

SO/NM/PSD/2025-26/8213
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER

In respect of:

Name of the Entity/ Applicant	Settlement Application No.	PAN
M/s Antique Stock Broking Limited	8213/2024	AADCA3011B

In the matter of suspected front-running activities of M/s MBM Financial Services

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) conducted an investigation into the trading activities of M/s MBM Financial Services (PAN: ABBFM2497H) (hereinafter referred to as “**MBM Financial**”) which were suspected to have front run the trades of M/s Alpna Enterprises (PAN: AAMFA0654N) (“**Big Client**”), during the period from December 01, 2021 to June 30, 2022 (Investigation Period, hereinafter referred to as ‘IP’).
2. During the course of aforesaid investigation, it was observed that, M/s Antique Stock Broking Limited (hereinafter referred to as “**Applicant/Noticee/Antique**”), who was the broker of Big Client during the IP, failed to exercise due skill and care in its conduct as a registered stock-broker, and failed to keep evidence relating to order placement by its clients.

3. Based on the findings in the examination, a Show Cause Notice (hereinafter referred to as ‘SCN’) dated October 14, 2024 was served on the applicant. The SCN *inter alia* alleged the following:
- a) The Noticee failed to exercise due skill and care in its conduct as a registered stock-broker, which enabled its employee to use mobile phone inside the dealing room in contravention of its own internal policy. Further, Antique failed to ensure that trades of its clients are executed only after keeping evidence of the client placing such order, which could be, *inter alia*, in the form of physical record written and signed by client, telephone recording, e-mail from authorized e-mail id, log for internet transactions, record of messages through mobile phones, or any other legally verifiable record.
 - b) Applicant had therefore violated provisions of Clause A(2) and A(5) of Schedule II read with Regulation 9 of SEBI (Stock-Brokers) Regulations, 1992. Further, Antique violated Clause III of SEBI circular dated March 22, 2018 by not keeping evidence of the client placing such order.
4. In view of the above, the Applicant was called upon to show cause as to why appropriate directions to levy monetary penalty under Sections 11B(2) read with Section 15HB of the SEBI Act, 1992 should not be issued against it for the aforementioned alleged violations.

APPLICATION FOR SETTLEMENT OF PROCEEDINGS

5. The Applicant filed the following application with SEBI in terms of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”) proposing to settle the pending proceeding through a Settlement Order without admitting or denying the findings of fact and conclusions of law:

Table 1

Sr. no.	Name of the Entity/ Applicant	Date of Filing	Settlement Application No.
1	Antique Stock Broking Limited	November 26, 2024	8213/2024

6. Pursuant to receipt of the Settlement Application, the Applicant and his Authorised Representative had a meeting with the Internal Committee of SEBI (hereinafter referred to as 'IC') on December 20, 2024, wherein the terms of settlement were deliberated. The IC recommended Rs.29,25,000/- (INR Twenty Nine Lakhs Twenty-Five Thousand Only) as an indicative amount computed in terms of Schedule II r/w Regulation 10 of Settlement Regulations. Accordingly, the Applicant filed Revised Settlement Terms (hereinafter referred to as "RST") vide letter dated December 31, 2024 wherein the Applicant agreed for the payment of Settlement Amount of Rs.29,25,000/- (INR Twenty Nine Lakhs Twenty-Five Thousand Only)
7. The High Powered Advisory Committee (hereinafter referred to as 'HPAC') in its meeting held on January 29, 2025 considered the RST proposed by the Applicant and recommended the case for settlement. The recommendation of the HPAC was placed before the Panel of Whole Time Members of SEBI. In terms of Regulation 15 of the Settlement Regulations, the Panel of Whole Time Members of SEBI approved and accepted the recommendations of the HPAC on February 20, 2025 and the same was communicated to the Applicant on March 03, 2025.
8. Pursuant to the same, the applicant vide e-mail dated April 02, 2025 informed SEBI about the remittance of the settlement amount and SEBI has confirmed credit of the same.

ORDER

9. In view of the aforesaid and on the basis of the settlement terms and the receipt of settlement amount as mentioned above by SEBI, in exercise of the powers conferred under Section 15JB read with Section 19 of the SEBI Act and in terms of Regulations 23 read with Regulation 28 of the Settlement Regulations, it is hereby ordered that the instant proceedings initiated against the Applicant vide Show Cause Notice dated October 14, 2024 are disposed of by this settlement order.
10. This order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations to initiate any enforcement action against the applicant, if SEBI finds that:

- (a) any representations made by the Applicant in the settlement proceedings is subsequently found to be untrue; or
- (b) the Applicant has breached any of the clauses / conditions of undertakings / waivers filed during the current settlement proceedings; or
- (c) there was a discrepancy while arriving at the settlement terms.

11. This settlement order is passed on April 15, 2025 and shall come into force with immediate effect.

12. In terms of Regulation 25 of the Settlement Regulations, copy of this order is being sent to the Applicant, M/s Antique Stock broking Limited and to the SEBI.

Place: Mumbai

Date: April 15, 2025

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QUASI-JUDICIAL AUTHORITY
SECURITIES AND EXCHANGE BOARD OF INDIA