

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

In respect of (Noticees):

1. Mr. Amish Rameshbhai Desai (PAN: AICPD5628H)
2. Mr. Bhruvesh Pankaj Mehta (PAN: APCPM5911M)
3. Mr. Bhupendra M. Soni (PAN: Not available)
4. Ms. Palak Premal Trivedi (PAN: AIVPT4786B)
5. Ms. Pinal Rajeshbhai Mehta (PAN: AITPM2959F)
6. Mr. Premal Yogendra Trivedi (PAN: ABRPT3117B)
7. Mr. Rajesh Rajnikant Mehta (PAN: ADAPM1822B)
8. Mr. Sawan Ajit Joshi (PAN: ADYPJ8991L)
9. Mr. Shirish Rameshbhai Desai (PAN: AICPD5629G)
10. Mr. Shiv Navinchandra Raval (PAN: AMDPR3856J)
11. Mr. Jayesh N. Kavi (PAN: ADPPK8875K)
12. Jay Energy & S Energies Ltd (CIN:L29224GJ1986PLC009151)
13. Mr. Mihir Parikh (PAN: AAWPP0987B)

In the matter of Jay Energy and S. Energies Ltd

BACKGROUND

1. Securities and Exchange Board of India (“**SEBI**”) conducted an investigations into the dealing in shares of Jay Energy and S Energies Ltd (“**JESL / company**”), and as part of the same it was observed that promoter group comprising 15 entities was holding total 33.10% shares of JESL at the end of June 2010 Quarter. 11 of the said 15 promoters entities held total 15.23% shares of JESL and transferred their holding to 14 entities which appear as promoter of JESL at the end of September 2010 quarter in place of said 11 promoters (appearing in Quarter ending June 2010), details as given below:

Sl.	Promoter holding, at end of June 2010			Promoter holding, at end of Sept and Dec 2010		
	Name of shareholder	No. of shares	%ge	Name of shareholder	No. of shares	%ge
1	Jyotinder N Kavi	2,58,185	3.8	Jayesh N Kavi	2,00,000	2.94
2	Rahoo N Kavi	1,27,400	1.87	Saurin J Kavi	10,15,085	14.93
3	Saurin J Kavi	3,79,500	5.58	Amish Rameshbhai Desai	1,00,000	1.47
4	Jayesh N Kavi	4,50,000	6.62	Bhruvesh Pakaj Mehta	50,000	0.74
5	Chandravadan Shah	84,200	1.24	Bhupendra M Soni	25,100	0.37
6	Hasmukhbhai Soni	1,00,000	1.47	Bhupesh Kashinath Mehta	55,100	0.81
7	Sohanlal Shah	1,49,000	2.19	Garishma Girish Jansari	13,115	0.19
8	Mahendra M Patel	1,00,000	1.47	Girish Somabhai Jansari	91,900	1.35
9	Mathur Patel	25,100	0.37	Palak Premal Trivedi	1,30,000	1.91
10	Nileshbhai Patel	13,115	0.19	Pinal Rajeshbahi Mehta	50,000	0.74
11	Purushottam Hanselwal	91,900	1.35	Premal Yogendra Trivedi	1,50,000	2.21
12	Rajesh Bhai Shah	2,80,000	4.12	Rajesh Rajnikant Mehta	1,00,000	1.47

Sl.	Promoter holding, at end of June 2010			Promoter holding, at end of Sept and Dec 2010		
	Name of shareholder	No. of shares	%ge	Name of shareholder	No. of shares	%ge
13	Rajubhai Purohit	36,500	0.54	Rinku Saurin Kavi	84,200	1.24
14	Rakesh Bhai Patel	55,100	0.81	Sawan Ajit Joshi	1,00,000	1.47
15	Satishbhai Patel	1,00,000	1.47	Shirish Rameshbhai Desai	49,000	0.72
16				Shiv Navinchandra Raval	36,500	0.54
	Total	22,50,000	33.1	Total	22,50,000	33.1

*** 11 highlighted (in bold letters) promoter entities as at the end of June 2010 quarter were replaced by 14 highlighted promoter entities as the end of September 2010 quarter.*

- SEBI noted that Mr. Jayesh Kavi (Noticee at sl. no. 11) transferred / sold 2,50,000 shares or 3.68% of shares of JESL to Mr. Saurin J. Kavi on 30/07/2010. On account of the said transfer of shares, shareholding of Mr. Jayesh Kavi in JESL came down from 6.62% to 2.94%. For the said change in holding of more than 2% of shares of JESL, Mr. Jayesh Kavi was required to make disclosure under Regulation 13(3) of SEBI(Prohibition of Insider Trading) Regulations, 1992 (“**PIT Regulations, 1992**”).
- On enquiry (inter-alia including summons) from JESL about compliance by Mr. Jayesh N. Kavi, JESL provided copy of disclosure dated 31/07/2010 made by Mr. Jayesh N. Kavi. It was noted that the said disclosure document made by Mr. Jayesh Kavi was incorrect / not the requisite disclosure. Summon was sent to Mr. Jayesh Kavi on 28/01/2015 followed by two reminder letters dated 04/02/2015 and 09/02/2015 to inquire about compliances ensured in terms of PIT Regulations, 1992. However, Mr. Jayesh Kavi did not provide required information as was called for vide said summons and following reminders. Hence, it is alleged that Mr. Jayesh Kavi failed to make requisite disclosures under Regulation 13(3) of PIT Regulations, 1992 for change in his holding from 6.62% to 2.94% of shares of JESL. Further, it is also alleged that Mr. Jayesh Kavi also failed to respond to said summons and reminders, thereby, violating section 11C(2), 11C(3) of SEBI Act, 1992 (hereinafter, referred to as “**SEBI Act**”).
- With regard to acquisition of 15.23% shares of JESL by the said 14 new promoters, SEBI issued separate letters dated 11/11/2014, separate summons dated 13/01/2015 followed by separate reminder dated 22/01/2015 to the 14 new promoters inter-alia seeking information about their compliance, being person acting in concert (PAC) to the requirements under SEBI(SAST) Regulations, 1997 along with documents, if any, submitted to Stock Exchange and JESL. In this regard, 10 promoter entities viz, Mr. Amish Rameshbhai Desai, Mr. Bhrugeth Pankaj Mehta, Mr. Bhupendra M Soni, Ms. Palak Premal Trivedi, Ms. Pinal Rajeshbhai Mehta, Mr. Premal Yogendra Trivedi, Mr. Rajesh Rajnikant Mehta, Mr. Sawan Ajit Joshi, Mr. Shirish Rameshbhai Desai, and Mr. Shiv Navinchandra Raval (Noticee at sl. no. 1 to 10) failed to respond to the summons and reminders issued to them and provide the requisite information, therefore it is alleged that they have violated the section 11C(2) and 11C(3) of SEBI Act.
- SEBI also issued Summons dated 13/03/2015 followed by reminders dated 18/03/2015 to Mihir Parikh, Compliance Officer of JESL, seeking information viz, (a) disclosure under PIT Regulations, 1992 received from Mr. Jayesh N. Kavi, and (b) furnish records of all such transfers done by the

promoters between June 2010 to September 2010 indicating transferor, transferee, date of transfer, mode of transfer, consideration paid if any and PAN no. of transferor and transferee. However, partial reply to summons in form of reply to said query (a) was received from the JESL and no response was received related to query (b) mentioned in the summons. It is on records that this had hampered the conclusion of the fact finding process particularly about the exact date of acquisition of shares by the new promoters. Therefore, JESL and its Compliance Officer, Mr. Mihir Parikh were alleged to have violated section 11C(2) and 11C(3) of SEBI Act.

6. In view of the above, SEBI inter-alia instituted adjudication proceedings in the present matter with respect to Mr. Jayesh N. Kavi (Noticee at sl. no. 11) for alleged violation of regulation 13(3) of PIT Regulations, 1992 and section 11C(2) and 11C(3) of SEBI Act, and instituted adjudication proceedings with respect to Mr. Amish Rameshbhai Desai, Mr. Bhruvish Pankaj Mehta, Mr. Bhupendra M Soni, Ms. Palak Premal Trivedi, Ms. Pinal Rajeshbhai Mehta, Mr. Premal Yogendra Trivedi, Mr. Rajesh Rajnikant Mehta, Mr. Sawan Ajit Joshi, Mr. Shirish Rameshbhai Desai, Mr. Shiv Navinchandra Raval, Jay Energy and S. Energies (JESL) and Mr. Mihir Parikh (Noticee at sl. no. 1 to 10, 12 and 13 respectively) for alleged violation of section 11C(2) and 11C(3) of SEBI Act.

APPOINTMENT OF ADJUDICATING OFFICER

7. SEBI, vide order dated October 06, 2015, in terms of Section 15-I of SEBI Act and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter, referred to as “**Adjudication Rules**”), appointed an Adjudicating Officer to inquire into and adjudge the alleged violations enumerated above, and if satisfied, impose liable penalty, as deem fit, in terms of section 15A(a) and Section 15A(b) of SEBI Act against Mr. Jayesh Kavi, and under section 15A(a) of the SEBI Act against rest of the other 12 Noticees.
8. Subsequent to change in Adjudicating Officer, vide order / communicate dated May 18, 2017 to inquire and adjudge into the present matter, adjudication proceedings are being carried forward.
9. 13 Noticees in the present matter, in this order, individually referred to by their **respective name** or by **their sl. no. at which they are placed on top of this order**, and while Jay Energy and S. Energies Ltd is, in this order is referred to as “**JESL or Company**”. Collectively / jointly, in this order, all the Noticees are referred to as “**Noticees**”.

SHOW CAUSE NOTICE, WRITTEN SUBMISSIONS, PERSONAL HEARING

10. Show cause notice vide reference no. EAD/PJ/JAK/OW/29947/2015/1-13 dated October 31, 2015 (“**SCN**”) was issued to the Noticees under Rule 4 of the Adjudication rules, mentioning the allegations against each of the Noticees and requiring the Noticees to show cause so as to why an inquiry should not be held and penalty be not imposed under section 15A(a) and Section 15A(b) of SEBI Act against Mr. Jayesh Kavi, and under section 15A(a) of the SEBI Act against rest of the Noticees.
11. Based on information / material on record, for each Noticee, charges in SCN issued, submissions in replies to SCN, Hearing Notices issued, and submissions in the hearing are as follows:

11.1 Mr. Amish Rameshbhai Desai (Noticee at sl. no. 1):

- a) SCN sent at address “15, Okrishnakunj, MG Road, 3, Kandivali (West), Mumbai 400067” through speed post AD / registered post was delivered on second attempt on 23/01/2016.
- b) Hearing Notice dated 18/02/2016 (providing opportunity of hearing on 03/03/2016) was delivered on 19/02/2016 through hand delivery.
- c) Reply (to SCN) vide letter dated 24/02/2016 was received on 01/03/2016.
- d) Hearing Notice dated 04/03/2016 (providing opportunity of hearing on 11/03/2016) was delivered on 07/03/2016 through hand delivery.
- e) Mr. Saurin J Kavi availed the hearing Hearing on 14/03/2016, 12:00 pm on behalf of nine noticees, including Mr. Amish Rameshbhai Desai (authorisation letter provided during the hearing) and undertaken to submit written submissions latest by 17/03/2016. He also undertaken to submit authorisation letter for Mr. Amish Rameshbhai Desai at the earliest. As per records, no further submissions in this regard was made either by Mr. Saurin J. Kavi or Mr. Amish Rameshbhai Desai.
- f) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered on 01/09/2017.
- g) Mr. Amish Rameshbhai Desai, vide e-mail (from amishdesai00@gmail.com) dated 05/09/2017 inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent him for the present proceedings and also provided his contact details.

11.2 Mr. Bhrugesh Pankaj Mehta (Noticee at sl. no. 2):

- a) SCN sent at address “Z 1006 – Devani Pol, Khambat, 22 Cambay, Anand, Gujarat – 388620” through speed post AD was delivered on 20/11/2015.
- b) Hearing notice dated 09/02/2016 (providing opportunity of hearing on 22/02/2016) sent through speed post AD was delivered on 15/02/2016.
- c) Hearing notice dated 24/02/2016 (providing opportunity of hearing on 11/03/2016) sent through speed post AD was delivered on 27/02/2016.
- d) Reply (to SCN) vide letter dated 24/02/2016 was received on 03/03/2016.
- e) Hearing Notice (providing opportunity of hearing on 11/03/2016) dated March 4, 2016 was delivered on same day through e-mail and delivered at said address on 09/03/2016.
- f) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered on 26/08/2017.
- g) On receipt of e-mail (04 – 06/09/2017) from several Noticees inter-alia informing / requesting that Mr. Saurin J. Kavi shall be allowed to represent them for the present proceedings and also provided his contact details.

11.3 Mr. Bhupendra M. Soni (Noticee at sl. no. 3):

- a) SCN sent at address “B 9, Bhagwan Nagar Society, Opp. Govind Vadi, Isanpur, Ahmedabad - 382443” through speed post AD / registered post was not delivered on two attempts in November and December 2015.
- b) Hearing notice dated 29/02/2016 (providing opportunity of hearing on 16/03/2016) was delivered through affixture at the last known address (i.e, above said address) of Mr. Bhupendra M. Soni. Said opportunity of hearing was not availed by Mr. Bhupendra M. Soni.
- c) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was not delivered.

- d) On receipt of e-mail (04 – 06/09/2017) from several Noticees inter-alia informing / requesting that Mr. Saurin J. Kavi shall be allowed to represent them for the present proceedings and also provided his contact details.

11.4 Ms. Palak Premal Trivedi (Noticee at sl. no. 4):

- a) SCN sent at address “1/1198, Nani Chipwad, Balaji Road, Surat, Gujarat - 395003” through speed post AD was delivered on 29/01/2016.
- b) Hearing notice dated 18/02/2016 (providing opportunity of hearing on 04/03/2016) sent through speed post AD was delivered on 22/02/2016.
- c) Reply (to SCN) vide letter dated 24/02/2016 was received on 01/03/2016.
- d) Hearing Notice (providing opportunity of hearing on 11/03/2016) dated 04/03/2016 sent through speed post AD was delivered on 07/03/2016.
- e) Mr. Saurin J Kavi availed the hearing on 14/03/2016, 12:00 pm on behalf of nine noticees, including Ms. Palak Premal Trivedi and undertaken to submit written submissions latest by 17/03/2016. He also undertaken to submit authorisation letter for Ms. Palak Premal Trivedi at the earliest. As per records, no further submissions in this regard was made either by Mr. Saurin J.Kavi or Ms. Palak Premal Trivedi.
- f) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered on 25/08/2017.
- g) Ms. Palak Premal Trivedi, vide e-mail (from dearparas21@gmail.com) dated 04/09/2017 inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent him for the present proceedings and also provided his contact details.

11.5 Ms. Pinal Rajeshbhai Mehta (Noticee at sl. no. 5):

- a) SCN sent at address “7/A, Deepmala Apartment, Near Maniyasa, Maninagar (E), Ahmedabad, Gujarat – 380008” through speed post AD.
- b) Hearing notice dated 09/02/2016 (providing opportunity of hearing on 22/02/2016) sent through speed post AD was delivered on 15/02/2016. Further, another Hearing notice dated 24/02/2016 (providing opportunity of hearing on 11/03/2016) was sent through speed post AD.
- c) Mr. Saurin J Kavi availed the hearing on 14/03/2016, 12:00 pm on behalf of nine noticees, including Ms. Pinal Rajeshbhai Mehta (authorisation letter provided during the hearing) and undertaken to submit written submissions latest by 17/03/2016.
- d) Reply (to SCN) vide letter dated 16/03/2016 was received on 22/03/2016.
- e) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered on 25/08/2017.
- f) Ms. Pinal Rajeshbhai Mehta, vide e-mail (from prmehta22757@gmail.com) dated 04/09/2017 inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent him for the present proceedings and also provided his contact details.

11.6 Mr. Premal Yogendra Trivedi (Noticee at sl. no. 6):

- a) SCN sent at address “1/1198, Nani Chipwad, Balaji Road, Surat, Gujarat - 395003” through speed post AD was delivered on 29/01/2016. SCN was also sent through e-mail (to dearparas@gmail.com) dated 28/01/2016 and the same was delivered.

- b) Hearing notice dated 18/02/2016 (providing opportunity of hearing on 04/03/2016) sent through speed post AD was delivered on 22/02/2016. Said hearing Notice was also sent through e-mail (to dearparas@gmail.com) dated 18/02/2016 and the same was delivered.
- c) Reply (to SCN) vide letter dated 24/02/2016 was received on 01/03/2016.
- d) Hearing Notice (providing opportunity of hearing on 11/03/2016) dated 04/03/2016 sent through speed post AD was delivered on 07/03/2016.
- e) Mr. Saurin J Kavi availed the hearing on 14/03/2016, 12:00 pm on behalf of nine noticees, including Ms. Premal Yogendra Trivedi and undertaken to submit written submissions latest by 17/03/2016. He also undertaken to submit authorisation letter for Ms. Premal Yogendra Trivedi (though copy of the same submitted) at the earliest. As per records, original Authorisation letter was received from Mr. Premal Yogendra Trivedi on 22/03/2016.
- f) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered on 25/08/2017.
- g) Mr. Premal Yogendra Trivedi, vide e-mail (from dearparas21@gmail.com) dated 04/09/2017 inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent him for the present proceedings and also provided his contact details.

11.7 Mr. Rajesh Rajnikant Mehta (Noticee at sl. no. 7)::

- a) SCN sent at address “7/A, Deepmala Apartment, Near Maniyasa, Maninagar (E), Ahmedabad, Gujarat – 380008” through speed post AD and delivered on second attempt. Further, SCN was also sent through e-mail (to rajeshmehta@yahoo.com) dated 28/01/2016 and the same was delivered.
- b) Hearing notice dated 18/02/2016 (providing opportunity of hearing on 03/03/2016) sent through speed post AD. Also, the said hearing notice was also sent through e-mail (to rajeshmhta@yahoo.com) dated 18/02/2016 and the same was delivered.
- c) Hearing notice dated 04/03/2016 (providing opportunity of hearing on 11/03/2016) was sent through speed post AD, and also through e-mail (to rajeshmehta@yahoo.com) and same was delivered.
- d) Mr. Saurin J Kavi availed the hearing on 14/03/2016, 12:00 pm on behalf of nine noticees, including Mr. Rajesh Rajnikant Mehta (authorisation letter provided during the hearing) and undertaken to submit written submissions latest by 17/03/2016.
- e) Reply (to SCN) vide letter dated 16/03/2016 was received on 22/03/2016.
- f) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered on 25/08/2017.
- g) On receipt of e-mail (04 – 06/09/2017) from several Noticees inter-alia informing / requesting that Mr. Saurin J. Kavi shall be allowed to represent them for the present proceedings and also provided his contact details.

11.8 Mr. Sawan Ajit Joshi (Noticee at sl. no. 8)::

- a) SCN sent at address “7th floor, Ramakrishna Chambers, Productivity Road, Alkapuri, Vadodara, Gujarat - 390007” through speed post AD was delivered on 30/01/2016.
- b) Hearing notice dated 18/02/2016 (providing opportunity of hearing on 03/03/2016) sent through speed post AD was delivered on 22/02/2016.
- c) Reply (to SCN) vide letter dated 24/02/2016 was received on 26/02/2016.

- d) Hearing Notice (providing opportunity of hearing on 11/03/2016) dated 04/03/2016 sent through speed post AD was delivered on 08/03/2016. The said hearing notice was also said through e-mail (to sawan_joshi1978@yahoo.co.in) dated 04/03/2016 and the same was delivered.
- e) Mr. Saurin J Kavi availed the hearing on 14/03/2016, 12:00 pm on behalf of nine noticees, including Mr. Sawan Ajit Joshi (original authorisation letter submitted during the hearing), and undertaken to submit written submissions latest by 17/03/2016.
- f) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered on 26/08/2017.
- g) Mr. Sawan Ajit Joshi, vide e-mail (from sawan_joshi1978@yahoo.co.in) dated 05 and 06/09/2017 inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent him for the present proceedings and also provided his contact details.

11.9 Mr. Shirish Rameshbhai Desai (Noticee at sl. no. 9)::

- a) SCN sent at address “C-5, Shivaji Flats, Juna Wadaj, Ahmedabad, Gujarat - 380013” through registered post AD was delivered on 2_/11/2015.
- b) Hearing Notice dated 18/02/2016 (providing opportunity of hearing on 03/03/2016) was delivered on 19/02/2016 through hand delivery. Said hearing notice was also sent through e-mail (to desai_shirish_r@yahoo.com) dated 18/02/2016 and the same was delivered.
- c) Reply (to SCN) vide letter dated 24/02/2016 was received.
- d) Hearing Notice dated 04/03/2016 (providing opportunity of hearing on 11/03/2016) was delivered on 07/03/2016 through hand delivery. Said hearing notice was also sent through e-mail (to desai_shirish_r@yahoo.com) dated 04/03/2016 and the same was delivered
- e) Mr. Saurin J. Kavi availed the hearing Hearing on 14/03/2016, 12:00 pm on behalf of nine noticees, including Mr. Shirish Rmeshbhai Desai (authorisation letter provided during the hearing) and undertaken to submit written submissions latest by 17/03/2016. As per records, no further submissions in this regard was made either by Mr. Saurin J. Kavi or Mr. Shirish Rmeshbhai Desai.
- f) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered through speed post AD on 26/08/2017.
- g) Mr. Shirish Rmeshbhai Desai, vide e-mail (from desai_shirish_r@yahoo.com) dated 04/09/2017 inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent him for the present proceedings and also provided his contact details.

11.10 Mr. Shiv Navinchandra Raval (Noticee at sl. no. 10)::

- a) SCN sent at address “15, Omkrishna Kunj, MG Road, 3, Kandivali (West), Mumbai 400067” through speed post AD was delivered on second attempt.
- b) Hearing Notice dated 09/02/2016 (providing opportunity of hearing on 22/02/2016) was delivered on 16/02/2016 through hand delivery. Another hearing notice dated 24/02/2016 (providing opportunity of hearing on 11/03/2016) was sent through speed post AD.
- c) Reply (to SCN) vide letter dated 24/02/2016 was received on 25/02/2016.
- d) Hearing Notice dated 04/03/2016 (providing opportunity of hearing on 11/03/2016) sent through speed post AD was delivered on 08/03/2016. Said hearing notice was also sent through e-mail (to raval.1234@gmail.com) dated 04/03/2016 and the same was delivered
- e) Mr. Saurin J Kavi availed the hearing on 14/03/2016, 12:00 pm on behalf of nine noticees, including Mr. Shiv Navinchandra Raval (authorisation letter provided during the hearing) and undertaken to submit written submissions latest by 17/03/2016.

- f) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) was delivered through speed post AD.
- g) Mr. Shiv Navinchandra Raval, vide e-mail (from raval.1234@gmail.com) dated 04/09/2017 inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent him for the present proceedings and also provided his contact details.

11.11 Mr. Jayesh N. Kavi (Noticee at sl. no. 11):

- a) SCN sent at address “10, Allied App., Preran Parkopp L G Hospital, Maninagar, Ahmedabad - 380008” through registered post AD was delivered in November 2015.
- b) Hearing Notice dated 09/02/2016 (providing opportunity of hearing on 22/02/2016) sent through speed post AD was delivered on 15/02/2016. Another hearing notice dated 24/02/2016 (providing opportunity of hearing on 11/03/2016) sent through speed post AD was delivered on 26/02/2016.
- c) Subsequent to change in Adjudicating Officer, Hearing Notice dated 22/08/2017 (providing opportunity of hearing on 07/09/2017) sent through speed post AD was delivered on 25/08/2017.
- d) Mr. Jayesh N. Kavi, vide e-mail (from jayeshkavi9999@gmail.com) dated 04/09/2017 inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent him for the present proceedings and also provided his contact details.

11.12 Common written submissions of Noticee sl. no. 1 to 11: As per records, common written submissions of Noticees no. 1 to 11 in response to SCN / Hearing Notice are as follows:

- a) Common key submissions received in February / March 2016 from Noticees no. 1 to 11 (except Bhupendra M. Soni, who didn't responded) are as follows:

“With regard to SCN and mention therein that adjudication proceedings are to be conducted against me, it is submitted that with regard to all the above proposed proceedings, I was not involved in any operational proceedings of shares and / or company and I had no knowledge and information of the same. Kindly note that Mr. Saurin J. Kavi, Director of M/s Jay Energy and S. Energies Ltd had all the knowledge and information of the same. I request to consider him person as responsible for all consequences with regard to the proposed proceedings and he will remain present before you, in all future proceedings. His correspondence details are “Mr. Saurin J. Kavi, 10, Allied Apartments, Prerna Park, Maninagar, 380008. Email: saurinkavi@yahoo.com”. Mr. Saurin J. Kavi has also consented for the same. Under the circumstances, I request to send all future correspondence addressed to Mr. Saurin J. Kavi.”

- b) Common key submissions received in September 2017 from Noticees no. 1 to 11 (except from Mr. Bhupendra M. Soni, Mr. Bhrugeth Pankaj Mehta which didn't responded) are as follows:

“I am in receipt of your letter dated 22-08-2017. In continuation to my earlier submission dated (Feb / March 2016, as applicable) in compliance to your letter no. dated (as applicable). I state, submit and reconfirm that the facts stated in my above mentioned letter that I was not involved in any shares or company proceedings of M/s Jay Energy and S. Energies Ltd. Mr. Saurin J. Kavi, former Director of the company has all relevant information, documents and records and knowledge about the subjected inquiry. As mentioned in my above captioned letter, Mr. Saurin J. Kavi former director of the company stands answerable for and on my behalf in this regard. I reiterate that Mr. Saurin J. Kavi should be allowed to attend the proceedings and produce documents and explanations in this regard. Mr. Saurin J. Kavi has also agreed and consented to my above clarifications and

explanation. He has contact address 10, Allied Apartment, Prerna Park, Opp. L.G. Hospiatl, Maninagar, Ahmedabad, contact no. 9825675938 and e-mail id: saurinkavi@yahoo.com. Further, Mr. Saurin J. Kavi has consented in the regard and his consent letter is attached herewith. It is requested to communicate all future proceedings to the Mr. Saurin J. Kavi.”

11.13 Common trail w.r.t submissions of Saurin J Kavi on behalf of eleven notices above

Hearing dated 14/03/2016

- a) Mr. Saurin J. Kavi availed on 14/03/2016 on behalf of Noticee at sl. no. 1 to 11, except Mr. Bhupendra M Soni and Mr. Jayesh N. Kavi, and made submission that “Mr. Saurin J. Kavi agreed upon to submit the written submission on behalf of all the Noticees he is representing”.

Hearing dated 18/09/2017

- b) On receipt of hearing notice dated 22/08/2017, several Noticees vide e-mail dated 04 – 06/09/2017, inter-alia informed / requested that Mr. Saurin J. Kavi shall be allowed to represent them for the present proceedings and also provided his contact details.
- c) Accordingly, vide various e-mails dated 05/09/2017 to Mr. Saurin J. Kavi (at e-mail saurinkavi@yahoo.com), he was advised to attend the scheduled hearing on 07/09/2017.
- d) Mr. Saurin J Kavi vide e-mail dated 06/09/2017 informed that he would be representing all the 13 Noticees in the present proceedings, however, as regards to hearing on 07/09/2017, on health grounds requested for adjournment of hearing by 10 days. In this regard, vide e-mail dated 06/09/2017 to Mr. Saurin J. Kavi, another opportunity of hearing was provided for all the 13 Noticees on 18/09/2017, 11:00 am.
- e) Mr. Saurin J. Kavi appeared in the hearing on 18/09/2017, 11:00 am for Noticees at sl. no. 1 to 11, and made following common submissions and also undertook to make further submissions and submission of original authorisation letter by 19/09/2017.

“I undertake to provide the authority letters in original along with the copy of the PAN Cards for the entities that I am appearing for by September 19, 2017.

I had appeared before the earlier AO on March 14, 2016. Pursuant to the proceedings I had undertaken to make further written submissions and also to provide the letter of authorisation for appearing on behalf of B P Mehta, P P Trivedi and PY Trivedi by March 17, 2016. I could not make the submissions pursuant to the Hearing

I was explained the purpose of the present proceedings. In this respect my submissions are as under:-

When SEBI sought information from the entities in November 2014 and January 2015, the entities communicated to me and informed him that they do not have any information as they are not dealing with the matter and that all responsibility rests with Saurin Kavi. Further that I had resigned from the company in 2012 and the copy of the notification to ROC will be provided by September 19, 2017- and thus I did not make any further submissions to SEBI for the letters addressed in November 2014 and January 2015. I submit the consent letter of the entities stating that the entities do not know anything about the proceedings and that I own full responsibility for these proceedings.”

- f) However, contrary to earlier stand as informed vide e-mail dated 06/09/2017, Mr. Saurin J. Kavi didn't represent remaining 2 of the 13 Noticees viz, JESL and Mr. Mihir Parikh in the hearing on 18/09/2017.

11.14 Submissions, if any, of the Noticees at sl. no. 1 to 11 are on records and have been received in stages of these proceedings and the last of them were received in e-mail dated 05/09/2017 and 21/09/2017 (forwarding original letter, w.r.t submissions already made through e-mails). Further, no submissions were received from either the said eleven notices or their authorised representative Mr. Saurin J. Kavi.

11.15 **Jay Energy & S. Energies Ltd (JESL, Noticee at sl. no. 12):**

- a) SCN sent at address "Food Hut, Ahmedabad Central, b/s Kaivanna Complex, Ahmedabad, Gujarat 380009" through registered / speed post AD remained undelivered. Further, copy of SCN sent at address "9 GF, Payal Flats, Behind National Handloom, Near Law Garden, Ahmedabad - 380006" through speed post AD in December 2015 was also remained undelivered. SCN was delivered to JESL through e-mail (also sent through e-mail (to jayenergysnergys@gmail.com) dated 28/01/2016.
- b) Hearing Notice dated 18/02/2016 (providing opportunity of hearing on 03/03/2016) sent through speed post AD / e-mail was delivered through e-mail (to jayenergysnergys@gmail.com).
- c) JESL, vide letter dated 18/02/2016 (mentioning Reg Off: C-327, Sidhi Vinayak Tower, Makraba, S. G. Highway, Ahmedabad) sought for inspection of documents. In reply, to the request, vide e-mail (to jayenergysnergys@gmail.com) dated 23/02/2016, document relied upon viz, e-mail communication w.r.t summons i.e, email from SEBI to JESL and from JESL to SEBI was provided.
- d) Hearing was availed on 03/03/2016 by authorised representatives of JESL viz, Ms. Akansha Jain and Mr. Amit Shah (authorisation letter was provided during the hearing), who made oral submissions and undertaken to file written submissions by 10/03/2016. Subsequently, JESL submitted written submissions dated 10/03/2016 and the same were received on 14/03/2016. Key submissions from the same are as follows:

"SCN is generalised in nature. We were given unreasonably shorter time to reply. The summons was issued by e-mail to us on Friday March 13, 2015 at 6:51 pm i.e, after working hours asking us to reply by March 18, 2015. Considering weekend holidays for SEBI and company, effectively short period of 3 working days time was provided to reply to the summons.

Eventually we had three days to reply to summons and in such short time the readily available information was provided to SEBI on March 18, 2015. After few hours another email was received from SEBI mentioning that we have replied to only one part of the summons and asked us to reply to another part by March 19, 2015.

Apparently, unreasonably shorter notice was given to company to reply to the said summons, and the same was against the principle of natural justice.

Summons was sent through e-mails only and no hard copy of summons was received.

As per SCN para 14, we would like to put light on that point: non compliance of summons, wherein all the parties at sl. no. (1-11) were first issued a letter on November 11, 2014 after 2 months of the said letter summons was issued on January 13, 2015 and then a reminder on Jan 22, 2015. It means that, the effective time period received by all these 11 entities was from November 2014 to February 2015. Effectively four months' time was available to all these parties at sl. no. (1-11) for reply. The time gap between summons and its reply and reminder was 9 days (and to be precise 7 working days). However, company was required to reply within effectively 3 working days which is unreasonable and against the principles of natural justice.

Right to equality has also been violated as the company were not treated equally with the other parties in the SCN and time provided to us was comparatively shorter than others.

Vide letter dated February 18, 2016, the company requested SEBI to allow them to take physical inspection of all the documents, supporting evidences, etc used for the issuance of the SCN. SEBI did not provide them with an opportunity of inspection, instead provided photocopy of printout of certain email exchanged between company and SEBI tagged as page 211, 212 and 213. All these e-mails were only a face e-mail and without annexure files. It was also informe on face of email that SCN was prepared on the basis of Investigation Report, but copy of the same was not provided in spite of our request.

It is not explained in SCN what was asked vide summons dated March 13, 2015. Also what was provided and not provided by us.

It is the duty of every manager, managing director, officer and other employee of the company and every intermediary referred to in section 12 (of SEBI Act) or every person associated with the securities market to preserve and to produce to the Investigating Authority. It is the duty of individuals, not company, hence, only individual can be charged for non-compliance not company. Also, the summons issued was addressed to Mr. Mihir Parikh, Compliance Officer of the Company and not to the Company. So the act of SEBI o f addressing the summons to Compliance Officer of the Company, itself proves that it's the dudy of individuals and not the company. It can be concluded that the summons was issued to Mr. Mihir Parikh and not to the company. In support of this contention case of Webcity Infosys Ltd dated November 30, 2011 has been quoted."

- e) Subsequent to change in Adjudicating Officer, Hearing Notice dated August 22, 2017 (providing opportunity of hearing on 07/09/2017) sent through speed post AD to last known address viz, C-327, Sidhi Vinayak Tower, Makraba, S. G. Highway, Ahmedabad – 380051 remain undelivered. Said hearing notice was delivered through e-mail (to jayenergysenergys@gmail.com) dated 03/11/2017.
- f) On receipt of e-mail (04 – 06/09/2017) from several Noticees inter-alia informing / requesting that Mr. Saurin J. Kavi shall be allowed to represent them for the present proceedings and also provided his contact details. Accordingly, vide e-mail dated 05/09/2016 to Mr. Saurin J. Kavi (at e-mail saurinkavi@yahoo.com), he was advised to attend the scheduled hearing on 07/09/2017. Mr. Saurin J Kavi vide e-mail dated 06/09/2017 informed that he will be representing all the 13 Noticees including Mr. Rajesh Rajnikant Mehta in the present proceedings, however, as regards to hearing on 07/09/2017, on health grounds requested for adjournment of hearing by 10 days. In this regard, vide e-mail dated 06/09/2017 to Mr. Saurin J. Kavi, another opportunity of hearing was provided for all the thirteen Noticees on 18/09/2017, 11:00 am.
- g) Mr. Saurin J. Kavi appeared in the hearing on 18/09/2017, 12:00 pm. However, contrary to as earlier informed vide e-mail dated 06/09/2017, Mr. Saurin J. Kavi didn't represent all the thirteen Noticees and at the hearing stated that he is not representing JESL and Mr. Mihir Parikh. Hence, in this regard, another hearing notice dated 03/11/2017 (providing opportunity of hearing on 21/11/2017) was sent to Mr. Mihir Parikh and JESL through speed post AD and the same was delivered to Mr. Mihir Parikh on 10/11/2017, however could not be delivered at address of JESL. Said hearing notice was also sent through e-mail (to jayenergysenergys@gmail.com) dated 03/11/2017 and the same was delivered.
- h) JESL, vide its e-mail (from jayenergysenergys@gmail.com) dated 21/11/2017 and 25/11/2017 requested for adjournment of hearing on account of non-availability of Mr. Mihir Parikh, its Director, due to marriage in his close relation (copy of invitation card was enclosed for marriage on 22/11/2017). Vide the said e-mail it was undertaken by JESL that Mr. Mihir Parikh will appear on behalf of the company (i.e, JESL) as Director and will make submission and all the requisite

information as may be asked for. Accordingly, vide e-mail to Mr. Mihir Parikh and JESL (to jayenergysenergys@gmail.com, mihirparikh63@ymail.com) dated 27/11/2017, opportunity of hearing was provided on 06/12/2017. Vide two separate e-mail each dated 05/12/2017 (from jayenergysenergys@gmail.com and mihirparikh63@ymail.com) sent in the name of Mr. Mihir Parikh, extension of time to appear for hearing on account of wedding in family (invitation card enclosed for marriage on 05/12/2017) and bad weather (prevailing cyclonic) conditions and it was requested to keep the hearing after 12/12/2017. Therefore, vide e-mail to Mr. Mihir Parikh and JESL (to jayenergysenergys@gmail.com and mihirparikh63@ymail.com) dated 05/12/2017, final opportunity of hearing was provided on 15/12/2017.

- i) Contrary to submission of JESL in e-mail dated 21/11/2015 and 25/11/2015, Mr. Mihir Parikh didn't represent JESL, while representing only himself in the hearing availed by him on 15/12/2017. Hence, there are no further submissions on behalf of JESL in the matter after its detailed submissions filed by JESL vide letter dated 10/03/2016. Hence, the present proceedings are carried further based on the submissions already on record.

11.16 Mr. Mihir Parikh (Noticee at sl. no. 13)::

- a) SCN sent at address "Food Hut, Ahmedabad Central, b/s Kaivanna Complex, Ahmedabad, Gujarat 380009" through registered / speed post AD remained undelivered. Further, copy of SCN sent at address "23-A, Vijay Colony, Near Sardar Patel Colony, Varangpura, Ahmedabad, Gujarat – 3800013" was delivered in November 2016. SCN was also sent through e-mail (to mihirparikh63@ymail.com) dated 28/01/2016 and the same was delivered.
- b) Hearing Notice dated 18/02/2016 (providing opportunity of hearing on 03/03/2016) sent through speed post AD was delivered on 22/02/2016. Said hearing notice was also sent through e-mail (to mihirparikh63@ymail.com) dated 18/02/2016 and the same was delivered.
- c) Mr. Mihir Parikh, vide letter dated 01/03/2016 requested for adjournment of hearing by two weeks on account of health issues.
- d) Hearing was availed on 16/03/2016 by authorised representatives of Mr. Mihir Parikh, viz, Ms. Akansha Jain (authorisation letter was provided during the hearing), who made oral submissions and undertaken to file written submissions by 18/03/2016. Subsequently, Mr. Mihir Parikh submitted written submissions dated 18/03/2016 and the same were received on 22/03/2016.

Key submissions from the same are as follows:

"The SCN is issued to me in capacity of compliance officer of Jay Energy and S. Energies Ltd (JESL). My name is only mentioned along with the company in para 14 of SCN in tabular presentation. There are no specific allegations or evidence against me in the entire SCN.

*SCN is generalised in nature. My role is not even mentioned once in entire SCN. SCN is silent about any evidence against me. Forget about allegation and evidence, there is not a single sentence mentioned regarding me in entire SCN. The SCN is wrongly issued to me hence it is **void ab initio**.*

I was on leave from office from March 11, 2015 to March 20, 2015. Proof of same is enclosed as Annexure I. In my absence summons was received and replied by Mr. Ravi Gandhi, Director of the Company. As the mails were sent by SEBI on company's email id and during my absence Mr. Gandhi replied to the mail, as I was absent, I was unaware of the whole matter and later got to know about the same. Hence there should be no charges of non-compliance against me. Summons was never issued to me separately nor even SEBI mentioned in mails that company and compliance officer both have to reply to summons separately. How SEBI can issue SCN to company as well as me for the same matter. The period to reply to summons was very short still company's director replied to the same in best possible manner in such short period.

Summons was received after close of business hours at 6:51 pm on Friday, March 13, 2015. Considering weekend holidays for SEBI and company, effectively short period of 3 working days time was provided to reply to the summons and was against the principle of natural justice. Even e-mail dated March 18, 2015 was addressed to Mr. Gandbi not me.

First e-mail dated March 13, 2015 at 4:05 pm received from SEBI asking for disclosure filed by Mr. Jayesh Kavi. Second e-mail was received on the same day after 3 hours of the first e-mail and after close of business hours at 6:51 p.m. contradict to first e-mail and asking to reply for 2 queries and the same is to be submitted by March 18, 2015.

One e-mail asked for one query to be replied in one day (effectively zero days considering weekend holidays) and second e-mail forwarding summons asking for two queries to be replied in 5 days (effectively 3 days considering weekend holidays). Both e-mail are contradicting and confusing.

Summons was send through e-mails only and no hard copy of summons was received by the company or me.

Effectively unreasonably shorter notice period of only 3 working days was provided to company to reply to the said e-mails and summons. Content of the e-mails were confusing.

As per SCN para 14, we would like to put light on that point: non compliance of summons, wherein all the parties at sl. no. (1-11) were first issued a letter on November 11, 2014 after 2 months of the said letter summons was issued on January 13, 2015 and then a reminder on Jan 22, 2015. It means that, the effective time period received by all these 11 entities was from November 2014 to February 2015. Effectively four months' time was available to all these parties at sl. no. (1-11) for reply. The time gap between summons and its reply and reminder was 9 days (and to be precise 7 working days). However, company was required to reply within effectively 3 working days which is unreasonable and against the principles of natural justice. Right to equality has also been violated as the company and me were not treated equally with the other parties in the SCN and time provided to us was comparatively shorter than others.

Vide letter dated February 18, 2016, the company have requested SEBI to allow them to take physical inspection of all the documents, supporting evidences, etc used for the issuance of the SCN. SEBI did not provide them with an opportunity of inspection, instead provided photocopy of printout of certain email exchanged between company and SEBI tagged as page 211, 212 and 213. All these e-mails were only a face e-mail and without annexure files. It was also inform on face of email that SCN was prepared on the basis of Investigation Report, but copy of the same was not provided in spite of our request.

It is not explained in SCN what was asked vide summons dated March 13, 2015. Also what was provided and not provided by us.

As SEBI issue summons as per the order V Civil Procedure Code, 1908. As per CPC 1908 the notice period of the summons should be minimum 30 days. Hence, SEBI should provide minimum 30 days time to reply to summons."

- e) Subsequent to change in Adjudicating Officer, Hearing Notice dated August 22, 2017 (providing opportunity of hearing on 07/09/2017) sent through speed post AD was delivered before 31/08/2017.
- f) On receipt of e-mail (04 – 06/09/2017) from several Noticees inter-alia informing / requesting that Mr. Saurin J. Kavi shall be allowed to represent them for the present proceedings and also provided his contact details. Accordingly, vide e-mail dated 05/09/2016 to Mr. Saurin J. Kavi (at e-mail saaurinkavi@yahoo.com), he was advised to attend the scheduled hearing on 07/09/2017. Mr. Saurin J Kavi vide e-mail dated 06/09/2017 informed that he will be representing all the 13 Noticees including Mr. Mihir Parikh Mehta in the present proceedings, however, as regards to

hearing on 07/09/2017, on health grounds requested for adjournment of hearing by 10 days. In this regard, vide e-mail dated 06/09/2017 to Mr. Saurin J. Kavi, another opportunity of hearing was provided for all the thirteen Noticees on 18/09/2017, 11:00 am. Mr. Saurin J. Kavi appeared in the hearing on 18/09/2017, 12:00 pm.

- g) However, as earlier informed vide e-mail dated 06/09/2017, Mr. Saurin J. Kavi didn't represent 2 of the 13 Noticees viz, JESL and Mr. Mihir Parikh. Hence, in this regard, another hearing notice dated 03/11/2017 (providing opportunity of hearing on 21/11/2017) was sent to Mr. Mihir Parikh and JESL through speed post AD and the same was delivered on 10/11/2017. Said hearing notice was also sent through e-mail (to mihirparikh63@gmail.com) dated 03/11/2017 and the same was delivered.
- h) JESL, vide its e-mail (from jayenergysenergys@gmail.com) dated 21/11/2017 and 25/11/2017 requested for adjournment of hearing on account of non-availability of Mr. Mihir Parikh, its Director, due to marriage in his close relation (copy of invitation card was enclosed for marriage on 22/11/2017). Vide the said e-mail it was undertaken by JESL that Mr. Mihir Parikh will appear on behalf of the company (i.e, JESL) as Director and will make submission and all the requisite information as may be asked for. Accordingly, vide e-mail to Mr. Mihir Parikh and JESL (to jayenergysenergys@gmail.com, mihirparikh63@gmail.com) dated 27/11/2017, opportunity of hearing was provided on 06/12/2017. Vide two separate e-mail each dated 05/12/2017 (from jayenergysenergys@gmail.com and mihirparikh63@gmail.com) sent in the name of Mr. Mihir Parikh, extension of time to appear for hearing on account of wedding in family (invitation card enclosed for marriage on 05/12/2017) and bad weather (prevailing cyclonic) conditions and it was requested to keep the hearing after 12/12/2017. Therefore, vide e-mail to Mr. Mihir Parikh and JESL (to jayenergysenergys@gmail.com and mihirparikh63@gmail.com) dated 05/12/2017, final opportunity of hearing was provided on 15/12/2017.
- i) Mr. Mihir Parikh availed the hearing on 15/12/2017 only on his behalf and recorded his submissions in the hearing in Hindi stating that *"I have not violated any provisions of law, and in case it is deemed that violations has been made by him, it is requested to take lenient view in the matter"*.

CONSIDERATION OF ISSUES AND FINDINGS

- 12. Having examined the background of the case including SCN, written submissions of Noticees, submissions, if any, made in the personal hearing, the issues that arise for consideration in the present case are:
 - a) Whether Mr. Jayesh N. Kavi (Noticee no. 11) has violated provisions of regulation 13(3) of PIT Regulations, 1992?
 - b) Whether Noticees (no. 1 to 13) have violated provisions of section 11C(2) and 11C(3) of SEBI Act?
 - c) Does the violation, if any, mentioned in issue a) attract monetary penalty under section 15A(b) of SEBI Act?
 - d) Does the violation, if any, mentioned in issue b) attract monetary penalty under section 15A(a) of SEBI Act?
 - e) If so, what would be the monetary penalty that can be imposed upon the Noticees taking into consideration the factors mentioned in section 15J of SEBI Act?

Issue a) – Whether Mr. Jayesh N. Kavi (Noticee no. 11) has violated provisions of regulation 13(3) of PIT Regulations, 1992?

13. Mr. Jayesh Kavi transferred / sold 2,50,000 shares or 3.68% of shares of JESL to Mr. Saurin Kavi on July 30, 2010. On account of the said transfer of shares, shareholding of Mr. Jayesh Kavi in JESL came down from 6.62% to 2.94%. Mr. Jayesh N. Kavi was holding more than 5% shares prior to said transfer of shares, and for the said change in holding of more than 2% of shares of JESL, Mr. Jayesh Kavi was required to make disclosure to the company under Regulation 13(3) of PIT Regulations, 1992.
14. In reply to the SEBI e-mail and summons dated March 13, 2015, JESL provided copy of the disclosure dated July 31, 2010 made by Mr. Jayesh N. Kavi. From the perusal of the said copy of disclosure, it is observed that though disclosure is shown to be made on July 31, 2010, however, the disclosure has been made in the form D. It is to be mentioned that the Form D was substituted by the SEBI(PIT) (Amendment) Regulations, 2011 and was effective only on or after August 16, 2011.
15. This raises serious doubts about the compliance filed by the Noticee purportedly on July 31, 2010 in a form D which was a requirement in the amended PIT regulations notified only on August 16, 2011 almost a year later. It is curious to note that the disclosure has been filed in Form D with signature and date as July 31, 2010 when in fact in 2010 the Form D did not even exist. In fact the Noticee was required to file the disclosure in form C as per the extant requirement in 2010 as per the old regulations.
16. Hence, it is amply clear that the disclosure was actually filled and submitted only after a date the said amendment came into effect i.e, on or after 16/08/2011, hence, contention of JESL that it has timely received the disclosure and also its contention that it also made timely disclosure to Stock Exchange, is false and misleading.
17. Regulation 13(3) of the PIT Regulations, 1992 reads as follows:
“Continual disclosure.
13(3) Any person who holds more than 5% shares for voting rights in any listed company shall disclose to the company in Form C the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the company.”
18. Further, Regulation 13(5) of PIT Regulations, 1992 require disclosure under Regulation 13(3) to be made within two working days of acquisition or sale of shares. Hence, given the same, it is clear that Mr. Jayesh N. Kavi (Noticee at Sl. no. 11) has violated the provisions of Regulation 13(3) of PIT Regulations, 1992 as he has failed to make the requisite disclosures to JESL (the company).

Issue b) - Whether Noticees (no. 1 to 13) have violated provisions of section 11C(2) and 11C(3) of SEBI Act?

19. It is noted that 11 identified promoters as at the end of June 2010 quarter transferred / sold their total holding of 10,34,915 or 15.23% shares in JESL during July 2010 to September 2010, to 14 new

promoters, and the said 14 new promoters holding 10,34,915 or 15.23% shares appear in the shareholding pattern as at the end of September 2010 quarter. In this regard, separate letters dated 11/11/2014, separate summons dated 13/01/2015 followed by separate reminder dated 22/01/2015 were sent to the 14 new promoters inter-alia seeking information about their compliance, being person acting in concert (PAC) to the requirements under SEBI(SAST) Regulations, 1997 along with documents, if any, submitted to Stock Exchange and JESL. In this regard, it is alleged that Noticee no. 1 to 10 failed to provide requisite information / submissions and respond to the summons and reminders issued to them in violation of section 11C(2) and 11C(3) of SEBI Act.

20. In view of the disclosure requirements under PIT Regulations, 1992 for Mr. Jayesh N. Kavi (Noticee no. 11) and to ascertain his compliance to the same, vide letter dated 11/11/2014, summons dated 28/01/2015 and reminders dated 04/02/2015; 09/02/2015 to Mr. Jayesh N. Kavi, he was inter-alia required to submit information / documents about his compliances under PIT Regulations, 1992. In this regard, it is alleged that Mr. Jayesh N. Kavi failed to provide requisite information / submission and respond to the summons and reminders issued to him in violation of section 11C(2) and 11C(3) of SEBI Act.

21. Summons dated 13/03/2015 followed by reminders dated 18/03/2015 were sent to Mr. Mihir Parikh, Compliance Officer, JESL through e-mail seeking information viz, (a) disclosure under PIT Regulations, 1992 received from Mr. Jayesh Kavi, and (b) furnish records of all such transfers done by the promoters between June 2010 to September 2010 indicating transferor, transferee, date of transfer, mode of transfer, consideration paid if any and PAN no. of transferor and transferee. It is noted that JESL vide e-mail dated 18/03/2015 replied to the said query (a) of summon, however, the reply to summon was partial or incomplete as query (b) of summon remained unanswered. It is alleged that this non-compliance has hampered the fact finding process about the exact date of acquisition of shares by the new promoters, hence, JESL and its Compliance Officer, Mr. Mihir Parikh alleged to have violated section 11C(2) and 11C(3) of SEBI Act.

22. Noticees no. 1, 3 to 11 have made following key contention in reply to SCN:

“I was not involved in any shares or company proceedings of M/s Jay Energy and S. Energies Ltd. Mr. Saurin J. Kavi, former Director of the company has all relevant information, documents and records and knowledge about the subjected inquiry. Mr. Saurin J. Kavi former director of company stands answerable for and on my behalf in this regard. Mr. Saurin J. Kavi should be allowed to attend the proceedings and produce documents and explanations in this regard. Mr. Saurin J. Kavi has also agreed and consented to my above clarifications and explanation

In the enclosed signed letter from Mr. Saurin J. Kavi, placed along with the reply of above Noticees, following is submitted:

“I Saurin J. Kavi, having address at 10, Allied Apartment, Prerna Park, Opp. L.G. Hospital, Maninagar, Ahmedabad do hereby confirm the facts that (name of the Noticee) has no knowledge about the SEBI proceedings in the matter of Jany Energy and S. Energies Ltd and I take all responsibility for the same on his behalf.”

23. Mr. Saurin J. Kavi, while being authorised representative of Noticee at sl. no. 1, 2, and 4 to 10 in hearing on 14/03/2016 merely undertaken to file written submissions on behalf of the Noticees. Further, while being authorised representative of the Noticees sl. no. 1 to 11 in the hearing on 18/09/2017, Mr. Saurin J. Kavi made following key submissions:

“When SEBI sought information from the entities in November 2014 and January 2015, the entities communicated to me and informed him that they do not have any information as they are not dealing with the matter and that all responsibility rests with Saurin Kavi. Further that I had resigned from the company in 2012 and the copy of the notification to ROC will be provided by September 19, 2017- and thus I did not make any further submissions to SEBI for the letters addressed in November 2014 and January 2015. I submit the consent letter of the entities stating that the entities do not know anything about the proceedings and that I own full responsibility for these proceedings.”

24. Key contentions put forth by Mr. Mihir Parikh in his submissions are as follows:

a) Written submissions vide letter dated 18/03/2016:

“SCN is generalised in nature. My role is not even mentioned once in entire SCN. SCN is silent about any evidence against me, I was on leave during March 11, 2015 to March 20, 2015 (in support, submitted letter of JESL). In my absence summons was received and replied by Mr. Ravi Gandbi, Director of the Company. As the mails were sent by SEBI on company’s email id and during my absence Mr. Gandbi replied to the mail, I was absent, I was unaware of the whole matter and later got to know about the same. Hence there should be no charges of non-compliance against me.”

b) Submissions in the hearing on 15/12/2017:

“I have not violated any provisions of law, and in case it is deemed that violations has been made by him, it is requested to take lenient view in the matter”.

25. Key contention put forth by JESL in its written submissions are as follows:

“SCN is generalised in nature. We were given unreasonably shorter time of 3 working days to reply. Summon was issued to Compliance Officer of JESL and not to JESL. It was required to reply within effectively 3 working days which is unreasonable and against the principles of natural justice. Right to equality has also been violated as the company was not treated equally with the other parties in the matter / SCN as we were not issued letters before SCN, and time provided to us was comparatively shorter than others. Summons were issued to Compliance Officer and not the company / JESL. As per SEBI Act, Individual / Officer of company is responsible to comply to provisions of section 11C(2) and (3) of SEBI Act / summons and not the company.”

26. From the perusal of material available on record including copy of letters, summons, reminder letters issued to the Noticees no. 1 to 11, it is noted that the same were addressed to the respective Noticees and sent at their respective address. As regards to summon and following reminder sent to JESL, it is noted that same were addressed to Mr. Mihir Parikh, M.s Jay Energy and S. Energies Ltd and duly signed scanned copy of the summons and reminder was sent to e-mail id of JESL viz, jayenergysenergys@gmail.com.

27. On perusal of material on record, following details of letter / summon / reminder to Noticees and their delivery status is noted:

Sl.	Name of Noticee	Letter date	Summon Date	Reminder letter date	As per acknowledgement card, delivery on or before
1	Mr. Amish Rameshbhai Desai	11/11/2014	13/01/2015	22/01/2015	Delivered (not dated)
2	Mr. Bhruvish Pankaj Mehta	11/11/2014	13/01/2015	22/01/2015	Delivered on or before 19/01/2015, undated
3	Mr. Bhupendra M Soni	11/11/2014	13/01/2015	22/01/2015	Delivered on or before 19/01/2015; also affixed
4	Ms. Palak Premal Trivedi	11/11/2014	13/01/2015	22/01/2015	Delivered on 22/01/2015, 12/02/2015
5	Ms. Pinal Rajeshbhai Mehta	11/11/2014	13/01/2015	22/01/2015	Delivered on 19/01/2015, 09/02/2015

Sl.	Name of Noticee	Letter date	Summon Date	Reminder letter date	As per acknowledgement card, delivery on or before
6	Mr. Premal Yogendra Trivedi	11/11/2014	13/01/2015	22/01/2015	Delivered on 22/01/2015, 12/02/2015
7	Mr. Rajesh Rajnikant Mehta	11/11/2014	13/01/2015	22/01/2015	Delivered on 19/01/2015, 27/01/2015
8	Mr. Sawan Ajit Joshi	11/11/2014	13/01/2015	22/01/2015	Delivered on 17/01/2015, 27/01/2015, 06/02/2015
9	Mr. Shirish Rameshbhai Desai	11/11/2014	13/01/2015	22/01/2015	Delivered (not dated)
10	Mr. Shiv Navinchandra Raval	11/11/2014	13/01/2015	22/01/2015	Delivered on or before 28/01/2015, 06/02/2015
11	Mr. Jayesh N. Kavi	11/11/2014	28/01/2015	04/02/2015; 09/02/2015	Delivered on 01/02/2015, 13/02/2015
12	Jay Energy and S. Energies (JESL)	e-mail 13/03/2015, 4:05 pm	13/03/2015 (after 6:00 pm)	18/03/2015	Delivered through e-mail
13	Mr. Mihir Parikh				

28. From the above, it is clear that summons issued to all the Noticees were delivered, hence, they have knowledge about the summons and the information / documents being sought from them. As regards of delivery of summons / reminders to JESL through e-mail, it is noted that scanned copy of duly signed summons and reminders were sent through e-mail to JESL, and the same were acknowledged by JESL, hence, the delivery of the summons / reminder to JESL is deemed to have been made.
29. It is noted that Noticees no. 1 to 11 despite acknowledging receipt of the summons, didn't provide the requisite information / documents, nor they sought any extension of time to submit reply to summons. As regards submissions of Noticees no. 1 to 11 and submissions of Mr. Saurin J. Kavi (in reply to the SCN) stating that "*Noticees were not aware of the facts and Mr. Saurin J. Kavi is responsible for non-compliances*" is not acceptable as the summons were issued to Noticees no. 1 to 11 seeking information from them about their acts, and also, these summons were delivered to the respective address of Noticees. Hence, Noticees were responsible to ensure compliance required in this regard. In this event of non-compliance, Mr. Saurin J. Kavi or any other person cannot be held responsible and it is the Noticees no. 1 to 11 who are responsible for the non-compliance of summons.
30. As regards submission on record from Noticees no. 1 to 11 putting blame on another person (Mr. Saurin J. Kavi) for compliances which they were liable, and considering the fact that the person being blamed is also a promoter of the company and he has consented to take the said blame, it strongly indicate towards complete lack of awareness at the end of Noticees about their acts, or towards larger malpractices or an attempt to mislead. However, despite these tactics of Noticees and Mr. Saurin J. Kavi, finding remains that the Noticees at sl. no. 1 to 11 have failed to comply with summons which sought information from them (not from Mr. Saurin J. Kavi) on compliance undertaken by them, and for the same they are only responsible as noted above.
31. As regards to summons issued to JESL (Noticee no. 12) and Mr. Mihir Parikh (Noticee no. 13), following is noted:
- Summon issued to Mr. Mihir Parikh and JESL required information / submissions on two points viz, (a) Disclosure under PIT Regulations, 1992 received from Mr. Jayesh Kavi, and (b) furnish records of all such transfers done by the promoters between June 2010 to September 2010

- indicating transferor, transferee, date of transfer, mode of transfer, consideration paid if any and PAN no. of transferor and transferee.
- b) Scanned copy of the summons addressed to Mr. Mihir Parikh, being compliance officer of JESL was sent to e-mail id of JESL viz, jayenergysenergys@gmail.com after 6:00 pm on 13/03/2015, requiring to submit requisite information / document by 18/03/2015.
 - c) Scanned copy of the reminder to summons addressed to Mr. Mihir Parikh, being compliance officer of JESL was sent to e-mail id of JESL viz, jayenergysenergys@gmail.com after 5:00 pm on 18/03/2015.
 - d) Vide e-mail after 5:00 pm on 18/03/2015 from to jayenergysenergys@gmail.com, Mr. Ravi Gandhi, Director, JESL replied / provided inputs to SEBI on point related to disclosures of Mr. Jayesh N. Kavi. Since, information / submissions w.r.t point 2 in the summons was not received, SEBI replied addressed to Mr. Ravi Gandhi vide e-mail after 9:00 pm sent to jayenergysenergys@gmail.com and advised to submit reply to point / query 2 of the summon, latest by end of the day on 19/03/2017.
 - e) Both Mr. Mihir Parikh and JESL have been alleged to have violated the relevant provisions for failure to provide requisite information.
32. It is pertinent to note that as per the findings of SEBI in the present matter, physical share transfer between the previous 11 promoter and 14 new promoters was processed in house by JESL during June 2010 to September 2010, and this was clearly mentioned in the summons issued to Mr. Mihir Parikh and JESL. As per information on record including reply of Mr. Mihir Parikh and JESL to the SCN, this fact (transfer of physical shares processed in house by JESL) is not contended by Mr. Mihir Parkinkh and JESL.
 33. When transfer of shares was processed in house by JESL, it is bound to have requisite information sought in the summons viz, records of transferor, transferee, date of transfer, mode of transfer, consideration paid (if any) and PAN no. of transferor and transferee, as these information is required to be gathered before processing any transfer of shares.
 34. Further, it is pertinent to note that this information was available only with the JESL as the transfer of physical shares was processed in house by JESL. Given the above, it is noted that time of 3 working days provided to Mr. Mihir Parikh and JESL was sufficient to reply to the summons with requisite information as the same would have been available with JESL, and JESL was not dependent on external source to gather the same. Hence, contention of Mr. Mihir Parikh and JESL that 3 working days were not sufficient to provide requisite information is not tenable.
 35. Even otherwise, for a moment, if the contention of the JESL were to be considered that the three days' time was inadequate, they had all the liberty to seek further time from the Investigation Authority. Records show that they have neither sought such an extension, nor have they submitted the information after the lapse of the three days time. Thus this contention that the time given was very less can be considered as a mere excuse.
 36. As regards to contention of JESL and Mr. Mihir Parikh that they were not treated equally compared to noticees at sl. no. 1 to 11, as they were not issued letter before issuance of summons, given more time to respond to summons / reminders, etc, is beyond merit. Further, considering the fact that

requisite information was supposed to be available with JESL, same should have been provided expeditiously and if not within the stipulated three working days, then belatedly too. It is on records that even as on date the JESL has not shown any readiness to provide the information nor has the present proceedings prompted them to provide the information at this stage.

37. Mr. Mihir Parikh has contended that he has no role in non-compliance of summons and in this regard he has submitted that he was on leave during 11/03/2015 to 20/03/2015 and in his absence Mr. Ravi Gandhi, Director of JESL replied to summons. Mr. Mihir Parikh in its submissions has also submitted letter from Mr. Ravi Gandhi, Director JESL on letter head of JESL stating that Mr. Mihir Parikh was on sick leave due to his health issues from 11/03/2015 to 20/03/2015. As per information / material on record, it is noted that the summons and following reminder were addressed to Mr. Mihir Parikh in capacity of being compliance officer of JESL and scanned copy of the same were sent through e-mail id of JESL viz, jayenergynsenergys@gmail.com. It is noted that partial reply to summon was sent by one Mr. Ravi Gandhi, Director of JESL on 18/03/2017. There is no communication sent by Mr. Mihir Parikh to SEBI between 13/03/2015 to 18/03/2015. Given the above, Mr. Mihir Parikh can't be held personally responsible for non-compliances of summons.
38. As regards to contention of JESL that only individual / officer of company and not the company is responsible to comply with summons or relevant provisions, it is important to refer provisions of section 11C(2) and (3) of SEBI Act which reads as follows:

“11C(2) Without prejudice to the provisions of sections 235 to 241 of the Companies Act, 1956 (1 of 1956), it shall be the duty of every manager, managing director, officer and other employee of the company and every intermediary referred to in section 12 or every person associated with the securities market to preserve and to produce to the Investigating Authority or any person authorised by it in this behalf, all the books, registers, other documents and record of, or relating to, the company or, as the case may be, of or relating to, the intermediary or such person, which are in their custody or power.

11C(3) The Investigating Authority may require any intermediary or any person associated with securities market in any manner to furnish such information to, or produce such books, or registers, or other documents, or record before him or any person authorised by it in this behalf as it may consider necessary if the furnishing of such information or the production of such books, or registers, or other documents, or record is relevant or necessary for the purposes of its investigation.”
39. As noted from above provisions, Section 11C(2) reads as (relevant extracts) “.....referred to in section 12 or **every person associated with the securities market to preserve and to produce to the Investigating Authority or any person authorised by it in this behalf..”**. Further, Section 11C(3) reads as (relevant extracts) “*The Investigating Authority may require any intermediary or **any person associated with securities market in any manner***”. It is an established position that company is an artificial person and hence, well covered under scope of section 11C(2) and (3) requiring any person associated with securities market to comply with the requirement put by / submit information to the Investigating Authority.
40. It is pertinent to note that in the present case requisite information was sought by Investigating Authority through summons under his signature and seal. Both summons and reminder to summons were addressed / issued to Mr. Mihir Parikh in capacity of compliance officer of JESL and sent to the e-mail id of JESL viz, jayenergynsenergys@gmail.com. Hence, even in absence of compliance officer, JESL was aware of requirement put forth by Investigating Authority of SEBI.

41. Hence, JESL was required to ensure that requisite information is provided to Investigating Authority expeditiously and in timely manner. JESL would also have requested for extension of time if it felt time provided is not sufficient to submit requisite information. However, neither extension of time to furnish the reply was sought, nor information was provided to Investigating Authority, even belatedly. As per information on record, submission of requisite information was relevant /important to the investigation as dates of acquisition of shares by Noticee and other details were required to complete the investigation, and on failure to provide same, investigation process was hampered.
42. It is noted that Mr. Mihir Parikh was Compliance Officer of JESL, therefore the summons was addressed to him along with name of JESL. Further, information being sought in the summons was information available in company records, and the same would have been in records of JESL in absence of Mr. Mihir Parikh, and on receipt of summons, JESL has the responsibility to ensure that the requisite information / submissions are provided to SEBI.
43. Given the above, JESL can't run away from its responsibility for providing requisite information to Investigating Authority of SEBI. Instead providing information, even belatedly or even anytime during the present proceedings, JESL has been contending that it was provided less time to respond, while the fact remains that it didn't provided the requisite information / submissions. Given the fact that no extension of time was sought by JESL, nor it provided the requisite information belatedly, it is construed that it has deliberately not provided the information.
44. Information sought in the summons was supposed to be available with the Noticees as it relates to disclosures filed / received by them (Noticees at sl. no. 1 to 12), or it relates to transfer of shares processed by JESL. Further, summons issued to Noticees were issued by Investigating Authority under his signature and seal, clearly mentioning about the ongoing investigation, and putting forth clear requirement of information from the Noticees. Hence, the conditions in section 11C(2) and 11C(3) of SEBI Act are satisfied and applicable on the Noticees. As noted in above findings, the Noticees no. 1 to 12 failed to provide requisite information and comply with summons issued to them, hence, they have violated provisions of section 11C(2) and 11C(3) of SEBI Act .

Issue c) - Does the violation, if any, mentioned in issue a) attract monetary penalty under section 15A(b) of SEBI Act?

45. Given the violation by Mr. Jayesh N. Kavi (Noticee at Sl. no. 11) as established above, it is relevant to refer the issue settled by the Hon'ble Supreme Court of India in the matter of **SEBI Vs. Shri Ram Mutual Fund [2006] 68 SCL 216(SC)** where it is held that *"In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the Regulations is established and hence the intention of the parties committing such violation becomes wholly irrelevant..."*.
46. In view of the above, it is concluded that it is a fit case to impose monetary penalty under Section 15A(b) of SEBI Act, which reads as follows:

Penalty for failure to furnish information, return, etc.

15A. *If any person, who is required under this Act or any rules or regulations made thereunder,—*

(b) *to file any return or furnish any information, books or other documents within the time specified therefor in the regulations, fails to file return or furnish the same within the time specified therefor in the regulations, he shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees;*

Issue d) - Does the violation, if any, mentioned in issue b) attract monetary penalty under section 15A(a) of SEBI Act?

47. Given the violation by Noticee no. 1 to 12 as established above, it is relevant to refer the issue settled by the Hon'ble Supreme Court of India in the matter of **SEBI Vs. Shri Ram Mutual Fund [2006] 68 SCL 216(SC)** where it is held that *"In our considered opinion, penalty is attracted as soon as the contravention of the statutory obligation as contemplated by the Act and the Regulations is established and hence the intention of the parties committing such violation becomes wholly irrelevant..."*.
48. It would be pertinent to quote the judgment of Hon'ble SAT in *Indivar Traders Pvt. Ltd v/s SEBI in Appeal No. 378 of 2015 decided on September 09, 2015*, held that *"Admittedly, appellant had failed to furnish all particulars sought for in the summons dated 22.2.2013 issued under Section 11C(3) of SEBI Act. Obligation to furnish documents called for by issuing summons under section 11C(3) is mandatory and failure to furnish documents called for thereunder, renders the person liable for penalty under section 15A(a) of SEBI Act."*
49. Further, The Hon'ble SAT in the matter of *DKG Buildcon Private Ltd. v/s AO&EO, SEBI, Appeal No. 106/2006*, inter alia, held..... *"It is of utmost importance that every person from whom information is sought should fully co-operate with the investigating officer and promptly produce all documents, records, information as may be necessary for the investigations. If persons are allowed to flout the summons issued to them during the course of investigations, the Board as the watchdog of securities market will not be able to perform its duties in protecting the interest of the investors and safeguarding the integrity of the securities market....."*
50. Further, The Hon'ble SAT in the case of *M/s Asian Films Production and Distribution Ltd. (earlier known as K C Bokadia Films Ltd.)Vs. SEBI (Appeal No. 203 of 2010, Date of decision: 19.01.2011)* held that: *"Non-compliance with the summons is, indeed, a serious matter and cannot be viewed lightly. The respondent Board is the market regulator and has to regulate the securities market and the law provides that every person associated with the market in any manner should cooperate in the matter of carrying out investigations. In the year 2002, the provisions of the Act were amended and penalty for non-compliance with summons was enhanced considerably to make it more deterrent. Market players who do not cooperate with the regulator in the matter of investigations commit a serious wrong which can have serious repercussions in the market."*
51. In view of the above, it is concluded that it is a fit case to impose monetary penalty under Section 15A(a) of SEBI Act, which reads as follows:

Penalty for failure to furnish information, return, etc.

15A. *If any person, who is required under this Act or any rules or regulations made thereunder,—*

(a) to furnish any document, return or report to the Board, fails to furnish the same, he shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees;

Issue e) - If so, what would be the monetary penalty that can be imposed upon the Noticees taking into consideration the factors mentioned in section 15J of SEBI Act?

52. While determining the quantum of penalty under section 15A(a) and 15A(b) of SEBI Act, it is important to consider the factors stipulated in section 15J of SEBI Act read with rule 5(2) of the SEBI Adjudication Rules, which read as under:-

Section 15J of SEBI Act - Factors to be taken into account by the Adjudicating Officer

While adjudging quantum of penalty under section 15-I of SEBI Act, 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.”*

53. The material made available on record neither reveals nor specify disproportionate gains/ unfair advantage made by the Noticees, and the specific loss suffered by the investors due to violations by the Noticees.
54. However, as regards to summons, it is on record that despite reminder Noticees didn't respond to summons and the non-compliance still continues. It is to be noted that non-compliance with summonses issued by the Investigating Authority obstructs the fact finding exercise undertaken by SEBI and this hampers not only the investigations, but also the consequent actions - that SEBI may contemplate based on the findings of the investigations- in the interest of the securities market. It is on records that the information has still not been submitted.
55. As regards to disclosure by Mr. Jayesh N. Kavi under PIT Regulations, 1992, it is also on record that JESL submitted false / misleading record (copy of disclosure) in an unsuccessful attempt to prove compliance by Mr. Jayesh N. Kavi or at the end of JESL. Further records show that the requisite disclosure has still not been made and thus this is a continuing default.

Order

56. In view of the above, after taking into consideration all the facts and circumstances of the case, and after considering the factors enumerated in section 15J of the SEBI Act, present proceedings against Mr. Mihir Parikh are hereby disposed of without imposition of penalty. Further, in exercise of powers conferred under section 15I(2) of SEBI Act, following penalty is hereby imposed on the Noticees:

(a) Penalty under section 15A(a) of SEBI Act for violation of section 11C(2) and 11C(3) of SEBI Act:

Sl.	Name of Noticee	Penalty amount in Rs (Rupees)
1	Mr. Amish Rameshbhai Desai (PAN: AICPD5628H)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
2	Mr. Bhrugeth Pankaj Mehta (PAN: APCPM5911M)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
3	Mr. Bhupendra M. Soni (PAN: Not available)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
4	Ms. Palak Premal Trivedi (PAN: AIVPT4786B)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
5	Ms. Pinal Rajeshbhai Mehta (PAN: AITPM2959F)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
6	Mr. Premal Yogendra Trivedi (PAN: ABRPT3117B)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
7	Mr. Rajesh Rajnikant Mehta (PAN: ADAPM1822B)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
8	Mr. Sawan Ajit Joshi (PAN: ADYPJ8991L)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
9	Mr. Shirish Rameshbhai Desai (PAN: AICPD5629G)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
10	Mr. Shiv Navinchandra Raval (PAN: AMDPR3856J)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)

Sl.	Name of Noticee	Penalty amount in Rs (Rupees)
11	Mr. Jayesh N. Kavi (PAN: ADPPK8875K)	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)
12	Jay Energy & S Energies Ltd CIN:L29224GJ1986PLC009151	Rs.3,50,000/- (Rs. Three Lakh Fifty Thousand only)

(b) Penalty under section 15A(b) of SEBI Act for violation of Reg. 13(3) of PIT Regulations, 1992:

Sl.	Name	Penalty amount in Rs (Rupees)
11	Mr. Jayesh N. Kavi (PAN: ADPPK8875K)	Rs.3,00,000/- (Rs. Three Lakh only)

57. The Noticees shall remit / pay the said amounts of penalty within 45 (forty five) days of receipt of this order either by way of Demand Draft (DD) in favour of “SEBI - Penalties Remittable to Government of India”, payable at Mumbai, or through e-payment facility into Bank Account, the details whereof are as follows:-

Account No. for remittance of penalties levied by Adjudication Officer	
Bank Name	State Bank of India
Branch	Bandra Kurla Complex
RTGS Code	SBIN0004380
Beneficiary Name	SEBI – Penalties Remittable To Government of India
Beneficiary A/c No.	31465271959

58. The Noticee shall forward said Demand Draft or the details / confirmation of penalty so paid through e-payment to the Division Chief, Enforcement Department 1, Division of Regulatory Action - IV [EFD1-DRA-IV], SEBI Bhavan, Plot No.C4-A, ‘ G’ Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. The Format for forwarding details / confirmations of e-payments made to SEBI shall be in the form as provided at Annexure A of Press Release No. 131/2016 dated August 09, 2016 shown at the SEBI Website which is produced as under;

1. Case Name :
2. Name of Payee:
3. Date of payment:
4. Amount Paid:
5. Transaction No:
6. Bank Details in which payment is made:
7. Payment is made for: (like penalties/disgorgement/recovery/Settlement amount and legal charges along with order details)

59. In terms of rule 6 of the SEBI Adjudication Rules, copies of this order is being sent to the Noticees and also to the SEBI.

Date: January 31, 2018

Place: Mumbai

Jeevan Sonparote
Adjudicating Officer