on the basis of clear and unambiguous evidence. The SCN here does not demonstrate the manner in which the Noticee-13's actions have led to the creation of a false market and the basis on which Noticee-13 has been held liable for the commission of fraud in connivance with others;

(w.) Noticee-13 has fully cooperated with SEBI's investigation. He has promptly complied with all notices, appeared as and when summoned, and has made full and voluntary disclosures. This conduct further demonstrates his good faith and absence of any intention to mislead or obstruct the investigation;

(x.) The above section specifically includes that the dealing in securities shall be deemed to be fraudulent or an unfair trade practice if it involves fraud, however, there has been no act of fraud being acted by the Noticee-13. That Hon'ble High Court of Calcutta in the matter of Surendra Nath Ghose v. Emp. held that the word "fraud" involves two conceptions, namely, deceit and injury to the person deceived;

(y.) Noticee-13 was not planner, manipulator or a beneficiary of unlawful profit generated in entire pump and dump scheme. Had Noticee-13 been aware or part of the Pump and Dump Scheme, he would have certainly attempted to benefit from the buying and selling in scrip of MOL as well, however no such buying and selling of the MOL scrip either before the Recommendation Dates or on the Recommendation Dates or even after has been observed in case of Noticee-13. His involvement within the whole scheme was limited to mere posting of recommendation on his Telegram Channels which was given to him by Noticee-11. His actions are ones rooted in ignorance and not with any malice whether willful or otherwise;

(z.) Noticee-13 in his statement of examination of oath dated 07.02.2025 has admitted to the fact that he used to receive an amount in the form of commission of Rs. 25,000/- (Rupees Twenty five Thousand Only) per day from Noticee- 11 for posting stock recommendation of MOL. That Noticee-13 has received total commission of Rs. 18 Lakh to Rs. 20 Lakh during the period from November 2021 to March, 2022. In the same statement, Noticee No. 13, has also disclosed that he had taken a

loan of Rs. 10,00,000/- (Rupees Ten Lakhs only) from Noticee No. 11, and has repaid the entire amount through a bank transaction. There are/were end numbers of modes/platforms, wherein stock recommendation with respect to MOL was floated/floating much before the built up on recommendation dates, i.e., 31.01.2022 and 01.02.2025 and fact/issues have been left out in the investigation. The investigation limited itself to the telegram channels of Noticee-13, such approach has resulted in micro evaluation limiting to the Telegram Channels of Noticee-13 in the available numerous modes at various platforms.

CONSIDERATION OF ISSUES AND FINDINGS

27. After careful perusal of the material on record, I note that the issues that arise for consideration in the present case are as follows:

I. **Whether Noticees 10 to 13 had colluded and posted misleading stock recommendations in the scrip of MOL on telegram channels with a view to induce investors to acquire shares of MOL and thereby, violated the provisions of the SEBI Act and PFUTP Regulations?**

II. **Whether Noticee 1 had engaged Noticee 10 for circulation of misleading telegram messages in the scrip of MOL with a view to induce investors to acquire shares of MOL which enabled Noticees 1 to 9 to offload their accumulated holdings at inflated prices and whether Noticees 2 to 9 had aided and abetted the said scheme, thereby violating the provisions of SEBI Act and PFUTP Regulations?**

III. **Whether Noticee 10 failed to appear before the investigating authority as required under the summons and reminder summons issued under section 11C(5) of the SEBI Act and thereby violated the provisions of the said Act?**

IV. **Does the violation, if any, on the part of Noticees attract monetary penalty under sections 15HA and 15HB of the SEBI Act?**

V. **If so, what would be the quantum of monetary penalty that can be imposed on Noticees after taking into consideration the factors stipulated in section 15J of the SEBI Act?**

28. Before proceeding further, it is pertinent to refer the relevant provisions of law, allegedly violated by Noticees. The same are reproduced as under:

SEBI Act
*"**Investigation.***
11C.
(5) Any person, directed to make an investigation under sub-section (1), may examine on oath, any manager, managing director, officer and other employee of any intermediary or any person associated with securities market in any manner, in relation to the affairs of his business and may administer an oath accordingly and for that purpose may require any of those persons to appear before it personally."

*"**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 thereunder;"

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.

(2) Dealing in securities shall be deemed to be a 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;

……………

(k) disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading and which is designed or likely to influence the decision of investors dealing in securities;

………..

(r) knowingly planting false or misleading news which may induce sale or purchase of securities."

29. Before dealing with the matter on merits, it is pertinent to note that sufficient opportunities were provided to Noticees 9 and 10 to present their case by way of reply to the SCN and also by way of personal hearing. However, it is a matter of record that Noticees 9 and 10 had failed to furnish their replies to the SCN and also failed to appear for personal hearing before the undersigned. In this regard, reliance is placed on the following rulings of the Hon'ble SAT:

    (a) In the case of Sanjay Kumar Tayal & Others v. SEBI (Appeal No. 68 of 2013 decided on February 11, 2014), Hon'ble SAT held as under:

    > *"...appellants have neither filed reply to show cause notices issued to them nor have availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges levelled against them in the show cause notices..."*

    (b) In the case of Classic Credit Ltd. v. SEBI (Appeal No. 68 of 2003 decided on January 08, 2007), Hon'ble SAT held as under:

    > *"the appellants did not file any reply to the second show-cause notice. This being so, it has to be presumed that the charges alleged against them in the show cause notice were admitted by them."*

30. In view of the aforesaid discussions, I am inclined to presume that Noticees 9 and 10 had nothing to submit in their defense and accordingly, I proceed with the matter ex-parte as against them.

Issue I: Whether Noticees 10 to 13 had colluded and posted misleading stock recommendations in the scrip of MOL on telegram channels with a view to induce

investors to acquire shares of MOL and thereby, violated the provisions of the SEBI Act and PFUTP Regulations?

31. As per the IR, the digital device of Noticee 11 was seized during search and seizure operations. Data analysis of this device revealed WhatsApp messages between Noticees 10 and 11, and Noticees 11 and 12, concerning "buy" recommendations for the scrip of MOL. These messages projected guaranteed returns of 40–50% within 5–7 days. Relevant snapshots of these conversations are as under:

32. Subsequently, the statements of Noticees 11 to 13 were recorded under oath pursuant to section 11C of the SEBI Act. These statements contained detailed and specific admissions regarding the scheme of circulating misleading buy recommendations in the scrip of MOL through telegram channels, receipt of cash payments for the same and the roles played by each of these Noticees. Specifically, it was admitted that Noticee 10 had approached Noticee 11 for the promotion of scrip of MOL. Noticee 11, in turn, forwarded the messages containing buy recommendation in the scrip of MOL to Noticees 12 and 13 for posting of such messages in their

telegram channels and thereafter such messages were posted by Noticees 12 and 13 in their telegram channels in lieu of cash.

33. Further, an analysis of the call data records of the said Noticees demonstrates that Noticee 11 was in constant touch with Noticees 10, 12 and 13. As per call data records, 172 calls were exchanged between Noticees 10 and 11, 4 calls were exchanged between Noticees 11 and 12 and 12 calls were exchanged between Noticees 11 and 13 on the alleged recommendation dates, i.e., January 31, 2022 and February 01, 2022.

34. In view of the aforesaid, it was alleged that Noticees 10 to 13 had colluded and posted misleading stock recommendations in the scrip of MOL on telegram channels on January 31, 2022 and February 01, 2022 with a view to induce public investors to acquire shares of MOL.

35. In this regard, it is noted that at the stage of adjudication proceedings, all three Noticees retracted their statements either in their replies or during cross examination, claiming that they were recorded under coercion, duress and threat. Accordingly, I would like to discuss the evidentiary value of the statements of Noticees 11 to 13 which were retracted at the later stage. Given this background, I would like to refer to the judgment of Hon'ble Supreme Court in the matter of *Periyasami s/o. Duraisami Novanagar v. State represented through the Inspector of Police, 'Q' Branch CID, Tiruchirappalli, Tamil Nadu and Ors.*[1], wherein Hon'ble Supreme Court, *inter alia,* held as under:

> *"23. We must now come to the retraction. It is argued however that A1-Senthilkumar has retracted his confession and, hence, it has no evidentiary value. It cannot be relied upon. It is not possible to accept this submission. Retraction does not always dilute or reduce or wipe out the evidentiary value of a confessional statement. Quite often retraction is an afterthought. It could be the result of legal advice or pressure exerted by those whose involvement may be likely to be disclosed or confirmed by the confessional statement of the accused. Therefore,*

[1]*Criminal Appeal No. 1272 of 2012 dated April 11, 2014.*

in each case, the court will have to examine whether the confession was voluntary and true and whether the retraction was an afterthought. In Kalawati v. State of Himachal (AIR 1953 SC 131), this Court stated that the amount of credibility to be attached to a retracted confession would depend upon the facts and circumstances of each case. Again in State of Tamil Nadu v. Kutty (AIR 2001 SC 2778), this Court stated that a retracted confession may form legal basis for conviction if the court is satisfied that the confession was true and was voluntarily made. Following these judgments in Yakub Abdul Razak Memon, this Court held that where the original confession was truthful and voluntary, the court can rely upon such confession to convict the accused in spite of a subsequent retraction and its denial in statement under Section 313 of the Code. The law is thus crystallized. A retracted confessional statement is therefore not always worthless. We have no hesitation in reiterating that A1-Senthilkumar's confessional statement was recorded after following the correct procedure; that it was voluntary and truthful; that A1-Senthilkumar was not forced or compelled to give his statement and that the retraction of the said statement is clearly an afterthought and should be ignored."

36. I would also like to refer to the judgment of Hon'ble Supreme Court in the matter of *Avadh Kishore Das v. Ram Gopal And Ors.*[2]**,** wherein Hon'ble Supreme Court*, inter alia,* states as under:

> *"It is true that evidentiary admissions are not conclusive proof of the facts admitted and may be explained or shown to be wrong, but they do raise an estoppel and* ***shift the burden of proof on to the person making them or his representative-in-interest****.* ***Unless shown or explained to be wrong, they are an efficacious proof of the facts admitted."*** (Emphasis supplied)

37. Reference is also drawn to the ruling of Hon'ble High Court of Madras in the matter of *Commissioner of Income Tax, Chennai and Ors. v. MAC Public Charitable Trust and Ors.*[3]**,** wherein Hon'ble High Court of Madras*, inter alia,* states as under:

> *"It was further held in Shri Roshan Lal Sancheti case (supra) as follows:*
>
> *"In view of the law discussed above, it must be held that statement recorded under Section 132(4) of the Act and later, confirmed in statement recorded under Section 131 of the Act, cannot be discarded simply by observing that the assessees have retracted the same, because such retraction ought to have been generally made within a reasonable time or by filing complaint to superior authorities or otherwise brought to notice of the higher officials by filing duly sworn affidavit or statement*

[2] *AIR 1979 SC 861*
[3] *MANU/TN/7984/2022*

supported by convincing evidence. Such a statement when recorded at two stages cannot be discarded summarily in cryptic manner by observing that the assessees in the belatedly filed affidavit have retracted from their statements. Such retraction is required to be made as soon as possible or immediately after the statement of the assessees was recorded. Duration of time when such retraction was made, assumes significance and in the present case, retraction has been made by the assessees after eight months to be precise, 237 days."

……………

62. It is settled position of law that the admission though important is not conclusive. It is open to the assessee who made the admission to show that it is incorrect as held by the Hon'ble Supreme Court in Pullangode Rubber Produce Company Ltd. v. State of Kerala & Another [MANU/SC/0386/1971: 91 ITR 0018 (SC)]. The onus falls on the person who had earlier admitted to prove it wrong. Therefore, the statements could form the basis of assessment.

63. The statements given to the Assessing officer under Section 132 (4) have legal force. Unless the retractions are made within a short span of time, supported by affidavit swearing that the contents are incorrect and it was obtained under force, coercion and by lodging a complaint with higher officials, the same cannot be treated as retracted."

38. Reference is further drawn to the ruling of Hon'ble Gujarat High Court in the matter of *Council of the Institute of Chartered Accountants of India v. Mukesh R. Shah*[4]**,** wherein Hon'ble Gujarat High Court, *inter alia,* states as under:

"49. Apart from the aforesaid, there is one more aspect of the mater. There is no explanation forthcoming as to why the letter dated 8.6.1993 retracting statement made in April, 1993 was not filed at any earlier point of time. Similarly, the affidavit dated 1.3.1995 also comes on record at a very belated stage. There is no explanation for the delay. A retraction, so as to dislodge the admission made, should come about at the earliest point of time. It goes without saying that a retraction made after a considerable length of time, would not have the same efficacy in law as a retraction made at the earliest point of time from the day of admission. A belated retraction would fall in the category of afterthought instead of being retraction.

50. That apart, for a retraction to be effective so as to dislodge the admission made earlier in point of time, the retraction has to be supported by contemporaneous evidence and the onus is on the person making such admission and retraction…."

[4]*MANU/GJ/0611/2003*

39. In view of the above, it is noted that as per the established jurisprudence, retraction from any previous statement given before any authority should be supported by cogent evidence, the same has to be made within a short span of time and if it was obtained under force or coercion, a complaint with higher officials should be lodged. Further, the retracted statement can still be used if it is corroborated by independent and cogent evidence.

40. Applying the legal principles derived from the above precedents, the followings were noted in the present proceedings:

(a.) The statement of Noticee 11 was recorded on January 20, 2025 on oath under section 11C of the SEBI Act wherein he admitted: (i) being approached by Noticee 10 for promotion of MOL; (ii) forwarding messages to Noticees 12 and 13; (iii) receiving Rs. 1.3 lakhs in cash from Noticee 10. The statement was recorded by investigating authority (IA) in the presence of Noticee 11 and bears his signature. The retraction is premised on alleged coercion and pre-recording of the statement by the IA. This claim is undermined by the following considerations:

(i.) If the statement was pre-recorded and forced, Noticee 11 would have had no knowledge of the specific names of telegram channels, the cash amounts or the chain of events described in the statement. The specificity of the statement weighs against pre-recording.

(ii.) The WhatsApp messages on Noticee 11's device independently corroborate the chain described in his statement.

(b.) The case of Noticee 12 presents a particularly peculiar picture. His journey through these proceedings is as follows:

(i.) Stage 1: Statement on oath (February 21, 2025) – admitted posting, cash receipts, deletion of messages.

(ii.) Stage 2: First reply filed through Advocate Rupendra Kumar Porwal – broadly consistent with the statement.

(iii.) Stage 3: Cross-examination – denied statement and claimed that the same was recorded under pressure.

(iv.) Stage 4: Fresh reply through new AR – sought to withdraw first reply and denied everything.

The significance of stage 2 cannot be undermined as the first reply of Noticee 12 was filed in these adjudication proceedings and not during investigation. It was a voluntary act of a person who had full legal representation. The first reply is a document filed before this AO and constitutes an admission in judicial/quasi-judicial proceedings. The attempt of Noticee 12 to withdraw the first reply without any cogent evidence by attributing it to a dispute with his earlier AR and submitting that he had not authorized Advocate Rupendra Kumar Porwal to file any reply is not tenable as the first reply of Noticee 12 filed in the present proceedings bears the signature of Noticee 12 and the authority letter/vakalatnama wherein Noticee 12 authorizing Rallymark Legal, Advocates and Legal Consultants to, *inter alia*, sign and submit letters/responses/applications and represent before SEBI is available on record and the same has also been duly signed by Noticee 12 and Advocate Rupendra Kumar Porwal. It is further noted that Noticee 12 did not challenge the first reply at the time it was filed rather he sought to withdraw it much later, i.e., after the cross-examination and when it was evident that the admission therein was damaging to his case, seems to be an afterthought.

(c.) Noticee 13 presents an even starker case. His written reply filed in the present proceedings is entirely his own voluntary act through his AR contains the following explicit admission:

> *"That the Noticee-13/Aviral Saxena's involvement within the whole scheme was limited to mere posting of recommendation on his Telegram Channels which was given to him by Noticee 11/Jalaj Agrawal."*

This is not an admission made during investigation under any alleged pressure. This is a voluntary admission made in written submissions filed before the undersigned in these proceedings, through an AR, with full benefit of legal advice. It is an admission of the core factual allegation that Noticee 13 posted the recommendation received from Noticee 11 on his Telegram channels. Further, in the same reply, Noticee 13 admitted that he received Rs. 25,000/- per day as commission and a total of Rs. 18-20 Lakh from Noticee 11 for posting recommendations during November, 2021 to March, 2022. The subsequent retraction during cross-examination directly contradicts his own written reply. Considering the submissions of Noticee 13 during cross-examination held on January 07, 2026, Noticee was granted an opportunity to file his additional submissions, if any, within 10 days. However, Noticee 13 has not filed any additional submissions. Hence, the admission has not been withdrawn and is binding on him.

(d.) All three Noticees have claimed that their statements were recorded under coercion, duress or pressure. In this regard, the following facts were noted:

(i.) The allegation of coercion/duress/pressure is not supported by any contemporaneous complaint or any other corroborating material. It is a bare assertion, made for the first time at the adjudication stage, long after the statements were recorded during investigation. The legal burden of proving coercion lies on the Noticees and the same has not been discharged.

(ii.) Further, as discussed above, the first reply of Noticee 12 filed through Advocate Rupendra Porwal was broadly consistent with the statement. A person who has been pressurized into making a false statement invariably corrects it at the first available opportunity. Noticee 12's first reply, filed with full legal assistance, was consistent with the statement and did not raise any allegation of coercion or pressure while recording the statement. The coercion allegation emerged only when Noticee 12 changed his Advocate.

(iii.) Noticee 13's own reply, filed before this AO, contained admissions consistent with the statement. A person who had been pressurized and forced to make a false statement would not, in his own voluntary reply before the AO, replicate the substance of that statement. The fact that he did so in his reply is the strongest evidence that the original statement was voluntary.

(iv.) As noted earlier, the original statements contain specific details, i.e., telegram channel names, specific cash amounts, names of persons, mechanism of deletion of messages, dates of posting, etc., that could only have been known to the persons making the statements. The allegation that such specific, accurate and internally consistent statements were pre-fabricated by the IA is not tenable as no motive has been attributed to the IA for fabricating such details.

(v.) CDR data as available on record shows numerous calls of Noticee 11 with Noticee 10 on January 31, 2022 and February 01, 2022 and with Noticee 12 and Noticee 13 on January 31, 2022. Further, the same has not been disputed by any of these Noticees.

(vi.) The original statements find substantial corroboration in: (a) WhatsApp messages on the seized device; (b) CDR data; (c) price-volume impact on the scrip; (d) the first reply of Noticee 12 and (e) the admission of Noticee 13 in his written reply before this AO.

41. The aforesaid facts lead to the conclusion that the alleged coercion, duress, threat and pressure by Noticees 11 to 13 is an afterthought and is not credible.

42. Noticees 11 and 12 had repeatedly requested for the cross-examination of IA in their replies. The same was denied, since facts and inferences in an investigation report are based on material collected during an investigation which was provided to these Noticees during the adjudication proceedings. Further, no statement of IA had been recorded and relied in the present matter. In this context, reference is drawn to the ruling of Hon'ble SAT in the matter of Setco Auto Systems Pvt. Ltd. v. SEBI[5], wherein Hon'ble SAT, *inter alia*, held as under:

[5] *Appeal No. 125 of 2025 dated March 17, 2025.*

"11. So far as the request for cross-examination of the officer who has conducted the inquiry in this case is concerned, we find no necessity in the facts of this case as the authenticated copy of the report is being made available to the appellant."

43. In view of the aforesaid, the request of Noticees 11 and 12 regarding cross-examination of IA was misplaced and hence denied.

44. Noticee 11 has raised the issue that entire investigation report had not been provided to him earlier and the same was provided only after the Hon'ble SAT Order which shows that the investigation is biased. In this regard, it is noted that following the directions of Hon'ble SAT and in the interest of natural justice, entire investigation report has been provided to Noticee and the Noticee was also provided sufficient opportunities to file his submissions after the supply of entire investigation report and of personal hearing. Noticee has failed to demonstrate any prejudice caused to him due to the subsequent supply of entire investigation report. Accordingly, the submission of Noticee in this regard is devoid of merit.

45. Noticee 11 contended that investigation report includes the NSE findings which reads as under, *"NSE had carried out an examination in the scrip of MOL for the period October 01, 2021 to March 31, 2022. NSE, inter alia, stated that multiple alerts were generated at exchange level for the scrip during the aforesaid period, however, no adverse findings were observed. It was further stated that the price movement in the scrip during the aforesaid period was driven purely by the forces of demand and supply."* In this regard, it is pertinent to note that based on price/volume movements in the scrip, SEBI independently conducted further investigation in the matter. It is further noted that supporting documents forming the basis of the allegations levelled in the SCN were duly provided to the Noticee as annexures to the SCN. Hence, the submission of Noticee in this regard is without any merit.

46. Noticee 11 has raised the contention that the WhatsApp messages extracted from the seized device are inadmissible in the absence of the signature of Noticee or of the

officer who allegedly recovered them, seizure memo and a section 65B certificate under the Indian Evidence Act. In this regard, I note that section 1 of the Indian Evidence Act, 1872 mentions that the Indian Evidence Act, 1872 applies to *"all judicial proceedings in or before any Court"*. However, the present Adjudication Proceedings are quasi-judicial in nature. In this context, I would like to refer to the order of the Hon'ble Supreme Court in the matter of *Tata Consultancy Services Limited v. Cyrus Investments Pvt. Ltd*[6]*.* dated March 26, 2021, wherein it was, *inter alia*, held as under:

> *"It is true that the rigors of Code of Civil Procedure and the Evidence Act are not applicable to Tribunals/Quasi-Judicial Authorities. These rigours do not even apply to Courts dealing with constitutional matters (refer the Explanation Under Section 141 Code of Civil Procedure)."*

47. It is further noted that entire extraction report (comprising of 16,992 pages) of the Noticee's digital device as extracted by the digital forensic company has been provided to Noticee and the Noticee has not disputed any contents of such report in specific. The WhatsApp messages were extracted from Noticee 11's own device. The messages contain specific, detailed buy recommendations for MOL with price targets and return projections. In view of the above, I do not find any merit in the aforesaid contention of the Noticee and reject the same.

48. Noticee 11, in his additional reply filed after cross-examination, raised the contention that the IA neither administered any oath to Noticees 12 and 13 nor explained to them the significance of the statements being recorded under section 11C(5) of the SEBI Act. This contention is based entirely upon the submissions made by Noticees 12 and 13 during their cross-examination, wherein they submitted that they were merely asked to sign documents prepared by the IA without any oath being administered. In this regard, it is imperative to note the factual position as it stands on the investigation record. The statements of Noticees 12 and 13, conspicuously contain the followings:

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[6] *2021 INSC 217 dated March 26, 2021*

(a.) The preamble/header of each statement expressly records that the deponent appeared before the IA and was examined on oath and that oath was duly administered prior to the commencement of the recording of the statement.

(b.) The statements bear the signatures of Noticees 12 and 13 in their statements.

(c.) The statements bear the signature of the IA.

49. Thus, on the face of the record, it is clearly documented that oath was administered to both Noticees 12 and 13. The claim that oath was not administered is a bare oral assertion made during cross-examination, directly contradicting a signed contemporaneous written record bearing the signatures of the very persons who now make this claim. It is well settled legal principle that a party who has signed a document is presumed to have read and understood its contents. A person who appends his signature to a document without reading it does so at his own peril and cannot subsequently claim ignorance of or contradiction to its contents. In the present case, the statements of Noticees 12 and 13 bear on their face a recital of oath administration, signed by the Noticees themselves. The bare oral assertion of non-administration of oath, made for the first time during cross-examination without any contemporaneous complaint or protest is insufficient to prevail over the signed written record. Accordingly, the submission of Noticee 11 is not tenable.

50. Noticee 11 has raised the contention that his communication with Noticee 10, as evidenced by the CDR analysis, was not related to any scheme of circulating misleading stock recommendations in MOL. Instead, Noticee 11 has claimed that he was in touch with Noticee 10 for the purpose of opening a bar in Indore city jointly with Noticee 10, which ultimately could not be concluded fruitfully. In this regard, it is noted that this contention of Noticee 11 is a bare assertion without any supporting evidence. It is further noted that this contention was raised for the first time in the reply filed by Noticee 11 in these adjudication proceedings. It was not raised at the time of recording of the original statement of Noticee 11. In his own statement recorded on oath on January 20, 2025, when asked about his connection with Noticee 10, Noticee 11 made

no mention of any bar venture. Instead, he specifically stated that Noticee 10 approached him for promotion of MOL shares. Accordingly, this submission of Noticee is devoid of merit.

51. Noticees 11 to 13 have contended that if the average performance of scrip during the period from January 19, 2022 (start of Patch V of investigation period) to January 28, 2022 would have compared with performance of scrip on alleged recommendation days, i.e., January 31, 2022 and February 01, 2022, it would not have shown any effective market movement, however, in the present matter, comparison of movement of scrip on January 31, 2022 and February 01, 2022 had been made only with its last trading day. In this context, I would like to refer to the price–volume data of MOL for the period from January 19, 2022 (start of Patch V of investigation period) to February 28, 2022:

Table 8

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume	No of Trades
19-Jan-22	54.90	57.90	50.05	53.25	28,27,605	13,933
20-Jan-22	54.20	56.55	42.60	42.60	25,80,387	6,890
21-Jan-22	34.10	34.10	34.10	34.10	4,09,208	2,410
24-Jan-22	27.30	39.00	27.30	37.90	76,08,524	28,076
25-Jan-22	39.50	39.90	30.35	31.50	44,13,778	22,214
27-Jan-22	30.00	33.95	29.00	33.00	56,93,733	9,944
28-Jan-22	33.70	34.30	32.60	33.30	12,06,244	2,442
31-Jan-22	33.90	36.35	31.60	36.05	29,89,999	12,301
01-Feb-22	36.40	37.90	35.10	36.35	27,38,979	14,467
02-Feb-22	36.60	36.70	32.75	32.75	14,17,777	5,901
03-Feb-22	29.50	32.00	29.50	29.50	32,76,280	6,945
04-Feb-22	28.10	29.50	26.55	26.55	23,48,817	8,888
07-Feb-22	25.25	25.25	25.25	25.25	2,95,604	1,778
08-Feb-22	24.00	26.40	24.00	26.00	35,73,512	7,307
09-Feb-22	25.90	26.20	24.70	25.05	8,94,102	3,458
10-Feb-22	24.95	25.35	23.80	23.80	10,04,203	3,666
11-Feb-22	23.95	24.95	22.95	24.35	11,87,091	3,174
14-Feb-22	23.55	23.70	23.15	23.15	2,14,860	1,106

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume	No of Trades
15-Feb-22	22.00	22.70	22.00	22.00	11,66,135	1,667
16-Feb-22	20.90	22.00	20.90	21.40	12,17,315	3,939
17-Feb-22	21.85	22.45	20.35	22.45	20,63,200	2,470
18-Feb-22	23.00	23.55	22.20	23.50	17,48,585	2,436
21-Feb-22	23.05	24.15	22.35	22.35	5,38,627	1,478
22-Feb-22	21.25	22.80	21.25	21.45	2,85,991	924
23-Feb-22	20.70	21.45	20.40	20.40	3,47,727	1,555
24-Feb-22	19.40	19.40	19.40	19.40	61,038	600
25-Feb-22	18.45	19.35	18.45	18.45	13,31,494	1,802
28-Feb-22	17.55	17.55	17.55	17.55	4,33,832	988

52. From the aforesaid table, it is noted that during the eight trading days of Patch V before the Recommendation Dates (January 19 to January 28, 2022), the MOL scrip was in a continuous and steep downtrend, falling from Rs. 53.25 on January 19, 2022 to Rs. 33.30 on January 28, 2022, a fall of approximately 37.4% in eight trading days. Against this backdrop of a steep downtrend, the price of MOL reversed sharply upward precisely on January 31, 2022 rising 8.26% to Rs. 36.05 and further to Rs. 36.35 on February 01, 2022. This upward reversal of approximately 9.16% in two days, in the middle of a 37% downtrend, is a significant anomaly. It is also pertinent to note that after February 01, 2022, the price resumed its downtrend and fell to Rs. 17.55 by February 28, 2022, i.e., a fall of 51.72% from the Recommendation Date closing price.

53. Regarding the Noticee's contention that the average price of Patch V (January 19, 2022, to January 28, 2022) should serve as the comparison baseline, it is observed that January 19 and 20 represent the beginning of a sharp downward trend. Because prices began falling from January 19 onwards with the sole exception of the recommendation days on January 31 and February 01, the closing prices on those initial days remained significantly inflated. Consequently, calculating an average that includes these early days, which function as the tail end of Patch IV, skews the baseline upward and distorts the overall analysis.

54. Regarding the Noticee's contention that the surge in the price and volume of MOL shares was driven by its migration from the NSE SME platform to the Main Board, it is noted from the Investigation Report that MOL migrated to the Main Board on May 21, 2021, well before the IP and significantly ahead of Patch V (January 19, 2022, to March 31, 2022). Consequently, the price and volume comparison for January 31, 2022 and February 01, 2022, evaluates data against a prior period during which MOL was already operating on the Main Board. Accordingly, the argument of Noticee is invalid.

55. In view of the above, contention that the price-volume analysis is flawed is rejected. The price-volume evidence, read together with the other evidence on record, establishes the impact of the misleading telegram recommendations on the scrip of MOL.

56. It was also contended that SEBI has not produced any telegram logs, channel screenshots, screenshots of the impugned recommendations, banking transactions, ledger accounts or recovery of cash allegedly paid for posting of the recommendations.

57. In this regard, it is pertinent to note the statements recorded on oath from Noticees 12 and 13. Both Noticees admitted to deleting their telegram channels upon learning of the search and seizure operations at the residence of Noticee 11. They further admitted to routinely deleting messages within these channels after market hours or upon explicit instructions from Noticee 11. Because the telegram channels and data were intentionally destroyed, producing direct digital evidence is not feasible. Furthermore, the Noticees admitted that Noticees 11, 12, and 13 were compensated in cash for posting the misleading recommendations, effectively eliminating any banking or audit trail. In this context, reliance is placed on the order of Hon’ble

Supreme Court in the matter of ***SEBI v. Kishore R Ajmera*[7], **wherein the Apex Court, *inter alia*, states as under:

> *"22. It is a fundamental principle of law that proof of an allegation levelled against a person may be in the form of direct substantive evidence or, as in many cases, such proof may have to be inferred by a logical process of reasoning from the totality of the attending facts and circumstances surrounding the allegations/charges made and levelled. While direct evidence is a more certain basis to come to a conclusion, yet, in the absence thereof the Courts cannot be helpless. It is the judicial duty to take note of the immediate and proximate facts and circumstances surrounding the events on which the charges/allegations are founded and to reach what would appear to the Court to be a reasonable conclusion therefrom. The test would always be that what inferential process that a reasonable/prudent man would adopt to arrive at a conclusion.*
> *…..*
> *26………The test, in our considered view, is one of preponderance of probabilities so far as adjudication of civil liability arising out of violation of the Act or the provisions of the Regulations framed thereunder is concerned. Prosecution under Section 24 of the Act for violation of the provisions of any of the Regulations, of course, has to be on the basis of proof beyond reasonable doubt…."*

58. In view of the aforesaid, it is well-settled that proceedings under the SEBI Act are civil in nature and are determined on the touchstone of the preponderance of probabilities. The law does not mandate that every constituent fact of a fraudulent scheme be established through direct evidence. Fraudulent schemes are, by their very nature, executed covertly and participants in such illicit activities seldom leave a direct evidentiary trail. Consequently, liability must be inferred through a logical process of reasoning drawn from the totality of the attending facts and circumstances. In the present case, the fraudulent scheme stands established through a consistent chain of mutually corroborative evidence comprising: (i) statements recorded on oath; (ii) WhatsApp communications recovered from the seized device of Noticee 11; (iii) Call Detail Records (CDRs) proving contemporaneous communication among the Noticees; (iv) formal admissions contained in the replies filed by Noticees 12 and 13

[7] *Civil Appeal No. 2818 of 2008 dated February 23, 2016*

in this adjudication proceedings; and (v) the immediate, contemporaneous price-volume behavior of the scrip following the posting of the recommendations.

59. These circumstances, when evaluated cumulatively, constitute cogent and convincing evidence of a coordinated mechanism to post misleading recommendations in telegram channels. Accordingly, the contentions raised by the Noticees regarding the lack of direct evidence are devoid of merit and stand rejected.

60. Having held that the statements of Noticees 11, 12 and 13 are voluntary and corroborated by independent evidence, it is now necessary to examine whether the role attributed to Noticee 10 in the fraudulent scheme also stands established from the evidence available on record as Noticee 10 has not submitted any reply in the present proceedings.

61. The evidence on record establishes that Noticee 10 was the originating point of the entire chain of events. Firstly, Noticee 11, in his statement recorded on oath, categorically stated that it was Noticee 10 who approached him for promotion of the shares of MOL. Noticee 11 further explained that the recommendation messages originated from Noticee 10 and were thereafter forwarded to Noticees 12 and 13 for posting through their respective telegram channels. Noticee 11 also admitted that he received approximately Rs.1.30 lakh in cash from Noticee 10 towards the said activity. As already discussed in detail, the subsequent retraction of Noticee 11 has been rejected. The statement has been found to be voluntary and stands independently corroborated by contemporaneous material. Consequently, the evidence establishes the specific role played by Noticee 10.

62. Secondly, the statements of Noticees 12 and 13 independently corroborate the role of Noticee 10. Both Noticees admitted that the recommendations posted by them were received from Noticee 11. Noticee 11, in turn, specifically identified Noticee 10 as the source of those recommendations. Thus, the statements, when read together,

establish a continuous and consistent chain commencing from Noticee 10 and ending with dissemination through the telegram channels.

63. Thirdly, the CDR analysis provides substantial independent corroboration. The CDRs demonstrate repeated telephonic communication between Noticee 10 and Noticee 11 on January 31, 2022 and February 01, 2022. The same period also reflects communication between Noticee 11 and Noticees 12 and 13. This sequence of communications is entirely consistent with the mechanism disclosed by the Noticees in their respective statements.

64. Fourthly, the WhatsApp communications recovered during investigation also support the version that recommendation messages were being circulated amongst the concerned Noticees before being posted on telegram channels. These records provide contemporaneous corroboration to the statements recorded under section 11C of the SEBI Act.

65. In view of the aforesaid discussions and considering the statements of the Noticees 10 to 13, the Call Detail Records, the WhatsApp communications, the sequence of posting of recommendations and the contemporaneous market behaviour together establish, on a preponderance of probabilities, that Noticee 10 was the originator of the scheme for posting of misleading recommendations in the scrip of MOL. Accordingly, I hold that the role attributed to Noticee 10 stands established by the evidence available on record.

66. Therefore, I hold that the subsequent retractions of their statements by Noticees 11 to 13 are afterthoughts unsupported by any credible evidence and the investigation findings stand independently corroborated by other evidences namely WhatsApp communications extracted from the device of Noticee 11, call data records evidencing contemporaneous communication amongst the Noticees 10 to 13, the written admissions subsequently made by Noticees 12 and 13

before the undersigned and the corresponding reversal in the price and trading pattern of the scrip immediately following such posting of recommendations in telegram channels.

67. It was further contended that the essential ingredients of "fraud" are not established in the present case and therefore, the provisions of PFUTP Regulations are not attracted. In this regard, I would like to refer to the definition of “fraud” as given in regulation 2(1)(c) of PFUTP Regulations:

> *“(c) “fraud” includes any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss…”*

68. I would also like to refer to the order of the Hon’ble Supreme Court in the matter of ***SEBI v. Shri Kanaiyalal Baldevbhai Patel***[8]**,** wherein the Hon’ble Supreme Court, *inter alia*, stated as under:

> *“The definition of 'fraud', which is an inclusive definition and, therefore, has to be understood to be broad and expansive, contemplates even an action or omission, as may be committed, even without any deceit if such act or omission has the effect of inducing another person to deal in securities. Certainly, the definition expands beyond what can be normally understood to be a 'fraudulent act' or a conduct amounting to 'fraud'. The emphasis is on the act of inducement and the scrutiny must, therefore, be on the meaning that must be attributed to the word "induce".*
> *………..*
> *The difference between inducement in criminal law and the wider meaning thereof as in the present case, is that to make inducement an offence the intention behind the representation or misrepresentation of facts must be dishonest whereas in the latter category of cases like the present the element of dishonesty need not be present or proved and established to be present. In the latter category of cases, a mere inference, rather than proof, that the person induced would not have acted in the manner that he did but for the inducement is sufficient. No element of dishonesty or bad faith in the making of the inducement would be required.”*

[8]Civil Appeal No. 2595 of 2013 dated September 20, 2017

69. In this respect, reference is also made to the recent judgment of the Hon'ble Supreme Court in the matter of ***Reliance Industries Limited and others v. SEBI***[9], wherein the Apex Court has provided further clarity on interpretation of the term "fraud" under the PFUTP Regulations and, *inter alia*, held 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 alienating it from the object of the enactment and language used in other parts of the definition itself and the provisions of the Act. We find it apposite to purposively interpret Regulation 2(1)(c). In 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.*
>
> *176. We may, with a view to obviate any confusion, clarify that inducing another person or their agent to deal in securities, remains a strict requirement for establishing fraud. This Court in SEBI v. Rakhi Trading (P) Ltd., reported in (2018) 13 SCC 753. This Court held therein that once the factum of manipulation was established, there is no requirement to establish whether other persons were induced to deal in securities, as such manipulation is deemed to have taken place because of inducement."*

70. According to Hon'ble Supreme court, if injury due to a wrongful act is established, there is no requirement to prove deceitful intention. However, if injury is impossible to be proved, then proving wrongful intention is mandatory. Further, if the deceitful

[9] *Civil Appeal No. 4015 of 2020 dated May 29, 2026*

intention to defraud and manipulate the securities markets is clear from the blatant misconduct or attendant circumstances that cogently establish wrongful intention, then proving of the injury is not required. In the given case, the conduct of the Noticees 10 to 13 is so blatant that they acted in tandem to artificially increase the price of the scrip of MOL by posting misleading recommendations through telegram channels operated by Noticee 12 and 13. The said buy recommendations containing optimistic price targets and projected returns (40-50%) in the scrip of MOL were circulated through multiple telegram channels on January 31, 2022 and February 01, 2022. The evidence establishes that the recommendations originated from Noticee 10, were routed through Noticee 11 and thereafter posted through the telegram channels operated by Noticees 12 and 13 in consideration of cash payments. The statements recorded during investigation, the WhatsApp communications, the Call Detail Records and the voluntary admissions made by Noticees 12 and 13 clearly establish that the telegram channel operators were acting as paid disseminators of promotional messages supplied by Noticee 10. Thus, the mala fides of Noticees 10 to 13 is evident from the unscrupulous conduct of these Noticees which invariably points to the sole conclusion of manipulation of the price of the scrip of MOL.

71. Such recommendations created a false appearance of bullish sentiment regarding the scrip of MOL. An ordinary investor reading recommendations simultaneously appearing across multiple telegram channels would believe that they reflected independent market analysis and genuine investment opinion while in reality, the recommendations were coordinated and sponsored. The deception therefore lies not merely in the contents of the recommendations but also in the deliberate concealment of their true origin and sponsored nature. Investors were never informed that the recommendations had been circulated pursuant to a paid arrangement involving the Noticees. Consequently, the posting of such sponsored recommendations constituted a deceptive device which squarely satisfies the second test laid down by the Hon'ble Supreme Court in the matter of Reliance Industries Limited v. SEBI (supra), i.e., "*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."

72. In addition to the aforesaid, the element of fraud is conspicuous on face of record in this matter. It has been alleged in this regard against the Noticees 10 to 13 that they had violated regulation 4(2)(k) and (r) of PFUTP Regulations as well. As per regulation 4(2)(k), dealing in securities is deemed to be fraudulent if it involves dissemination of information or advice through any physical or digital media which the disseminator knows to be false or misleading and which is designed or likely to influence the decisions of investors dealing in securities. In this case, Noticees 10, 11, 12 and 13 were instrumental in disseminated misleading recommendations containing highly optimistic price targets and projected returns to the tune of 40 to 50% in the scrip of MOL through the telegram channels of Noticee 12 and 13 on January 31, 2022 and February 01, 2022. It is also evident from the records available and statements of Noticees that they knew that the said recommendations were false and misleading and were likely to influence the decisions of investors dealing in securities. Thus, the conduct of the Noticees squarely meets all the ingredients of regulation 4(2)(k) of PFUTP Regulations. Similarly, the aforesaid conduct of Noticee 10, 11, 12 and 13 also meets all the ingredients of regulation 4(2)(r) which states that dealing in securities is deemed to be fraudulent if it involves knowingly planting false or misleading news which may induce sale or purchase of securities. In this connection, it is observed that following the posting of misleading recommendations in telegram channels on January 31, 2022 and February 01, 2022, the scrip of MOL witnessed a sharp upward reversal in both price and trading activity despite having remained in a sustained downtrend during the immediately preceding trading sessions. Thus, it is evident that the dissemination of false/misleading recommendations/news had actually induced investors which resulted in sale and purchase of shares of MOL.

73. The closing price of the scrip had fallen from Rs. 53.25 on January 19, 2022 to Rs. 33.30 on January 28, 2022, representing a decline of approximately 37% within a span of eight trading days. Against this consistent downward trajectory, the price abruptly increased to Rs. 36.05 and Rs. 36.35 on January 31, 2022 and February 01, 2022 respectively, immediately following the posting of the impugned recommendations. Thereafter, the scrip resumed its declining trend and ultimately fell to Rs. 17.55 by February 28, 2022, thereby demonstrating that the temporary upward movement coincided with the posting of the impugned recommendations. The conduct of the Noticees was, therefore, inherently capable of inducing investors to purchase shares of MOL by creating an artificial appearance of attractiveness. In this context, reference is also drawn to the order of the Hon'ble Supreme Court in the matter of ***SEBI v. Rakhi Trading and other connected Civil Appeals***[10]**,** wherein the Hon'ble Supreme Court, *inter alia*, held as under:

> *"If the factum of manipulation is established, it will necessarily follow that the investors in the market have been induced to buy or sell and that no further proof in this regard is required. The market, as already observed, is so widespread that it may not be humanly possible for the Board to track the persons who were actually induced to buy or sell securities as a result of manipulation and the Board cannot be imposed with a burden which is impossible to be discharged."*

74. In view of the aforesaid discussions, the contention regarding the absence of essential ingredients of fraud is not tenable.

75. Accordingly, it is established that Noticees 10 to 13 had colluded and posted misleading stock recommendations in the scrip of MOL through telegram channels on January 31, 2022 and February 01, 2022 and thereby, violated the provisions of sections 12A(a), (b), (c) of SEBI Act and regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), 4(2)(k) and 4(2)(r) of PFUTP Regulations.

[10] *Civil Appeal No. 1969 of 2011 dated February 08, 2018*

Issue II. Whether Noticee 1 had engaged Noticee 10 for circulation of misleading telegram messages in the scrip of MOL with a view to induce investors to acquire shares of MOL which enabled Noticees 1 to 9 to offload their accumulated holdings at inflated prices and whether Noticees 2 to 9 had aided and abetted the said scheme, thereby violating the provisions of SEBI Act and PFUTP Regulations?

76. The allegation against Noticees 1 to 9 is that Noticee 1 had engaged Noticee 10 for circulation of misleading telegram messages on January 31, 2022 and February 01, 2022 so as to enable Noticees 1 to 9 to offload their accumulated holdings of MOL at artificially inflated prices.

77. The issues that are required to be examined in this regard is whether the trading pattern of Noticees 1 to 9 establishes that they accumulated shares in anticipation of the telegram recommendations and offloaded such holdings pursuant to the dissemination of misleading messages and if yes, then whether Noticees 1 to 9 acted in concert with Noticees 10 to 13 in disseminating misleading recommendations through telegram channels during January 31, 2022 and February 01, 2022.

78. At this juncture, I would also like to refer to the price movement of MOL during the period of dissemination of misleading recommendations in the scrip of MOL through telegram channels:

Table 9 (Price in Rs.)

Date	Open	High	Low	Close
27-Jan-22	30.00	33.95	29.00	33.00
28-Jan-22	33.70	34.30	32.60	33.30
31-Jan-22	33.90	36.35	31.60	36.05
01-Feb-22	36.40	37.90	35.10	36.35
02-Feb-22	36.60	36.70	32.75	32.75
03-Feb-22	29.50	32.00	29.50	29.50
04-Feb-22	28.10	29.50	26.55	26.55
07-Feb-22	25.25	25.25	25.25	25.25
08-Feb-22	24.00	26.40	24.00	26.00
09-Feb-22	25.90	26.20	24.70	25.05
10-Feb-22	24.95	25.35	23.80	23.80
11-Feb-22	23.95	24.95	22.95	24.35

Date	Open	High	Low	Close
14-Feb-22	23.55	23.70	23.15	23.15
15-Feb-22	22.00	22.70	22.00	22.00
16-Feb-22	20.90	22.00	20.90	21.40
17-Feb-22	21.85	22.45	20.35	22.45
18-Feb-22	23.00	23.55	22.20	23.50
21-Feb-22	23.05	24.15	22.35	22.35
22-Feb-22	21.25	22.80	21.25	21.45
23-Feb-22	20.70	21.45	20.40	20.40
24-Feb-22	19.40	19.40	19.40	19.40
25-Feb-22	18.45	19.35	18.45	18.45
28-Feb-22	17.55	17.55	17.55	17.55

Examination of trading pattern of Noticees 1 to 9

79. As per investigation report (IR), total buy and sell made by Noticees 1 to 9 in the scrip of MOL during the IP (May 31, 2021 to March 31, 2022) are as under:

Table 10

Sr. No.	Name of entity	Total Buy	Buy Value	Total Sell	Sell Value
1	Anupam Narain Gupta (Noticee 1)	1,96,14,732	75,82,39,628	2,02,63,817	78,04,73,256
2	Narain Kumar Gupta (Noticee 2)	8,84,150	3,75,00,685	8,83,425	3,68,02,928
3	Narain Kumar Gupta HUF (Noticee 3)	12,18,726	5,15,06,428	11,24,244	4,61,52,611
4	Abhay Narain Gupta (Noticee 4)	63,17,944	24,64,49,459	63,66,271	24,89,21,451
5	Abhay Gupta HUF (Noticee 5)	11,10,304	4,60,48,784	11,10,304	4,53,25,718
6	Pro Fin Capital Services Ltd. (Noticee 6)	14,52,500	4,53,86,659	10,23,041	3,83,85,133
7	Ambe Securities Pvt. Ltd. (Noticee 7)	20,97,018	7,90,44,762	20,93,518	7,62,06,517
8	Triyamb Securities Pvt. Ltd. (Noticee 8)	13,40,000	3,83,88,365	6,41,000	2,31,40,479
9	Rohit Arora (Noticee 9)	11,06,000	3,98,52,005	11,06,000	4,09,71,880
Total		3,51,41,374	1,34,24,16,775	3,46,11,620	1,33,63,79,974

80. It is further noted from IR that Noticees 1 to 9 have accumulated 35,31,480 shares of MOL at the end of Patch IV of IP, i.e., January 18, 2022. Out of 35,31,480 accumulated shares, Noticees 1 to 9 net sold 30,86,726 shares during Patch V of IP (January 19,

2022 to March 31, 2022). It is further noted from IR that during the period from January 31, 2022 to March 31, 2022, i.e., after the misleading recommendations on telegram channels were broadcasted, Noticees 1 to 9 net sold 12,93,276 shares. Further, from the trading details enclosed as the annexures to investigation report, it is noted that Noticees 1 to 9 have net sold 12,93,276 shares during the period from January 31, 2022 to March 31, 2022 in the following manner:

Table 11

Noticee	**No. of shares sold from January 31, 2022 to February 01, 2022**	**No. of shares sold from February 04, 2022 to March 31, 2022**	**No. of Shares bought during the period from January 31, 2022 to February 01, 2022**	**Total**
Noticee 1	66,033	3,32,146	1,32,520	2,65,659
Noticee 2	-	71,250	7,250	64,000
Noticee 3	-	14,000	20,000	-6,000
Noticee 4	1,00,000	2,60,580	300	3,60,280
Noticee 5	1,00,000	2,072	1,500	1,00,572
Noticee 6	-	50,000	-	50,000
Noticee 7	18,997	4,88,750	-	5,07,747
Noticee 8	-	48,018	97,000	-48,982
Noticee 9	-	-	-	-
Total	**2,85,030**	**12,66,816**	**2,58,570**	**12,93,276**

81. It is noted that Noticee 1, who is alleged to be the principal beneficiary of the scheme, sold 66,033 shares on February 01, 2022 at an average price of Rs. 37.15. Thereafter, the bulk of his sales comprising 3,32,146 shares took place between February 04, 2022 and March 25, 2022 at an average price of Rs. 22.69, indicating that the majority of his disposals were effected after the price had already witnessed a significant decline. It is also pertinent to note that Noticee 1 had already purchased and sold more than 1.95 crore shares of MOL prior to the dissemination of misleading messages in telegram channels.

82. Likewise, Noticee No. 2 had accumulated 64,725 shares as on January 30, 2022 after having already purchased and sold more than eight lakh shares prior to the dissemination of misleading messages in telegram channels. The accumulated quantity was substantially sold (64,000 shares) only on February 04, 2022 at an average price of Rs. 26.55, considerably below the price prevailing around January 31, 2022 and thereafter the Noticee continued to both purchase and sell shares in February and March 2022.

83. Similarly, Noticee No. 3 did not sell any shares either on January 31, 2022 or during the entire month of February 2022 and sold only 14,000 shares during March 2022 at an average price of Rs. 17.94.

84. Noticee 4 sold 1,00,000 shares on January 31, 2022 and the bulk of his sales comprising 2,60,580 shares took place between February 04, 2022 and March 25, 2022 at an average price of Rs. 22.44, indicating that the majority of his disposals were effected after the price had already witnessed a significant decline. It is also pertinent to note that Noticee 4 had already purchased and sold more than Sixty Lakh shares of MOL prior to the dissemination of misleading messages in telegram channels.

85. Noticee 5 had accumulated 1,00,572 shares as on January 30, 2022 after having already purchased and sold more than ten lakh shares prior to the dissemination of misleading messages in telegram channels. The accumulated quantity was substantially sold (100,000 shares) on January 31, 2022 at an average price of Rs. 35.95.

86. Noticee No. 6 did not undertake any sale during January or February 2022 and sold 50,000 shares only in March 2022 at Rs. 17.90 per share.

87. Noticee No. 7, despite holding more than five lakh accumulated shares, sold only 18,997 shares on February 01, 2022 and disposed of the remaining shares between February 08 and February 16, 2022 at an average price of Rs. 22.16.

88. Noticee 8 did not undertake any sale during January or February 2022 rather it had purchased 48,000 shares in February, 2022 and sold 48,018 shares only in March, 2022 at an average price of Rs. 19.05. Additional shares were also purchased by Noticee 8 in March, 2022.

89. Noticee 9 did not undertake any trading after November 30, 2021.

90. The aforesaid trading behaviour does not exhibit the characteristics ordinarily expected from entities who had allegedly orchestrated the dissemination of misleading recommendations with the intention of exiting their positions at artificially inflated prices. On the contrary, several Noticees either did not sell any shares during the relevant period, continued to purchase shares even after the telegram messages or disposed of substantial quantities only after the market price had fallen significantly. Such conduct does not demonstrate that the Noticees derived the intended benefit from the alleged dissemination of misleading information.

91. It is well settled that in cases involving allegations of fraudulent or manipulative conduct, direct evidence or meeting of minds may seldom be available and the adjudicating authority may rely upon a chain of surrounding circumstances to determine whether the allegations stand established. However, the circumstances relied upon must be such that, when considered cumulatively, they lead to a probable and reasonable inference of involvement in the alleged misconduct.

92. The trading pattern, which is the most significant surrounding circumstance in the facts of the present matter, does not support the allegation that Noticees 1 to 9 offloaded their holdings pursuant to the dissemination of the telegram messages. The other circumstances relied in the SCN, i.e., telephonic contact and common location

between Noticees 1 and 10, when viewed alongside a trading pattern that is inconsistent with the alleged modus operandi, are insufficient to establish, even on the touchstone of preponderance of probabilities, that Noticees 1 to 9 were parties to the alleged fraudulent scheme. Therefore, I am unable to hold that the allegation against Noticees 1 to 9 on the basis of the material available on record.

Issue III. Whether Noticee 10 has violated the provisions of section 11C(5) of SEBI Act?

93. It was alleged in the SCN that Noticee 10 has failed to appear before the investigating authority as required under summons and reminder summons issued under section 11C(5) of the SEBI Act.

94. Before proceeding into the alleged violations, it is important to see whether the summon and reminder summons issued by the SEBI during investigation process were served on the Noticee 10 or not. As per material available on record, I note that the summon dated January 17, 2025 and reminder summons dated January 27, 2025 and February 14, 2025 were issued to Noticee 10 on the available addresses and email IDs of the Noticee 10. However, all the summons issued physically to Noticee 10 were returned undelivered.

95. It is further noted that the digitally signed reminder summon dated February 14, 2025 was served upon Noticee 10 through a digitally signed email dated February 14, 2025, sent to the email IDs of the Noticee 10 available on record, including aXXXX949@gmail.com and aXXXXX9@gmail.com, which did not bounce back. It is also noted that the service of the summon dated January 17, 2025 was also attempted through MIIs and was successfully served to Noticee 10 on February 14, 2025. A copy of the acknowledgement of service of the summon through MIIs is available on record.

96. As discussed in paragraphs 12 to 16 and 29 of this order, sufficient opportunities were provided to Noticee 10 in the present adjudication proceedings to present his case by

way of reply to the SCN and also by way of personal hearing. However, it is a matter of record that Noticee 10 had failed to furnish his replies to the SCN and also failed to appear for personal hearing before the undersigned. In this regard, placing reliance on the rulings of the Hon'ble SAT in the matter of Sanjay Kumar Tayal & Others v. SEBI (supra) and Classic Credit Ltd. v. SEBI (supra), I am inclined to presume that Noticee 10 had nothing to submit in his defense and accordingly, I proceed with the matter ex-parte as against him.

97. From the material on record, it is noted that the Noticee 10 was given sufficient opportunities by the investigating authority to comply with the summons. It is further noted that the Noticee 10 was further informed of consequential proceedings of Adjudication and Prosecution under the SEBI Act, which may follow as a result of non-compliance with the said summons. However, the Noticee 10 had neither appeared before the investigating authority nor provided any response to the said summons.

98. I further note from the investigation report that statement of Noticee 10 was crucial for further investigation to determine his/other entities role with regard to the issue of the circulation of misleading recommendations in the scrip of MOL through various media including telegram channels and connection, if any, with other entities. Further, as per IR, Noticee 10 was the only crucial link between the disseminator of misleading recommendations and the actual traders.

99. I note that an obligation has been cast upon the Noticee 10 under section 11C(5) of the SEBI Act to comply with and to co-operate with the investigation process and to appear before the investigating authority in person, if required. In this context, I would like to refer to the order of the Hon'ble SAT in the matter of *Mr. Jalaj Batra v. SEBI*[11] wherein it was observed *"......We have observed time and again that it is of utmost importance that market players like the appellant should fully cooperate with the*

[11] *Appeal No. 184 of 2010 decided on December 06, 2010*

investigations that are carried out by the Board, the watchdog of the securities market. If market players and intermediaries avoid appearing before the investigating officer or furnish the necessary information sought from them, the Board as a market regulator will not be able to carry out its statutory functions and duties of protecting the integrity of the securities market and the investigations would be grossly hampered. Non-cooperation with the market regulator has to be viewed seriously. We do not know what else would have come to light if the appellant had appeared before the investigating officer or if he had furnished the requisite information that was sought from him."

100. In view of the above, I conclude that the Noticee 10 has violated the provisions of section 11C(5) of the SEBI Act.

Issue IV. Does the violation, if any, on the part of Noticees attract monetary penalty under sections 15HA and 15HB of the SEBI Act?

Issue V. If so, what would be the quantum of monetary penalty that can be imposed on Noticees after taking into consideration the factors stipulated in section 15J of the SEBI Act?

101. As it has been established that Noticees 10 to 13 had violated the provisions of sections 12A(a), (b), (c) of SEBI Act and regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), 4(2)(k) and 4(2)(r) of PFUTP Regulations and Noticee 10 has violated the provisions of section 11C(5) of the SEBI Act, these Noticees are liable for payment of a monetary penalty in the following manner:

Table 12

Noticee	**Violation of provisions established**	**Penalty under section**
Noticees 10 to 13	Sections 12A(a), (b), (c) of SEBI Act and regulations 3(a), (b), (c), (d), 4(1), 4(2)(a), 4(2)(k) and 4(2)(r) of PFUTP Regulations.	15HA of the SEBI Act
Noticee 10	Section 11C(5) of the SEBI Act	15HB of the SEBI Act

102. Sections 15HA and 15HB of the SEBI Act are reproduced below:

> *"**Penalty for fraudulent and unfair trade practices.***
> ***15HA.** If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher."*
>
> *"**Penalty for contravention where no separate penalty has been provided.***
> ***15HB.** Whoever fails to comply with any provision of this Act, the rules or the regulations made or directions issued by the Board thereunder for which no separate penalty has been provided, shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees."*

103. While determining the quantum of penalty under sections 15HA and 15HB, the following factors stipulated in section 15J of the SEBI Act are taken into account:

> ***"Factors to be taken into account while adjudging quantum of penalty.***
> *15J. While adjudging quantum of penalty under 15-I or section 11 or section 11B, the Board or the adjudicating officer shall have due regard to the following factors, namely: —*
> *(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;*
> *(b) the amount of loss caused to an investor or group of investors as a result of the default;*
> *(c) the repetitive nature of the default."*

104. The material available on record has neither quantified the amount of disproportionate gain or unfair advantage, if any, made by Noticees 10 to 13 nor the amount of loss, if any, caused to an investor/clients as a result of the default of these Noticees. However, it is noted from the statements of Noticees 12 and 13 recorded on oath that they used to receive Rs. 20,000/- to Rs. 25,000/- per day in cash to post such recommendations in their telegram channels. They have also stated that they received around an amount ranging from Rs. 18 Lakh to Rs. 22 Lakh in cash for posting recommendations across various scrips during the period from November 2021 to March 2022. Further, Noticee 11, in his statement recorded on oath, submitted that he had received Rs. 1.3 Lakh in cash while Noticee 12 received Rs. 4.5 Lakh in cash for posting recommendations in the scrip of MOL. As regards the repetitive

nature of the default, it is noted that following penalties have been imposed/directions issued against Noticees 10, 11 and 12 by SEBI.

Table 13

Sr. No.	Case Name	Date of Order	Violation of provisions of	Penalty imposed	Directions issued
Noticee 10					
1.	In the matter of Darshan Orna Limited	July 30, 2025	PFUTP Regulations	Rs. 10,00,000/-	NA
2.	In the matter of Retro Green Revolution Limited	March 17, 2026	PFUTP Regulations	Rs. 25,00,000/-	Restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner for the period of three years.
3.	In the matter of market manipulation in the scrip of Akash Infra-Projects Limited	July 28, 2026	PFUTP Regulations	Rs. 20,00,000/- (Joint and several by Noticees 10, 11 and 12)	NA
Noticee 11					
1.	In the matter of Covidh Technologies Limited	June 30, 2022	PFUTP Regulations	Rs. 15,00,000/-	NA
			Sections 11C(3) and 11C(5) of SEBI Act	Rs. 10,00,000/-	
2.	In the matter of trading activities of certain entities in the scrip of Panafic Industrials Limited	January 18, 2023	PFUTP Regulations	Rs. 15,00,000/-	NA
3.	In the matter of Superior Finlease Ltd.	May 22, 2024	PFUTP Regulations	Rs. 1,00,00,000/-	Restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly

Sr. No.	Case Name	Date of Order	Violation of provisions of	Penalty imposed	Directions issued
					or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of three (3) years.
4.	In the matter of Svarnim Trade Udyog Ltd.	May 31, 2024	PFUTP Regulations	Rs. 50,00,000/-	Restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of two (2) years
5.	In the matter of Darshan Orna Limited	July 30, 2025	PFUTP Regulations	Rs. 10,00,000/-	NA
6.	In the matter of stock recommendation tips in the scrip of Unison Metals Ltd.	February 05, 2026	PFUTP Regulations	Rs. 25,00,000/-	Restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of three years.
7.	In the matter of Retro Green Revolution Limited	March 17, 2026	PFUTP Regulations	Rs. 25,00,000/-	Restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner for the period of five years.
8.	In the matter of market manipulation in the scrip of Akash Infra-Projects Limited	July 28, 2026	PFUTP Regulations	Rs. 20,00,000/- (Joint and several by Noticees 10, 11 and 12)	NA

Noticee 12					
1.	In the matter of Superior Finlease Ltd.	May 22, 2024	PFUTP Regulations	Rs. 50,00,000/-	Restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of three (3) years.
2.	In the matter of Svarnim Trade Udyog Ltd.	May 31, 2024	PFUTP Regulations	Rs. 25,00,000/-	Restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of two (2) years
3.	In the matter of stock recommendation tips in the scrip of Unison Metals Ltd.	February 05, 2026	PFUTP Regulations	Rs. 25,00,000/-	Restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of three years.
4.	In the matter of market manipulation in the scrip of Akash Infra-Projects Limited	July 28, 2026	PFUTP Regulations	Rs. 20,00,000/- (Joint and several by Noticees 10, 11 and 12)	NA

105. In this context, I would like to refer to the order of the Hon'ble Supreme Court in the matter of ***N. Narayanan vs. SEBI***[12], wherein the Hon'ble Supreme Court has, *inter alia*, stated that:

> *"Prevention of market abuse and preservation of market integrity is the hallmark of Securities Law. Section 12A read with Regulations 3 and 4 of the Regulations 2003 essentially intended to preserve 'market integrity' and to prevent 'Market abuse'.*

[12] *Civil appeal nos.4112-4113 of 2013 dated April 26, 2013.*

The object of the SEBI Act is to protect the interest of investors in securities and to promote the development and to regulate the securities market, so as to promote orderly, healthy growth of securities market and to promote investors protection. Securities market is based on free and open access to information, the integrity of the market is predicated on the quality and the manner on which it is made available to market. 'Market abuse' impairs economic growth and erodes investor's confidence. Market abuse refers to the use of manipulative and deceptive devices, giving out incorrect or misleading information, so as to encourage investors to jump into conclusions, on wrong premises, which is known to be wrong to the abusers."

106. The aforementioned factors have been taken into consideration while adjudging the penalty.

ORDER

107. Having considered the facts and circumstances of the case, the material available on record, the factors mentioned in preceding paragraphs and in the exercise of powers conferred upon me under section 15-I of the SEBI Act read with rule 5 of the Rules, I hereby impose following monetary penalty on Noticees 10 to 13 under sections 15HA and 15HB of the SEBI Act and the adjudication proceeding initiated against Noticee 1 to 9 vide SCN dated June 18, 2025 is hereby disposed of without imposition of any penalty.

Table 14

Noticee	Penal Provision	Penalty Amount (in Rs.)	Total Penalty Amount (in Rs.)
Noticee 10	Section 15HA of the SEBI Act	15,00,000/- (Rupees Fifteen Lakh Only)	20,00,000/- (Rupees Twenty Lakh Only)
	Section 15HB of the SEBI Act	5,00,000/- (Rupees Five Lakh Only)	
Noticee 11	Section 15HA of the SEBI Act	15,00,000/- (Rupees Fifteen Lakh Only)	15,00,000/- (Rupees Fifteen Lakh Only)

Noticee	Penal Provision	Penalty Amount (in Rs.)	Total Penalty Amount (in Rs.)
Noticee 12	Section 15HA of the SEBI Act	10,00,000/- (Rupees Ten Lakh Only)	10,00,000/- (Rupees Ten Lakh Only)
Noticee 13	Section 15HA of the SEBI Act	10,00,000/- (Rupees Ten Lakh Only)	10,00,000/- (Rupees Ten Lakh Only)

108. I am of the view that the said penalty is commensurate with the lapses/omissions on the part of Noticees 10 to 13.

109. Noticees 10 to 13 shall remit/pay the said amount of penalty within 45 days of receipt of this order through online payment facility available on the website of SEBI, i.e., www.sebi.gov.in on the following path, by clicking on the payment link: ENFORCEMENT -> Orders -> Orders of AO -> PAY NOW.

110. In the event of failure to pay the said amount of penalty within 45 days of the receipt of this Order, recovery proceedings may be initiated under section 28A of the SEBI Act for realization of the said amount of penalty along with interest thereon, inter alia, by attachment and sale of movable and immovable properties of Noticees 10 to 13.

111. In terms of the provisions of rule 6 of the Rules, a copy of this order is being sent to Noticees and also to the SEBI.

JAI SEBASTIAN

Digitally signed by JAI SEBASTIAN
Date: 2026.07.30 16:53:25 +05'30'

Date: July 30, 2026 **JAI SEBASTIAN**

Place: Mumbai **ADJUDICATING OFFICER**