

**BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI**

Date : 27.03.2026

Misc. Application No. 326 of 2026
In
Appeal No. 516 of 2025

Securities & Exchange Board of India ... Applicant
(Org. Respondent)

In the matter of

Mr. Bhavin Shah & Anr. Appellants

Versus

Securities & Exchange Board of India ... Respondent

Ms. Prapti Kedia, Advocate with Ms. Sanskriti Sharma,
Advocate i/b Agama Law Associates for the Applicant (Org.
Respondent).

Mr. Rushin Kapadia, Advocate with Ms. Rinku Valanju,
Ms. Hiral Shah, Advocates i/b R V Legal for the Respondent
(Org. Appellant).

ORDER:

1. This Misc. Application has been filed by the SEBI seeking extension of time.

2. Ms. Prapti Kedia, learned Advocate for the SEBI submitted that *vide* order dated January 14, 2026 in Appeal No. 516 of 2025 this Tribunal had granted time to SEBI till March 31, 2026 to pass the final order. However, after disposal of the said appeal, other 11 entities involved in this case, who had not sought for inspection earlier, filed applications seeking inspection and also sought time to file

reply. To comply with the principles of natural justice, SEBI is required to provide inspection and grant further time to file their replies. Therefore, SEBI has filed this application seeking extension of time.

3. Ms. Rinku Valanju, learned Advocate for the appellants submitted that the appellants have been kept out of the market since three years and there is no certainty as to when the final order will be passed. The reasons given by the SEBI are not tenable. She prayed that the appellants' debarment from accessing the securities market may be vacated.

4. We have considered the submissions of learned Advocates on both sides.

5. Pursuant to interim order cum SCN dated February 28, 2023, appellants have filed an application before SEBI seeking relaxation of interim directions and the same was rejected vide order dated August 28, 2025. Feeling aggrieved, the appellants challenged SEBI's rejection before this Tribunal. We had directed the SEBI to consider appellants' case and pass the final order by March 31, 2026. It is now submitted on behalf of the SEBI that other noticees are seeking time to take inspection and to file replies. SEBI's prayers in this application reads thus:

"7(a). Extend the period stipulated in Paragraph 2 of the Order dated January 14, 2026 passed in Appeal No. 516 of 2025 and direct that the final order be passed within three months of completion of hearing and filing of post-hearing submissions qua all the Noticees."

(b). Pass such other or further orders as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case."

6. There are in all 21 noticees in the interim order cum SCN dated February 28, 2023. It is alleged against the original appellants (Bhavin Shah and Rupal Shah- noticee Nos. 15 and 16) that one Pranav Vora had arranged their trading accounts wherein orders for front running could be placed. SEBI's case is that the noticees were classified into three different categories, namely, (a) information carrier – noticee No. 1; (b) arrangers – noticee Nos. 2 to 4; and (c) enablers – noticee Nos. 5 to 21. It is urged in the application that considering the interconnected nature of allegations against the 21 noticees, it is not feasible to pass orders in a piece-meal or noticee specific manner. On the other hand, it was submitted by Ms. Valanju that the original appellants are in no way connected with the alleged front running. They have deposited the amount sought to be disgorged by them. SEBI has been delaying in passing the final order on untenable grounds. Thus, appellants' right to access the securities market is denied. She submitted that if this Tribunal is inclined to consider SEBI's request for extension of time, the ban against appellants to access the securities market may be vacated.

7. It is an admitted position that allegation against the appellants is facilitating with their demat accounts for front running. The interim order refers to an email dated January 19, 2022 said to have been sent by Bhavin Shah stating that his demat account had been misused by Viresh Joshi, Chief Trader and Fund Manager of Axis Mutual Fund. In the memorandum of appeal, appellants have asserted that they have consistently maintained their innocence and cooperated with the investigation, but not explained as to how their demat accounts were used by a third party.

8. This is a case of front running in which there are 21 noticees. SEBI's main contention is that delay has occurred since the other noticees who had not sought for inspection have subsequently made request for inspection and sought to file replies. It was also urged that order cannot be passed in piecemeal and noticee specific manner. Though it was urged by Ms. Valanju that full disgorgement amount has been deposited, in view of the admitted position that appellants' demat accounts have been used by the third parties, the plea to vacate the debarment at this stage is untenable. Ms. Prapti Kedia sought fourteen more weeks to pass the final order. The SCN has been issued in February, 2023. Keeping in view the totality of circumstances, we deem it appropriate to grant reasonable time.

9. Accordingly, the Misc. Application No. 326 of 2026 filed by SEBI is **allowed in part** and time is extended by three months from today to pass the final order.

Justice P. S. Dinesh Kumar
Presiding Officer

Ms. Meera Swarup
Technical Member

Dr. Dheeraj Bhatnagar
Technical Member

27.03.2026
VPM