

Department: Investigation	Segment: All
Circular No: MSE/ID/18592/2026	Date: February 12, 2026

Subject: Confirmatory SEBI Order in the matter of M/S Patel Wealth Advisors Private Limited.

To All Members,

This is with reference to Exchange circular no MSE/ID/17089/2025 dated April 29, 2025 in respect of SEBI order no. WTM/KV/ISD/ISD-SEC-7/31389/2025-26 dated April 28, 2025 wherein SEBI has restrained Noticee No 1 from buying, selling or dealing in securities either directly or indirectly, in its proprietary account, with immediate effect. Further, Noticees No. 2 to 5 shall be restrained from buying, selling or dealing in securities either directly or indirectly, with immediate effect:

Noticee Nos	Name of Entity	PAN
1.	M/s Patel Wealth Advisors Private Limited	AAICP1902B
2.	Denish Maheshbhai Patel	AJZPP8683J
3.	Mitul Umedlal Vora	ACNPV6291K
4.	Kaushal Vasantrai Patel	AFQPP9120H
5.	Minish Maheshbhai Patel	AFQPP9233D

SEBI vide it's Final Order No. WTM/KV/ISD/ISD-SEC-7/32076/2025-26 dated February 11, 2026 stated that the directions issued vide the Interim Order in sub-para II of para 86 qua Noticee nos. 2 to 5 are modified to the extent that the restraint imposed on them from accessing the securities market and from buying, selling or otherwise dealing in securities, directly or indirectly, shall stand revoked. However, directions in the said para, qua the Noticee No. 1 will remain in force.

The detailed order is available on SEBI website - <http://www.sebi.gov.in>

This order shall come into force with immediate effect.

For and on behalf of
Metropolitan Stock Exchange of India Limited

Shweta Mhatre
Assistant Vice President

Metropolitan Stock Exchange of India Limited



WTM/KV/ISD/ISD-SEC-7/32076/2025-26

SECURITIES AND EXCHANGE BOARD OF INDIA
CONFIRMATORY ORDER

**UNDER SUB-SECTIONS (1) AND (4) OF SECTIONS 11 AND 11B OF THE
SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 IN THE MATTER OF
M/S PATEL WEALTH ADVISORS PRIVATE LIMITED**

In respect of:

Sr. no.	Name of Noticees	PAN
1.	M/s Patel Wealth Advisors Private Limited	AAICP1902B
2.	Denish Maheshbhai Patel	AJZPP8683J
3.	Mitul Umedlal Vora	ACNPV6291K
4.	Kaushal Vasantrai Patel	AFQPP9120H
5.	Minish Maheshbhai Patel	AFQPP9233D

(The above entities are individually referred to by their corresponding names/numbers and collectively referred to as "Noticees")

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A. BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") had passed an ex-parte interim order dated April 28, 2025 ("hereinafter referred to as "**Interim Order**") against Noticees for alleged contravention of provisions of the Securities and Exchange Board of India Act, 1992 (hereinafter referred as "**SEBI Act**") and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred as "**PFUTP Regulations**").
2. The observations and the *prima facie* findings of examination by SEBI recorded in the Interim Order are summarized in subsequent paragraphs.

B. OBSERVATIONS AND *PRIMA FACIE* FINDINGS IN THE INTERIM ORDER

3. From an overall analysis of the order placement and trading pattern of M/s Patel Wealth Advisors Private Limited (hereinafter referred as "**PWAPL**"), registered as a stock broker with SEBI, it was *prima facie* observed that PWAPL was first placing generally fully disclosed buy/ sell orders for large quantities, at prices which were substantially below/ above the prevailing price or last traded price ("LTP"). During the period when these orders on one side of the book (spoof side) were pending in the system, PWAPL was observed to be trading in the scrip by taking opposite position. Thus, placing partially disclosed sell/ buy orders and trading the same.
4. It was found that PWAPL's large artificial buy/ sell orders (which were placed significantly below/ above the market prices and subsequently deleted), on the spoof side, were generally fully disclosed quantities. However, the orders on the opposite side, which resulted into actual sell / buy transactions, were placed at partially disclosed quantities. Thereafter, when majority of its selling/ buying activity on opposite side used to get over, it used to cancel large buy/ sale orders placed on the spoof side, which were significantly away from market price.



5. In case of buy side spoofing PWAPL placed large buy orders, which were fully disclosed and placed at prices substantially lower than the LTP of the scrip, at the time of placement of the orders, with an intent of cancelling orders once the trades on the opposite side were executed. The aforesaid large buy orders constituted significant proportion of the pending market quantity on the buy side. The said artificial demand resulted in an increase in the price of the scrip, helping PWAPL to execute the orders on the opposite side at favorable higher prices. Thus, PWAPL used to book unlawful gains through such spoofing trades.
6. To explain order placement and trading pattern of PWAPL in various scrips for order spoofing, illustrations of order spoofing by PWAPL in few scrips were provided in the Interim Order. In Part E of the Interim Order, it was illustrated how PWAPL indulged in order spoofing activity in the scrip of Syrma SGS Technology Ltd. on August 29, 2022, in several patches during the day. PWAPL had placed large buy orders at prices significantly away from the market price of the scrip (lower than LTP), contributing significantly to the pending market quantity in the scrip on the buy side. When the said large orders were pending on the buy side PWAPL executed sell orders at higher prices, caused as a result of the artificial demand shown in the scrip by the large buy orders of PWAPL. Similarly, PWAPL also indulged in sell order spoofing wherein PWAPL placed large sell orders at prices significantly higher than the LTP of the scrip, contributing significantly to the pending market quantity in the scrip on the sell side. When the said large orders were pending on the sell side, PWAPL executed buy orders at lower prices, caused as a result of the artificial supply shown in the scrip by the large sell orders of PWAPL. Interim Order states that PWAPL had indulged in order spoofing in the scrip of Syrma SGS Technology Ltd in total 7 patches thereby, earning an approximate profit of INR 4.44 Lakhs.



7. A summary of the cumulative trading activity of PWAPL during the examination period and unlawful gains made therefrom (which is also provided in the Interim Order) is reproduced in the table below:

Table 1

Calculation of total unlawful gains made by PWAPL based on its trading profile

Particulars	Equity Segment				Equity Derivatives Segment			
	Calendar days	No of instances	Gross Traded Value (INR)	Intra-day Square off earned (INR)	Calendar days	No of instances	Gross Traded Value (INR)	Intra-day Square off earned (INR)
No of Scrip days/Contract days traded	633	12,989	5,36,85,54,25,687.80	-26,24,07,866.10	638	10,272	92,92,22,53,722.15	56,49,24,075.40
No of Scrip days/Contract days wherein Order Spoofing was observed.	74	146	3,92,04,50,104.80	1,72,02,676.11	93	146	1,26,08,76,320.80	1,50,59,690.94

Particulars	Across Equity and Equity Derivatives Segment			
	Calendar days	No. of instances	Gross Traded Value (INR)	Intra-day Square off earned (INR)
No of Scrip days/Contract days traded	731	23,261	6,29,77,76,79,409.95	30,25,16,209.31
No of Scrip days/Contract days wherein Order Spoofing was observed.	135	292	5,18,13,26,425.60	3,22,62,367.05



8. From the aforesaid trades, it was *prima facie* observed that during the examination period, PWAPL has made combined intra-day square off profit of INR 3,22,62,367.05 (INR 1,72,02,676.11 in Equity Segment and INR 1,50,59,690.94 in Equity Derivatives Segment) from the trades where pattern of spoofing was observed.
9. The Interim Order also examined the legal provisions pertaining to order spoofing and noted that while the term “spoofing” is not specifically mentioned in the PFUTP Regulations, the strategies employed by spoofers are substantially covered within the ambit of prohibited dealings in securities under the PFUTP Regulations. The Interim Order stated that spoofing is generally understood as an unlawful practice of placing artificial orders containing large number of shares on one side of the market (buy/sell) and eventually executing orders containing relatively smaller quantities of shares on the opposite side (sell/buy) and cancelling the artificial orders.
10. The Interim Order *prima facie* observed that PWAPL punched spoof orders at price significantly above or below the Current Market Price (CMP) with an intention of it not being executed and the opposite side orders were executed once the price was in favour of PWAPL's opposite orders. The market and genuine investors were led to attribute significance to the fact that offers were being made at particular prices. However, PWAPL was cancelling spoof orders prior to their execution.
11. In view of the foregoing, the Interim Order found that the acts of PWAPL *prima facie* violated subsections (a), (b) and (c) of Section 12A of the SEBI Act and sub-regulations (a), (b), (c) and (d) of Regulation 3, sub-regulation (1) of Regulation 4 and clauses (a), (b) and (g) of sub-regulation (2) of Regulation 4 of the PFUTP Regulations.



12. In view of the same, in terms of paragraph 86 of the Interim Order, following directions were issued by SEBI:

“86. Thus, after analyzing all the evidences on record I hold that this is a fit case to exercise powers of passing interim order so as to insulate the securities market and to protect the unlawful gains, which may go beyond regulatory reach. Accordingly, I, in exercise of the powers conferred upon me under sections 11, sub-section (4) of section 11 and sub-section (1) of section 11B read with section 19 of the SEBI Act, hereby issue the following directions, which shall be in force until further orders:

I. An amount of INR 3,22,62,367.05, being the total unlawful gain earned from the alleged violations, shall be impounded, jointly and severally from the Noticees and the Noticees are directed to open fixed deposit account(s) in any Noticees' name so as to credit or deposit the aforesaid amount of unlawful gains with a lien marked in favour of SEBI and the amount kept therein shall not be released without permission from SEBI.

II. Noticee no.1 is prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, in its proprietary account. Noticees no. 2, 3, 4 and 5 are restrained from accessing the securities market and are further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly.

III. Banks, where Noticees are holding bank accounts, shall be directed that no debits shall be made, without permission of SEBI, in respect of the bank accounts held jointly or severally by Noticees, except for the purposes of transfer of funds to the fixed deposit account(s) as stipulated above. Further, this direction



shall not apply to those bank accounts of Noticee no.1 which deal with clients' funds, since Noticee no.1 is a stock broker registered with SEBI and deals with funds of clients.

IV. Depositories shall also be directed that no debit shall be made, without permission of SEBI, in respect of the demat accounts held by Noticees. However, credits, if any, into the accounts may be allowed. Further, this direction shall not apply to those demat accounts of Noticee no.1 which deal with clients' securities, since Noticee no.1 is a stock brokers registered with SEBI and deals with securities of clients.

V. Banks and the Depositories are directed to ensure that all the aforesaid directions are strictly enforced. Further, debits in the bank accounts may also be allowed for amounts available in the account in excess of the amount to be impounded. Banks are allowed to debit the accounts for the purpose of complying with this Order.

VI. The Registrar and Transfer Agents shall ensure that, they neither permit any transfer nor redemption of securities, including Mutual Funds units, held by Noticees.

VII. Noticees shall not dispose of or alienate any of their assets/properties, till such time the amount of unlawful gain is credited to fixed deposit account(s) except with the prior permission of SEBI.

VIII. Noticees are further directed to provide a full inventory of all their assets whether movable or immovable, or any interest or investment or charge in any of such assets, including property, details of all their bank accounts, demat accounts,



holdings of shares/securities if held in physical form and mutual fund investments and details of companies in which they hold substantial or controlling interest immediately but not later than 15 days of this Order.

IX. The directions stipulated in paragraph (III), (IV), (V), (VI) and (VII) shall cease to apply upon credit of unlawful gains to the interest bearing fix deposit account(s) as stipulated in subparagraph (I) of this paragraph.

X. If the Noticees have any open position in any exchange traded derivative contracts, as on the date of the order, they can close out /square off such open positions within 3 months from the date of order or at the expiry of such contracts, whichever is earlier. The Noticees are permitted to settle the pay-in and pay-out obligations in respect of transactions, if any, which have taken place before the close of trading on the date of this order. Banks are allowed to debit the accounts for the purpose of complying with this direction.”

13. Further, a detailed investigation into the matter was directed and Noticees were allowed to file their reply/objections, if any within 21 days from the date of receipt of Interim Order and to also indicate whether they desire to avail an opportunity of personal hearing.

C. REPLIES TO INTERIM ORDER AND PERSONAL HEARING

14. Pursuant to completion of inspection of documents, Noticees filed their written submissions vide letters dated September 30, 2025, November 5, 2025 and November 11, 2025. The Noticees requested for a personal hearing and the same was scheduled on November 18, 2025.



15. On the date of the personal hearing, Noticees, through their authorized representatives, made oral submissions before me in line with the replies/submissions filed earlier by Noticees. The authorized representative of Noticees sought further time to file additional written submissions and the same was granted. The additional written submission of Noticees was filed by their authorized representative on December 01, 2025.
16. The submissions made by Noticees in their replies to the Interim Order are summarized below:
 - I. Orders placed by Noticee no.1 in the options market were highly dependent on market prices of underlying shares, which fluctuated based on existing market dynamics - as such, it is inconceivable that Noticee no.1 could influence the premium on any options during the investigation period.
 - II. Noticee no. 3 was only in charge of the Business to Business ("B2B") transactions of Noticee no.1, and did not participate in the business of Noticee no.1 otherwise. Similarly, Noticee no. 4 was only in charge of the Information Technology Department of Noticee no.1, and did not interact with any operations relating to order placement during his tenure or otherwise. Similarly, Noticee no. 5 was only in charge of business development of Noticee no.1 and did not participate in the placement of orders.
 - III. No securities regulations in India define "order spoofing". Therefore, the definition of "order spoofing" as per 7 US Code, sub-section 6(c) is referred to as per which SEBI must demonstrate an intention to cancel the trades made by Noticee no.1 during the Investigation Period in order the trades to be considered as "spoofing orders". SEBI has not sufficiently demonstrated this in the Interim Order.



- IV. While the Interim Order considers the Show Cause Notice dated May 16, 2023 ("the NSE SCN") and the Supplementary Show Cause Notice dated December 1, 2023 ("the SSCN") issued by the National Stock Exchange of India Limited ("NSE"), it fails to consider Noticee no.1's submissions before the Member Committee and Core Settlement Guarantee Fund Committee ("MCSGFC") of NSE, and/ or the final directions as per NSE's Order dated April 16, 2025 (NSE Order), which only issued a warning to Noticee no.1, holding that, "In view of the fact that Noticee has taken action at its end and post issuance of SSCN, alerts were not observed by the Exchange till the date of the MCSGFC meeting in June 2024, the Committee decided to issue a strict warning to Noticee for the aforesaid violation and directed to take adequate measures/put in place effective systems and controls to comply with the provisions of the Exchange. Despite the NSE Order warning Noticee no.1 for its trades during the Investigation Period, SEBI issued the Interim Order on April 28, 2025, i.e. only 12 days after the NSE Order, without providing any reasons for the urgency in passing the Interim Order.
- V. SEBI has passed the Interim Order against Noticees, completely halting Noticee no.1's business as a stockbroker, effectively suspending Noticee no.1's registration as a stock broker without following the due process under the SEBI (Intermediaries) Regulations, 2008. This has resulted in severe loss of reputation and damage to Noticee no.1, which may be irreversible.
- VI. Interim Order has also led to market intermediaries unjustly freezing several accounts of Noticee no.1, which included accounts necessary to fulfil their pay-in obligations. Noticee no.1 only has a capital of INR 4.90 Crore, and the continuation of lien on its deposits would cause



irreparable harm to clients and customers. Therefore, while ensuring cooperation with the investigation, Noticees request that the lien on fixed deposit may be removed, and they may be permitted to resume their participation in the securities market.

- VII. Interim Order has only considered Noticee no.1 's trading pattern, and assumed that it's 5 legitimate trades, which were away from the LTP, were allegedly fraudulent. However, the Interim Order has failed to consider that Noticee no.1 's trades fell within the price range disclosed by the NSE. Merely because the orders placed were at prices away from the LTP, it cannot lead to the erroneous presumption that they were Spoofing orders, particularly when they were within the disclosed price band. Furthermore, NSE gave the benefit of the doubt to Noticee no.1.
- VIII. SEBI has taken into account only profitable orders are ignored orders that resulted in losses even though these orders too are purported to spoofing ones. Such a selective and arbitrary computation of profit erroneous, false and unsustainable.
- IX. The large orders were not cancelled by the Noticee no.1 but automatically cancelled as the market did not accept them. Hence, Noticee contends that it undertook jobbing transactions for which it had to square off the positions taken by it in a short time.
- X. Noticees referred to decision of the Hon'ble Securities Appellate Tribunal in *North End Foods Marketing v. SEBI* (2019 SCC OnLine SAT 6), wherein it was held that ex-parte interim order should not be passed in every case on the pretext that it was imminent to pass such interim order in order to protect the interest of the investor or the securities market. Since restraining an entity/person from pursuing his profession/trade may have substantial and serious consequences which



cannot be compensated in terms of money. The Noticees submitted that no such urgency has been made out in the present Interim Order.

17. Based on the aforesaid submissions, Noticees submitted that their trades did not create any false impression of increased demand or supply in the scrips, since they traded in highly liquid scrips which had a significant trading volume. The Noticees further submitted that Interim Order only refers to an "identifiable pattern" whereas, as per the definition of order spoofing, SEBI should have established that orders were placed with the intention to cancel. The Noticees pray that appropriate orders may be passed discharging them from the present proceedings.

D. CONSIDERATION OF ISSUES AND FINDINGS

18. At the outset, I note that the scope of the present proceedings before me at this stage, when detailed investigation in the matter is yet to be concluded, is limited to considering whether Noticees have been able to effectively rebut the *prima facie* findings recorded in the Interim Order. Keeping the same in mind, I now proceed to consider the issues.

19. I have considered the *prima facie* findings recorded in the Interim Order and the submissions made by Noticees in their replies and during personal hearing.

20. The gist of the *prima facie* findings recorded in the Interim Order is that the PWAPL, a registered stock broker, allegedly placed multiple fully disclosed buy/sell orders in various scrips with large quantities at prices significantly below/above the prevailing market price, without intention of execution. These substantial pending orders created a false impression of increased demand/supply in the scrips, thereby misleading the investors at large and affecting the price in the scrip. While its large orders were pending in the order books of various



scrips, PWAPL, allegedly within a short timeframe, transacted on the opposite side in the market and earned wrongful gains. Once PWAPL executed its order on the opposite side of the book, the substantial part of the orders placed on the spoofing side were cancelled.

21. Thus, the *prima facie* findings revealed an identifiable pattern wherein, PWAPL first used to place a large order in a particular scrip on one side (buy or sell) at a price having substantial difference from the existing market price/last trade price; thereafter, another contra order was placed in the same scrip containing a lesser number of shares (as compared to the earlier order) at a price near to market prices and subsequent to the execution of the second order containing smaller quantities, the previously placed orders containing a large number of shares were cancelled. The aforesaid peculiar pattern of trading has been allegedly followed by PWAPL over 292 scrip contract days spread over 173 different scrips. In most of the spoof orders, the quantities of the orders were fully disclosed to the market whereas the genuine orders were partially disclosed. Accordingly, Interim Order *prima facie* found that PWAPL was contravening securities laws by repeated manipulation of the order book on the buy/ sell side across various scrips, which is indicative of potential order spoofing activities.
22. In respect of the abovementioned *prima facie* findings and allegations, Noticees have made various submissions as summarised in the preceding part of this order. I have considered the submissions of Noticees and the documents submitted by them in support of their submissions. I note that the explanations offered by Noticees in respect of the *prima facie* findings suffer from the following infirmities:
 - I. Noticee no.1 submitted that orders placed in the options market were highly dependent on market prices of underlying shares, which fluctuated based on existing market dynamics and therefore orders placed by the Noticee no.1 could not have influenced the premium on any options during the investigation period. In this regard, I note that



market prices of underlying shares may be one of the factors which can affect the price of option contract. However, Noticee has made a general statement without providing any specific evidence wherein market prices in the underlying shares were the main cause of fluctuation in the options contracts and not the spoofing activities carried out by Noticees. Hence, submission of the Noticee in this regard is not tenable.

- II. Noticees submitted that securities regulations in India do not define "order spoofing" and therefore, the definition of "order spoofing" as per 7 US Code, sub-section 6(c) is referred to as per which SEBI must demonstrate an intention to cancel the trades made by Noticee no.1 during the Investigation Period in order for the trades to be considered as "spoofing orders". I note that Interim Order specifically states that if a person indulges in dealing in securities in a manner which creates false or misleading appearance of trading in the securities market, the same amounts to manipulative, fraudulent and unfair trade practice under regulations 3 and 4 of the PFUTP Regulations. Hence, while order spoofing is not explicitly stated in PFUTP Regulations, it cannot be said that the nature of violation is not captured in PFUTP Regulations. With respect to "intention to cancel the trades", the Interim Order clearly establishes the factum of repeated cancellation of large orders by PWAPL, which is not denied by Noticees. Despite admitting repeated order cancellation in various scrips, PWAPL has not offered any explanation about why such large orders were being repeatedly punched and cancelled after execution of their orders on the opposite side in the same scrips. Since Noticees have failed to offer any explanation for repeated cancellations of large orders, it clearly points to their intention to cancel the trades. Hence, submission of the Noticee in this regard is not tenable.



- III. Noticees have submitted that while the Interim Order considers the NSE SCN, the SSCN issued by the NSE, the final directions as per NSE Order has not been considered by SEBI as per which NSE only issued a warning to Noticee no.1. I note that NSE's power to adjudicate defaults by trading members under its bye-laws and SEBI's powers to curb fraudulent practices under SEBI Act, 1992 are separate statutory powers which can be exercised independently for same cause of action. Hence, adjudication by NSE with respect to defaults committed by its trading members does not bar SEBI from exercising its statutory power to pass interim order in the present matter. In any case, NSE Order does also finds that Noticee no.1 had violated the exchange bye-laws and thus submission of Noticees in this regard does not favour their case.

- IV. Noticees have submitted that SEBI has passed the Interim Order against Noticees, completely halting Noticee no.1's business as a stockbroker, effectively suspending Noticee no.1's registration as a stock broker without following the due process under the SEBI (Intermediaries) Regulations, 2008. The submission is devoid of merit since business of stockbroker has not been halted and direction in paragraph 86 (II) of the Interim Order clearly states that Noticee no.1 is prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, in its proprietary account. Further paragraphs 86 (III) and (IV) of the Interim Order clearly direct that freezing of and bank accounts and demat accounts shall not apply to those accounts of Noticee no.1 which deal with clients' funds, since Noticee no.1 is a stock broker registered with SEBI and deals with funds of clients. Hence, the contention of Noticee that Noticee no.1's business as a stockbroker has been completely halted and Noticee no.1's registration as a stock broker has been effectively suspended without following the due process under the SEBI (Intermediaries) Regulations, 2008 is devoid of merit.



V. Noticees have submitted that the Interim Order has led to market intermediaries unjustly freezing several accounts of Noticee no.1, which included accounts necessary to fulfil their pay-in obligations and that Noticee no.1, only has a capital of INR 4.90 crores, and the continuation of lien on its deposits would cause irreparable harm to its clients and their customers. The Noticees therefore requested that the lien on fixed deposit may be removed, and they may be permitted to resume their participation in the securities market. As discussed on above paragraph, the directions in the Interim Order clearly stipulate that client facing accounts of Noticee no.1 shall not be frozen.

VI. Noticees further submitted that Interim Order has only considered Noticee no.1's trading pattern, and assumed that it's 5 legitimate trades, which were away from the Last Traded Price were allegedly fraudulent and did not consider that Noticee no.1 's trades fell within the price range disclosed by the NSE. Noticee submitted that merely because the orders placed were at prices away from the LTP, it cannot lead to the erroneous presumption that they were Spoofing orders, particularly when they were within the disclosed price band. In this regard, it is a matter of record that Interim Order only illustrates five trading activities whereas the present matter involves 173 scrips across 292 scrip-days as noted in the Interim Order. It is not only the case that orders have been placed away from the LTP but the fact that orders containing large number of shares on one side of the market (buy/sell) were punched to manipulate the price and eventually orders containing relatively smaller quantities of shares on the opposite side (sell/buy) were executed while cancelling the orders containing large orders. Further, it is also *prima facie* established that placing large orders were placed away from LTP was having significant bearing on the price of the scrip. Hence, the submission of Noticees is not tenable.



VII. The Noticees have submitted that SEBI has taken into account only profitable orders and ignored orders that resulted in losses even though these orders too are purported to spoofing ones. In this regard, I note that Section 11B of the SEBI Act, 1992 envisages disgorgement of profit made or loss avoided without any set-off of any expenses or loss suffered by the violator. This position of law has also been upheld by Hon'ble Securities Appellate Tribunal in the matter of ***Immix Trade Pvt. Ltd. Vs SEBI Appeal No. 406 of 2021***). Therefore, the contentions of the appellant that calculation of disgorgement amount should also take into consideration the amount of losses suffered by them is untenable.

VIII. The contention of the Noticee no.1 that large orders were not cancelled by it but got automatically cancelled as the market did not accept them and that it undertook jobbing transactions for which it had to square off the positions taken by it in a short time is also not acceptable. In this regard, I note that most spoofing orders were actively cancelled by the Noticee no.1 and only those orders which were punched close to end of market hours got cancelled automatically. Further, even in cases where orders were automatically cancelled, I note that large orders were placed at a price far away from the current market price such that no reasonable person would assume that they would get executed. Hence, the modus operandi of Noticees was meant to manipulate the market so that the large orders, placed at prices away from current market price, would not get executed.

IX. The contention of the Noticees that no urgency has been made out in the Interim Order suffers from lack of substance. The need for passing ex parte interim order has been dealt with in depth in Part J of the Interim Order itself. Without reiterating the contents of the Interim Order, I note



that interim order was absolutely necessary in the instant matter and hence contention of Noticees in this regard is not tenable.

23. In view of the above observations, I find that Noticee No.1 has failed to rebut *prima facie* findings recorded in the Interim Order. The detailed investigation in the matter is in progress and a detailed picture is expected to emerge after final findings.
24. I note that as an interim measure, Noticees have been restrained, *inter alia*, from buying, selling or dealing in securities. With respect to liability of the directors of PWAPL, Noticees submitted that three out of four directors i.e. Noticee Nos. 3, 4 and 5 were in charge of the B2B operations, Information Technology Department and business development, respectively and that they did not participate in the placement of orders on behalf of PWAPL. In view of these submissions, I direct the investigating authority to confirm the facts essential to determine the role of these directors and their liability can be established thereafter.
25. Further, I note that the Noticees have complied with the directions stipulated in the Interim Order and deposited the alleged unlawful gains as required. I also note that Noticee Nos. 2 to 5 have been arrayed as Noticee for their vicarious liability and no profit has been accrued in their personal accounts. Considering these aspects and the fact that Noticee Nos. 2 to 5 have undergone debarment for more than 9 months, I am inclined to accept the request of Noticee nos. 2 to 5 to allow them to trade in securities. Accordingly, I proceed to modify the direction issued in this regards in the Interim Order.

E. ORDER

26. In view of the above, I, in exercise of the powers conferred upon me under subsections (1) and (4) of section 11 and sub-section (1) of section 11B read with



section 19 of the SEBI Act, 1992, hereby confirm the directions issued vide the Interim Order dated April 28, 2025.

27. Further, the directions issued vide the Interim Order in sub-para II of para 86 qua Noticee nos. 2 to 5 are modified to the extent that the restraint imposed on them from accessing the securities market and from buying, selling or otherwise dealing in securities, directly or indirectly, shall stand revoked. However, directions in the said para, qua the Noticee No. 1 will remain in force.
28. The observations made in the present Order are tentative in nature, pending detailed investigation. The detailed investigation shall be carried out without being influenced by any of the directions passed or any observation made either in the Interim Order or in the present Order.
29. Based on the outcome of the detailed investigation, appropriate action shall be taken in accordance with law.
30. This Order shall take effect immediately and shall be in force until further orders.
31. A copy of this order shall be served upon *Noticees, Exchanges, Depositories, RTAs and Banks* for necessary action and compliance with the above directions.

PLACE: MUMBAI

DATE: FEBRUARY 11, 2026

KAMLESH
CHANDRA
VARSHNEY

Digitally signed by KAMLESH
CHANDRA VARSHNEY
Date: 2026.02.11 10:21:45
+05'30'

KAMLESH C. VARSHNEY

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA