

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
(ADJUDICATION ORDER NO: ORDER/AK/RK/2025-26/31601-31602)**

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

Noticee No.	Name of the Noticee	PAN
1	Mr. Manish Mishra	AMPPM6823L
2	Mr. Vivek Chauhan	AHPPC9620A

In the matter of Hemo Organic Limited

BACKGROUND OF THE CASE

1. Securities and Exchange Board of India (“**SEBI**”) conducted an investigation in the matter of trading activities of certain entities in the scrip of Hemo Organic Limited (hereinafter referred to as the ‘**HOL**’ or ‘**Company**’), to ascertain whether there was any violation of the provisions of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as ‘**SEBI Act**’) and SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as ‘**PFUTP Regulations**’) by certain entities while trading in the scrip of HOL during the period from May 27, 2022 to July 13, 2022 (hereinafter referred to as ‘**Investigation Period**’ or ‘**IP**’).
2. It was found that Mr. Manish Mishra (**Noticee 1**), Mr. Vivek Chauhan (**Noticee 2**) (hereinafter jointly referred to as the “**Noticees**”) had, prima facie, violated various provisions of PFUTP Regulations.

APPOINTMENT OF ADJUDICATING OFFICER

3. Upon being satisfied that there were sufficient grounds to inquire into and adjudicate upon the violations by the Noticees, SEBI appointed Ms Asha Shetty as Adjudicating Officer (**AO**) u/s 15-I(1) of the SEBI Act and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as the “**SEBI Adjudication Rules**”), vide order dated September 25,

2024. Pursuant to the transfer of matter, undersigned was appointed as AO, vide order dated November 22, 2024, to inquire into and adjudge u/s 15HA of the SEBI Act, the alleged violations by the Noticees.

SHOW CAUSE NOTICE, REPLY AND HEARING

4. A common Show Cause Notice dated October 25, 2024 (hereinafter referred to as “**SCN**”) was issued to the Noticees, in terms of the provisions of Rule 4(1) of SEBI Adjudication Rules, requiring the Noticees to show cause as to why an inquiry should not be held against them and why penalty, if any, should not be imposed u/s 15HA of the SEBI Act, for the violations stated in the SCN. The said SCN was duly delivered to the Noticees through digitally signed email dated October 25, 2025 and the proof of service is on record.
5. In response to the SCN, Authorized Representative (AR) of the Noticees, vide letter dated November 11, 2024, submitted that he has filed a Writ petition bearing Special Civil Application No. 11463 of 2023 before the Hon’ble High Court of Gujarat, vide which he claimed to have challenged the vires of the Search and Seizure of mobile phones, laptops, documents and records of Noticee 1, by SEBI on March 02, 2023, and therefore, requested to keep the instant proceedings in abeyance qua the Noticees, until the writ petition was heard and disposed of by the Hon’ble High Court. Vide the said letter, AR requested to be provided with some documents in the matter.
6. Vide email dated January 17, 2025, AR of the Noticees was given an opportunity to inspect documents sought by him on January 20, 2025. However, vide email dated January 18, 2025, AR of the Noticees requested to reschedule the inspection to a later date. The said request was acceded to and therefore, inspection of documents in the matter was rescheduled to January 31, 2025 and the same was concluded on the said date, wherein all the relevant and relied upon documents were provided to the AR of the Noticees. However, upon perusal of the inspection minutes, it was observed that AR of the Noticees during inspection sought some more documents in the matter.

7. In the interest of natural justice and in terms of Rule 4(3) of the SEBI Adjudication Rules, an opportunity of personal hearing in the matter was granted to the Noticees on February 13, 2025, vide hearing notice dated February 04, 2025. Further, vide the said hearing notice, document sought by AR of the Noticees was also provided. Vide letter dated February 08, 2025, AR of the Noticees sought an adjournment of the hearing scheduled on February 13, 2025 and extension of time to file reply in the matter. The said requests of the AR was acceded to and therefore, hearing in the matter was rescheduled to March 03, 2025, vide email dated February 12, 2025. Further, vide the said email, AR and the Noticees were given time till February 25, 2025 to file reply in the matter.
8. Vide letter dated February 25, 2025, AR of the Noticees reiterated his submission made, vide letter dated November 11, 2024 and requested to keep the instant proceedings in abeyance. He further submitted that SEBI cannot initiate any proceedings in the matter until March 10, 2025, when the writ petition pending before the HC was listed along with a simultaneous request to adjourn the hearing to a later date. AR of the Noticees, vide email dated February 25, 2025 was informed that in the absence of any direction from the Hon'ble High Court, the adjudication proceedings shall continue and the AR was also given an opportunity to submit response to the SCN. Vide return email on the same day, AR of the Noticees submitted that even though there was no order of the Hon'ble High Court (HC), any actions beyond that would constitute an overreach of the process of the Hon'ble HC. He further requested to adjourn the matter till March 10, 2025, as he claimed that the matter was listed before the Hon'ble High Court of Gujarat on the said date.
9. Vide email dated February 25, 2025, AR was given an opportunity to file reply in the matter before the hearing on March 03, 2025 and was apprised that proceedings would be kept in abeyance till March 10, 2025. In response to the same, AR of the Noticees reiterated his request made vide his earlier letter dated November 11, 2024 and again requested to adjourn the hearing scheduled on March 03, 2025 to any date after March 10, 2025. Hearing in the matter was rescheduled to March 11, 2025 as per the request of the AR of the Noticees and

further an opportunity to file reply in the matter was given till March 08, 2025. Vide email dated March 08, 2025, AR of the Noticees 1 and 2 submitted reply vide letters dated February 28, 2025 and March 08, 2025 respectively. However, AR of the Noticees did not attend the hearing on March 08, 2025 and again vide email dated March 19, 2025 requested to put the instant proceedings on abeyance and adjourn the hearing to any date after March 20, 2025. Vide email dated March 24, 2025, Noticees were extended another opportunity of hearing on April 02, 2025. AR of the Noticees again, vide email dated April 02, 2025 requested to adjourn the hearing on the ground that their counsel was travelling abroad. Therefore, vide email dated April 15, 2025, another opportunity of hearing was afforded to the Noticees on April 21, 2025. In response to the same, vide email dated April 19, 2025, AR of the Noticees again requested to adjourn the hearing to any date after April 21, 2025, on the ground that the matter was sub-judice. Therefore, vide email dated May 16, 2025, hearing in the matter was rescheduled to May 23, 2025. Another adjournment was sought by AR of the Noticees, vide email dated May 22, 2025, vide which, it was requested to reschedule the hearing as per the convenience of the office of the AO. Therefore, last opportunity of hearing in the matter was granted to the Noticees on June 10, 2025, vide email dated May 29, 2025.

10. Following were the findings of investigation on the basis of which allegation were made against the Noticees in the SCN;

- 10.1 It was observed that BSE had received an anonymous complaint, vide email dated June 07, 2022 alleging price manipulation and offloading of shares of HOL. Further, it was alleged in the complaint that the entire operation was executed by Mr. Nilesh Jagetiya and Mr. Purav Patel along with the promoters of the company. The complainant submitted that misleading video about the company was uploaded on June 04, 2022 on YouTube channels "Moneywise" URL: <https://www.youtube.com/watch?v=DMglbxS9i2k> and "The Advisor", URL: <https://www.youtube.com/watch?v=zCWrmSBfmY>.
- 10.2 On receipt of reference from BSE, a search was conducted by SEBI for the referred videos on YouTube. However, the videos couldn't be found and the channels seemed to have been deleted. In this regard, BSE also informed that YouTube videos with

respect to HOL were not available / downloaded by the Exchange. The links of videos provided by BSE were as under:

- a) <https://www.youtube.com/watch?v=DMqIbxS9i2k>, posted on June 04, 2022 YouTube channel "Moneywise"
- b) <https://www.youtube.com/watch?v=zCWrlMoSBfmY>, posted on June 04, 2022 YouTube Channel "The Advisor".

10.3 Further, based on the price volume data, the IP was divided into two patches viz. Patch I: Price Rise Patch I: May 27, 2022 to June 13, 2022 and Patch II: Price Fall Patch II: June 14, 2022 to July 13, 2022 and possible price and volume manipulation in the scrip of HOL during IP on BSE was analysed as under:

Particulars	Period		Opening on first day of the period (Rs)	High on last day of the period (Rs.)	Low during the period (Rs.)	Closing during the period (Rs.)	Avg. no. of shares traded daily during the period
Before Examination period	27-02-22 to 26-05-22	Price	25.20	78.95 (05-05-2022)	25.20 (28-02-2022)	41.65	23851
		Vol.	6914	9696 (05-05-2022)	6914 (28-02-2022)	1018	
During Examination Period	Price Rise: 27-05-22 to 13-06-22	Price	39.60	74.35 (13-06-2022)	39.60 (27-05-2022)	74.35	105227
		Vol.	47601	238749 (13-06-2022)	47601 (27-05-2022)	238749	
	Price Fall: 14-06-22 to 13-07-22	Price	70.65	70.65 (14-06-2022)	32.95 (13-07-2022)	32.95	20188
		Vol.	17085	17085 (14-06-2022)	6987 (13-07-2022)	6987	
Post examination period	14-07-22 to 13-10-22	Price	31.40	48.40 (25-07-2022)	21.25 (13-10-2022)	21.80	13894
		Vol.	27954	60750 (25-07-2022)	7675 (13-10-2022)	7675	

10.4 Observations on Price-Volume movements in the scrip of HOL during IP were as under:

10.4.1 During the price rise period (May 27, 2022 to June 13, 2022), price of the scrip opened at Rs. 39.60 on May 27, 2022 and rose to and closed at Rs. 74.35 as on June 13, 2022, with average daily volume of 1,05,226 shares and total traded volume of 12,62,718 shares.

10.4.2 During the price fall period (June 14, 2022 to July 13, 2022), price of the scrip opened at Rs. 70.65 on June 14, 2022 and fell to and closed at Rs. 32.95 on July

13, 2022, with average daily volume of 20,188 shares and total traded volume of 4,44,144 shares.

10.4.3 Price movement of the scrip was apparently not in tandem with the movement in Sensex.

10.5 It was observed during IP, that the announcements made by HOL were related to Closure of Trading Window on June 29, 2022 and no positive corporate announcement was made by the company during the said period.

10.6 Further, it was observed that Google LLC, vide email dated September 20, 2023 had provided information about the creators of the YouTube channels, which is as given below:

Sr. No.	Date of Channel Creation	Date of Upload video	Views count of Video	Channel Name	Administrator	Email
1	July 26, 2021	As on September 18, 2023 videos were removed from the channel.		Money wise	Manish Mishra	moneywise.stocks@gmail.com
2	July 26, 2021			The Advisor	Manish Mishra	theadvisor.stocks@gmail.com

10.7 From the information provided by Google LLC, it was observed that Noticee 1 was the administrator of YouTube Channels viz. Moneywise and The Advisor. Further, Noticee 1 in his statement recorded on March 02, 2023, had stated that Mr. Purav Bharatbhai Patel and Mr. Nilesh Jagetia had contacted him to promote the scrip of HOL and Mr. Purav Patel in his statement recorded on January 18, 2024, had stated that Noticee 1 was his friend.

10.8 It was observed that SEBI had carried out a search and seizure operation on March 02, 2023 at the residence of Noticee 1 and entities associated with him. During the search and seizure operation carried out by SEBI, backup of the mobile device owned by Noticee 1 and others were obtained. On analysis of the seized devices, WhatsApp chats were observed between Noticee 1 and 2, whereby, it was alleged that the former had told the latter to make a video on HOL. The relevant extract of the chats is placed below:

Sr. No.	Date (MMDDYYYY) & Time of Message	Sender Name and Mobile No	Content
1	3/26/2022 6:43:53 AM	Mr. Manish Mishra 918860691117 (owner)	Guru ji video ke maamle ko aap seriously nahi lete ho har baar video aise he maang maangke mil rahi hai Aur ISF ke baad sabse pehle Danube, SIPTL aur HEMO ka video bhejo
2	3/26/2022 8:17:19 AM	Mr. Manish Mishra 918860691117 (owner)	Haan bhai DANUBE, SIPTL AUR HEMO teeno ka 1 1
3	4/16/2022 7:16:02 AM	Mr. Manish Mishra 918860691117 (owner)	Aaj 1 1 video aur de rahe ho na bhai godha aur BFL ki ?????? Aur 1 Video Hemo ki bhinde dena Agar ho Jaye to
4	5/6/2022 5:28:52 AM	Mr. Manish Mishra 918860691117 (owner)	Panth Infinity Limited HEMO ORGANIC DONO KE 2-2 VIDEOS AAJ AUR 2-2 VIDEOS KAL DO BHAI KAISE BHI
5	5/7/2022 5:58:35 AM	Mr. Manish Mishra 918860691117 (owner)	Bhai aaj 3 HEMO de dena shaam tak
6	5/7/2022 5:17:15 PM	Mr. Vivek Chauhan 919999597279	https://drive.google.com/file/d/1KYdRf2rxg_GvkrbkKMR4PvaavC5f4_la/view?usp=sharing Attachments: Title: HEMO 2.mp4 Size: 0 Path: https://drive.google.com/file/d/1KYdRf2rxg_GvkrbkKMR4PvaavC5f4_la/view?usp=sharing&usp=embed_facebook (Empty File)
7	6/3/2022 4:39:58 AM	Mr. Vivek Chauhan 919999597279	Bhai hemo script last wali update krdu
8	6/3/2022 5:48:06	Mr. Vivek Chauhan 919999597279	Mr. Vivek Chauhan sent a script about HOL to Mr. Manish Mishra 918860691117 and the same is placed below:
<p>हेलो फ्रेंड्स आज का शेयर बहुत ही धमाकेदार होने वाला है क्योंकि दोस्तों ऐसा शेयर लेके आया हूँ जो अब तगड़ा मुनाफा देने वाला है दोस्तों कंपनी का नाम है Hemo Organic Limited, और दोस्तों कंपनी को अपने हाई क्वालिटी प्रोडक्ट्स के कारन तगड़ा मुनाफा हुआ है शेयर की मौजूदा कीमत है दोस्तों 55 रूपए जो अब सीधा ऊपर जाने वाला है मतलब 3 महीनों में ये एक लम्बी छलांग लगाएगा और पहुंचेगा 420 रूपए पर और अगले एक साल में 1360 रूपए ,आगे कंपनी के सारे डिटेल्स बताऊंगा आपको लेकिन उससे पहले आप नोट कर लीजिये कंपनी का bse कोड, bse कोड है 524590 और कंपनी का शार्ट कोड है HEMORGANIC दोस्तों Hemo Organic स्पेशलिटी केमिकल के सेक्टर में काम करती है और इस सेक्टर की सबसे नामी कंपनी है cipla रैनबैक्सी जैसे बड़े मेडिसिन मनुफैचर कम्पनीज के सभी raw केमिकल्स का पूरा आर्डर इसी कंपनी को मिलता है दोस्तों कंपनी अपने केमिकल्स की क्वालिटी पर खास ध्यान देती है और इससे कंपनी ने पूरे फ्रांस के चमिसाल मार्किट में तहलका मचा दिया है क्योंकि कुछ ही समय पहले फ्रांस की एक कंपनी से बड़ा आर्डर हाथ लगा था, इनके केमिकल्स की वजह से प्रोडक्ट्स मार्केट में</p>			

इतना हिट हुए की फ्रांस की सभी कॉम्प्यूटर कंपनी ने अपने सारे केमिकल्स का आर्डर इस कंपनी को दे दिया है , इसलिए दोस्तों ये कंपनी आगे बुरे से बुरे वक़्त में भी आपको मुनाफा ही देगी क्यूकी कंपनी के पास ऑर्डर्स इतने हैं की वो डिमांड पूरा फूल फील भी नहीं कर पा रही है अगर अभी कंपनी के पास जो टोटल आर्डर है उसके वल्युएशन को देखें तो दोस्तों लगभग 6500 करोड़ रुपए के आस पास होगी जिससे कंपनी को आसानी से 2000 करोड़ के आसपास का मुनाफा होगा तो आप अब सोचने में टाइम वेस्ट करना बंद करें दोस्तों फटाफट खरीद लें Hemo Organic के शेयर्स कंपनी की और डिटेल्स की बात करें दोस्तों तो कंपनी 28 साल पुरानी है,, भरोसेमंद है ,,और अपने सेक्टर की जानी मानी कंपनी में सुमार है कंपनी के ऊपर किसी तरह का कोई कर्ज़ नहीं है ये एक स्माल कैप कंपनी है, कंपनी का एक भी शेयर प्लेज नहीं है, स्पेशल्ली इस कंपनी के शेयरस हमेशा मार्केट में हाई डिमांड में रहती है फ़ण्डामेंटली भी कंपनी काफी स्ट्रांग है, दोस्तों अगर कंपनी के ग्राफ को टेक्निकली स्टडी करें तो दोस्तों ग्राफ डब्लू पैटर्न जिसे डबल बॉटम पैटर्न भी कहते हैं जैसा आप ग्राफ पर देख ही सकते हैं दोस्तों ग्राफ पहले डाउनट्रेंड में एक बॉटम बनता है फिर बाउंस बैक करता है फिर सेलर्स उसे तोड़ते हैं और ग्राफ फिर अपने पिछले डाउनट्रेंड को छूटा है लेकिन इस दो बॉटम को टच करते ही दोस्तों अब ग्राफ सीधा ऊपर ही जाएगा और लम्बा हाई बनाएगा मतलब ये शेयर आपको लॉन्ग टर्म और शार्ट टर्म दोनों ही इन्वेस्टमेंट के लिए परफेक्ट है टेक्निकल इंडिकेटर्स की बात करें तो सभी बड़े टेक्निकल इंडिकेटर्स चाहे rsi हो या macd इसे बुलिश मोड पे बताते हैं और मौजूदा भाव पे ज्यादा से ज्यादा खरीदने की राय देते हैं, कंपनी फ़ण्डामेंटली काफी स्ट्रांग है तो ऐसे शेयर को जाने ना दें दोस्तों क्यूकी इसकी कीमत तो रोज ही बढ़ने वाली है दोस्तों चलिए आपको एक बार फिर बता दूँ कंपनी का शार्ट कोड है HEMORGANIC और bse कोड है 524590 वही अगर प्राइस के प्रोजेक्शन पर नजर डालें तो अगले 3 महीने में ये शेयर होने वाला है 420 रुपए का, वही अगर अगले एक साल की बात करें दोस्तों तो अगले एक साल में ये शेयर होने वाला है पूरे 1360 तो मालामाल होने का ये शानदार मौका हाथ से जाने ना दें अभी खरीद लें ये शेयर जितना खरीद सकें धन्यवाद

- 10.9 From the above WhatsApp chats, it was observed during the investigation that Noticee 1 had told Noticee 2 to make video in the scrip of HOL and had also told him what all to include in the video. Further, Noticee 2 had shared the entire script of the video with Noticee 1. The said script was observed to have contained completely untrue and misleading information regarding HOL.
- 10.10 It was observed that the company, vide letter dated June 13, 2022, had clarified BSE, that news/articles/recommendation etc., which were being circulated on social media platforms like YouTube channels/telegram etc, that it had received big orders of chemicals from various France based companies, were fake and company was not aware about such information. From the company's disclosure, it was observed that the clarification was in response to the YouTube video purportedly uploaded by Noticee 1 on his channels.
- 10.11 From the invoicing transaction history of Noticee 1 provided by Google LLC vide email dated March 19, 2024 and March 28, 2024, it was observed that the scrip of HOL was promoted on YouTube channels "Moneywise" and "The Advisor" during June, 2022,

resulting in a total of 28,99,248 clicks on Moneywise and 42,51,700 clicks on The Advisor and a total amount of Rs. 34,27,485.70 was spent on promoting the video on the said YouTube Channels.

10.12 It was further observed that misleading information about HOL was promoted on the aforementioned YouTube channels. The video had attracted the investors, which was observed to be evident from the number of clicks received on the HOL Ads and increase in the number of public shareholders from 1,905 as on quarter ended March 2022 to 6,782 as on quarter ended June, 2022. Further, price of the scrip had opened at Rs. 39.60 on May 27, 2022, reached a high price of Rs. 74.35 on June 13, 2022, post circulation of video on June 04, 2022. A comparison of price, volume and turnover in the scrip of HOL on May 27, 2022 (at the beginning of IP) and on June 13, 2022 (highest turnover during the IP) is given below in the table:

Trading date	Open Price (Rs.)	No. of shares traded	Total turnover (Rs.)
May 27, 2022	39.60	47,601	19,64,920
June 13, 2022	74.00	2,38,749	1,77,34,686

10.13 The increase in price, volume and turnover in the scrip of HOL during IP as indicated in above table was allegedly attributed to the aforesaid YouTube videos. Further, as mentioned above, no positive corporate announcement was made by the company during the IP. Therefore, it was alleged that the sudden rise in the number of new investors, who had purchased the shares of HOL during the IP were fraudulently induced to trade in the scrip of HOL because of the misleading video circulated on YouTube by the Noticees.

10.14 In view of the above, it was alleged that the Noticees had connived and collaborated with each other for creation and dissemination of misleading information in the scrip of HOL to public through video on YouTube channels viz. "Money Wise" and "The Advisor", which had allegedly led to increase in the price of the scrip and quantity traded.

Based on the above, it was alleged that the Noticees had violated the provisions of Regulation 3 (c), (d) and 4 (2) (k) & (r) of the PFUTP Regulations.

11. The material available on record shows that hearing in the matter was finally concluded on June 10, 2025. The said hearing was attended to by the respective

ARs of the Noticees, who reiterated the submissions made by the Noticees, vide their letters dated February 28, 2025, March 08, 2025 and additional submissions, vide letter dated June 17, 2025.

12. Submissions of the Noticees

12.1 The submissions of the Noticees vide their letters dated February 28, 2025, March 08, 2025 and additional submissions, vide letter dated June 17, 2025 are mentioned as under:

12.1.1 In the year 2020, with the spread of the COVID – 19, our client started to look for alternatives to work from home and pursued a few courses regarding digital marketing and thereafter, started offering services to market products and services through Digital Media, primarily, YouTube. It is pertinent to note that customers/clients used to make available their social media accounts including YouTube, Facebook etc. for use of our client; this is a normal business practice in Digital/Social Media marketing. Therefore, while the primary email and mobile number in respect of the social media being used for instance, YouTube will be those of my client, the backup email and mobile number will be those of the Digital Media Marketeer. In the case of Hemo Organic Ltd (HOL), in respect of the YouTube Channels used viz. “The Advisor” and “Moneywise”, “the backup emails and mobile numbers were those of our client.

12.1.2 My client once again submits that, he has not been granted all the documents during the inspection, which directly hampers the ability of my client to reply to any allegations levelled in the SCN, therefore, unless and until my client has not availed a record of all the evidences relied on in the SCN, he is not in a position to warrant any response(s).

12.1.3 At the further outset, our client has filed a Writ Petition dated May 5, 2023, bearing Special Civil Application No. 11463 of 2023 respectively before the Hon’ble High Court of Gujarat challenging the vires of the search and seizure exercise carried out on March 2, 2023 where-in it has been prayed that SEBI has wrongly relied upon the material searched and seized as the action is under challenge and the hearing is pending before the Hon’ble High Court of Gujarat. Moreover, on several occasions when the advocate for our Client has sought for priority, the advocate for SEBI has sought adjournment. In addition, SEBI is trying to evade the hearing before Hon’ble High Court of Gujarat while proceeding over here; this is a clear action of outreaching judicial process by SEBI. Hence, any reliance upon the said material and using it as an evidence against our client should not be considered. The Hon’ble High Court was pleased to issue notice to SEBI vide order dated July 10, 2023. Although the matter is sub judice, SEBI has relied on certain contents of the mobile phones, laptops, documents and records seized by SEBI on March 2, 2023 to make allegations against our client. Therefore, at the outset, our client requests that the present proceedings be kept in abeyance qua our client until the writ petition is heard and disposed off by the Hon’ble High Court of Gujarat.

- 12.1.4 *Without prejudice to the above, our client states that while certain documents and records have been provided along with the Notice, many relevant documents and records have not been provided to them by SEBI, thereby hampering their ability to submit a complete and comprehensive reply to the baseless, false and unsustainable allegations made by SEBI in the Notice. This act by SEBI is in violation of the Principles of Natural Justice. We place our reliance on the cases of T. Takano v. Securities & Exchange Board of India (2022) 8 SCC 162, Kashinath Dikshita v. Union of India & Ors (1986) 3 sec 229, Price Waterhouse v Securities and Exchange Board of India (Appeal No. 8 of 2011 decided on 01.06.2011), Mjs Amadhi Investments Ltd v Securities and Exchange Board of India (Appeal No. 186 of 2010 decided on 03.08.2011), it has been held that the adjudicating authority should make available complete records for inspection, to the person whose conduct is in question; whether it helps him or not is irrelevant. Equally immaterial is the fact that the authority is or is not relying upon the same. The authority may not rely upon it, but the delinquent could, in support of his case. The failure on the part of SEBI to provide complete records of documents relied by it, based on it not being used for drafting of SCN, is in the teeth of the settled position of law.*
- 12.1.5 *At the outset, in view of the ongoing proceedings, our client submits that the devices, logs of YouTube Channels and email addresses seized by SEBI are subject to the proceedings before the Hon'ble High Court of Gujarat and therefore, sub-judice, and the veracity of the procedure followed by the authorised officer during the said Search and Seizure is disputed. In these circumstances, SEBI is estopped from relying upon the contents of the seized devices while passing further orders against our client in the present matter. Our client craves leave to refer to and rely upon judgements of the Hon'ble Supreme Court of India and other courts and tribunals in this regard, as and when produced.*
- 12.1.6 *SEBI as an authority, has shown negligence in granting my client access to limited documents for inspection, such that, my client herein is not bound to reply to each and every allegation without any full proof collection of evidences.*
- 12.1.7 *For the sake of brevity, equity and good conscience our client that due to his familiarity with the securities market, our client has also been invited to speak/be on discussion panels of various television channels and news organisations such as CNBC, Zee Business, NDTV, Dainik Bhaskar, Dainik Jagran etc. Moreover, SEBI has failed to provide the alleged videos to the Noticee, which impairs the Noticee to make a comment on what videos SEBI has placed their reliance.*
- 12.1.8 *Our client further states that the SCN nowhere discloses or states on record any execution of trades conducted by my client during the examination/investigation period as mentioned in the SCN, therefore, it cannot be inferred that he has connived or collaborated with any other Notoicee for creation and dissemination of any misleading information in the scrip of HOL, and hence he cannot be held liable under various rules and regulation for price manipulation or volume creation in the present SCN. Moreover, in absence of any such trades, it is pertinent to note that my Client is not the beneficiary, hence this itself proves that the allegations as levelled by SEBI on our Client are baseless and without any merit.*

- 12.1.9 *It is evident from the above that our client is a Digital Media marketer and nothing more; therefore, the allegation that he had disseminated misleading information relating to HOL or that he had created volumes in the said scrip is erroneous, false and unsustainable and SEBI has utterly failed to prove the same.*
- 12.1.10 *It is further submitted that, the price movement of the scrip being not in tandem with the movement of Sensex establishes nothing in the present SCN. It is submitted that, the price of all the stocks traded on BSE or NSE cannot be necessarily in tandem with the Sensex and therefore, that carries no footing in the present SCN.*
- 12.1.11 *From the documents made available alongwith SCN, it is revealed that BSE has conducted an investigation into the matter and a report thereof has been submitted to SEBI by BSE on 29.05.2023. Our client states that this report has not yet been made available to our client. Further certified copy of transcript of WhatsApp chat is also not made available to our client.*
- 12.1.12 *With reference to paragraph nos. 1 to 3 of the SCN, our client denies being the 'creator the Alleged YouTube videos' and playing a role in the 'price- volume manipulation' in the company with the intention to influence and induce public investors to invest into the scrip of the company and making wrongful gains.*
- 12.1.13 *With reference to paragraph nos. 10 to 11, our client submits that:- (a) The complaint filed through the E-mail ID, as alleged in these paras are not admissible, the complaint is not made against our Client. It is pertinent to note that Central Vigilance Commission vide Circular No. 98/DSP/9 dated November 25, 2014, had directed central agencies like SEBI to refrain from acting on anonymous complaints. As per the vigilance administration department of SEBI, no action is to be taken on anonymous or pseudonymous complaints. It is pertinent to note that by not presenting the complainant as a witness and by taking action based on anonymous complaints, SEBI has denied the opportunity to verify the veracity of such complainant and his/her complaints. It is submitted that the action of SEBI has thus resulted in denial of effective opportunity of hearing and therefore the present proceedings are void ab initio. (b) That, as per the vigilance administration department of SEBI, no action is to be taken on anonymous or pseudonymous complaints. It is pertinent to note that by not presenting the complainant as a witness and by taking action based on anonymous complaints, the SEBI has denied opportunity of verifying the veracity of such complainant and his/her complaints. It is submitted that the action of the SEBI has thus resulted in denial of effective opportunity of hearing and therefore the present proceedings are void ab initio. Moreover, SEBI has failed to produce any video and in the absence of the video, the allegations placed upon by SEBI on our Client proves to be baseless and without any merit.*
- 12.1.14 *With reference to paragraph nos. 12 and 13 of the SCN, upon the perusal and record provided by Google LLC, our client admits that the particular channels belonged to him as he works as a digital marketing consultant, the Annexure provided as per the SCN only states the creator/administrator of the YouTube Channel and not as a creator of any YouTube video(s), thereby it can be inferred that the ownership/administration of the channel belonged to my client,*

but my client was nowhere involved in creation of any alleged videos and hereby denies the same. Moreover, the comparison with regards to the statements of Mr. Purav Patel and my client provided in the SCN, frames no full proof evidence of any event or circulation of any false video(s) or spreading of false and misleading information per se. Also, SEBI has failed to provide any video, hence SEBI is trying to shoot arrows in the dark and is trying to make our Client liable for the actions which he has not committed.

12.1.15 With reference to paragraph no. 14 and 15, my client once again repeats and reiterates and submits that he has filed a Writ Petition bearing Special Civil Application No. 11463 of 2023 before the Hon'ble High Court of Gujarat challenging the vires of the search and seizure exercise carried out on 02.03.2023 and he further prays for prohibition against the utilisation of the evidence seized during the said search and seizure exercise by the SEBI. Moreover, no certificate under Section 65 of Indian Evidence Act or Section 63 of Bharatiya Sakshya Adhiniyam has been provided by SEBI proving the authenticity of the alleged chats. In addition, SEBI has failed to provide any video. Further, we reserve our right to submit detailed reply for the same as and when the matter before the Hon'ble High Court is disposed off.

12.1.16 With reference to paragraph no. 16, my client reiterates that he was not aware about any clarifications provided by the Company to BSE. Further, SEBI has linked our Client to such disclosure by the Company without any proof. It is submitted that when SEBI has no video, then such contentions are just assumptions being made by the SEBI with respect to our Client.

12.1.17 With reference to paragraph no. 17 to 19, my client once again repeats and reiterates that in the absence of any videos with the authority itself, the authority in the present SCN cannot particularly point my client's intention of creation and spreading of false and misleading information regarding HOL

12.1.18 With regards to paragraph 20 to 23, my client states that SEBI has blatantly failed to provide any evidence to suggest that our Client was involved in any such purported scheme as alleged by SEBI. It is delusional of SEBI to make such serious allegations on our Client without any concrete evidence let alone the alleged video itself. It is submitted that my Client is not liable for any charges as mentioned in the SCN as SEBI has utterly failed to provide a single evidence against my Client.

12.1.19 With reference to the entire SCN, our client denies each and every allegation, contentions and averments made in these paragraphs and further submits as under:

- a) The SCN alleges that our client is the 'creator of the alleged YouTube Videos, channels and role in price-volume manipulation''. In this regard, our client submits that SEBI has failed to provide any such video to my Client. It is submitted that the allegations levelled in the SCN fails to be substantiated by any credible evidence and thus, the same lack merit. It is further submitted that our client cannot be associated with the allegation as to inducing the investors in making an investment in the shares. The allegations as purported in the SCN reveal that, our client has allegedly created the YouTube videos which is categorically hereby, denied. Hence, in view of the same, the*

- inducement of investors is not something our client can be associated with. Moreover, SEBI has also failed to prove that our Client was beneficiary in such purported scheme.*
- b) The SCN alleges that our client played a role in 'price- volume manipulation' of the company. Our client denies devising a scheme and spreading misleading videos pertaining to Hemo Organic Limited through the alleged YouTube channels "Moneywise" and "The Advisor". Our client also denies recommending buying the company shares as well as creating artificial interest/volume in the shares of Hemo Organic Limited. Moreover, SEBI in its SCN has failed to establish any gain which our client has incurred out of these actions as alleged by SEBI. Our client is a digital marketing consultant and has a decent following on YouTube and the same cannot be held against our client.*
 - c) SEBI has grossly failed in establishing the fact that our client was the beneficiary of the action as alleged by SEBI in its SCN or was having any direct connection with the promoter group.*
 - d) Our client submits that he is a digital marketing consultant and was not involved in creating any artificial volume or jacking up the price of the scrip of the company by way of manipulative trades. It is submitted that the SEBI has made our client a scapegoat when it is clear that the allegation made against our client is merely on the basis of presumptions and assumptions.*
 - e) Our client submits that the bills obtained from Google AdSense fail to establish that they were for the alleged videos of the scrip in question. The SCN fails to establish concrete evidence that the payments made to Google AdSense were with respect to the advertising campaigns for promoting the alleged YouTube Videos. It is submitted that even otherwise the SEBI has not produced any proof to substantiate the nexus between the alleged videos and the trades made in the alleged script more particularly when many more such videos, documents and information might already be available on the internet and social media.*
 - f) Our client denies playing any role in uploading misleading videos of the Company to induce public investors to invest into the scrip of the company and playing a role in contributing to the growth towards the Last Traded Price ("LTP") of the Company.*
 - g) Our client repeats, reiterates and denies playing any role in the 'price-volume manipulation' of the Company as contended by SEBI. The SCN fails to provide concrete proof that our client played a role in the 'price-volume manipulation'.*
 - h) Our client submits that the SCN also fails to substantiate its allegation against our client that our client artificially elevated the prices of HOL.*
 - i) Our client once again repeats, reiterates and submits that he has filed a Writ Petition bearing Special Civil Application No. 11463 of 2023 before the Hon'ble High Court of Gujarat challenging the vires of the search and seizure exercise carried out on 02.03.2023 and it further praying for prohibition against the utilisation of the evidence seized during the said search and seizure exercise by the SEBI.*

j) *It is further repeated and reiterated that many relevant documents and records have not been provided to them by SEBI thereby hampering their ability to submit a complete and comprehensive reply to the allegations made by SEBI in the Notice.*

13. Before moving forward, it is pertinent to look at the relevant provisions, which are alleged to have been violated by the Noticees. The same are reproduced hereunder:

Relevant provisions of PFUTP Regulations:

3. Prohibition of certain dealings in securities

No person shall directly or indirectly—

- (c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;*
- (d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.*

4. Prohibition of manipulative, fraudulent and unfair trade practices

- (2) Dealing in securities shall be deemed to be a manipulative fraudulent or an unfair trade practice if it involves any of the following: —*

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

.....

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

CONSIDERATION OF ISSUES AND FINDINGS

14. I have gone through the submissions of the Noticees, facts, and material available on record. The issues that arise for consideration in the present case are:

ISSUE No. I: Whether Noticees have violated the provisions of PFUTP Regulations, as alleged in the SCN?

ISSUE No. II: Do the violations, if any, attract monetary penalty u/s 15HA of the SEBI Act, upon the Noticees?

ISSUE No. III: If so, what should be the monetary penalty, after taking into consideration the factors stipulated in Section 15J of the SEBI Act r/w Rule 5(2) of the SEBI Adjudication Rules?

15. Before I proceed to deal with the issues on merits, I would like to first address the preliminary issue raised by the Noticees that all the documents relevant to the proceedings and BSE Investigation Report (IR) were not provided to them. In this regard, I note that all the relevant and relied upon documents in the matter were provided to the Noticees as already mentioned at para 6 and 7 above. Further, I note that AR of the Noticees were provided with all the Annexures and relevant and relied upon documents sought by them during the course of inspection of documents and subsequent to that, vide the hearing Notice dated February 04, 2025. With respect to the contention of the Noticees that BSE IR was not provided to them, I note that SEBI had conducted its own investigation in the matter and it was SEBI IR, that was relied upon in the matter and not BSE IR. Therefore, I find that all the relevant and relied upon documents were provided in line with the principles laid by Hon'ble Supreme Court in T. Takano Vs SEBI matter i.e. *"all information that is relevant to the proceedings must be disclosed in adjudication proceedings."* Therefore, submission of the Noticees is bereft of merits.
16. With respect to the submission of Noticees that a writ petition before the Hon'ble High Court of Gujarat at Ahmedabad bearing Special Civil Application (SCA) No. 11463 of 2023, challenging the process of search and seizure and the validity of the collected evidences thereof has been filed by Noticee 1, and therefore, the instant matter should be put in abeyance, I note that this office is not in receipt of any directions from the Hon'ble HC directing /staying the instant proceedings. Further, I note that neither Noticee 1 nor his AR have provided copy of any order granting any relief in the matter/staying the instant proceedings from the Hon'ble HC. Therefore, submission of Noticees is bereft of merits.
17. With respect to submission of the Noticees that no certificate under Section 63 of the Bharatiya Sakshya Adhiniyam, 2023 (BSA), was provided to them with respect to the authenticity of the chats between them, I note that the instant proceedings

are quasi-judicial proceedings, and as Section 1 of BSA is applicable to all judicial proceedings in or before any court, and therefore, providing the authenticated documents is outside the ambit of Section 63 of BSA. Thus, submission of the Noticees is devoid of merits.

18. With respect to submission of the Noticees that an anonymous complaint filed through email is not admissible, as Central Vigilance Commission (CVC) vide its Circular dated Nov 25, 2014 had directed central agencies including SEBI, to refrain from acting on anonymous complaints, I note that vide the said circular, CVC had withdrawn its circular of even number dated October 11, 2002. Further, I note that the genesis of the circular has its roots from the circular dated June 29, 1999, vide which CVC had directed all the ministries and Central Government departments to not take any action on anonymous complaints against the Public Servants, and not public at large. The said circular was issued at the rescue of the Public Servants, against whom anonymous complaints are used as a tool to deter them from doing their job or to hinder their promotions, which are generally triggered at the time of their promotions. Therefore, it was in that context, the said CVC circular was issued, and the anonymous complaint in the instant case has nothing to do with the applicability of said CVC circular. Further, the said complaint is not even against the Noticees in the instant case. Thus, Noticees appear to have misconstrued the provisions of the CVC Circular. Therefore, submission of the Noticees is bereft of merits.

19. With respect to the submission of Noticee 1 that his statement recorded on March 02, 2023, was under duress, I note that Noticee 1 had duly attested by writing, that the statement was made before the SEBI Investigating Authority (IA) on his own, and was signed without threat, force or coercion. Even otherwise, I note that if this were the case, Noticee 1 should have lodged a complaint with SEBI or raised this issue with the police, which he did not do till date. Thus, submission of Noticee 1 is bereft of merits.

ISSUE No.I: Whether Noticees have violated provisions of PFUTP Regulations, as alleged in the SCN?

20. Findings with respect to the Noticees on merits

- 20.1 I note from the material available on record that during the patch 1 i.e. price rise period, price of the scrip opened at Rs. 39.60 on May 27, 2022 and rose to and closed at Rs. 74.35 as on June 13, 2022 with average daily volume of 1,05,226 shares and total traded volume of 12,62,718 shares and during the patch 2 i.e. price fall period, price of the scrip opened at Rs. 70.65 on June 14, 2022 and fell to and closed at Rs. 32.95 on July 13, 2022 with average daily volume of 20,188 shares and total traded volume of 4,44,144 shares.
- 20.2 Further, from the material available on record, I note that the videos alleged to have been uploaded by the Noticee 1, on the youtube were not available, and the details of the channel on which the videos were uploaded also could not be traced during the course of investigation. Further, the chats between Noticees wherein, it was observed that the content to be posted on the videos related to HOL was actually present in the alleged videos, also could not be ascertained, due to the non-availability of the videos.
- 20.3 Further, it also could not be ascertained, whether there was actually a link between the increase in the number of public shareholders from 1,905 as on quarter ended March 2022 to 6,782 as on quarter ended June, 2022 and the number of clicks received on the HOL Ads. Thus, I note that the sudden rise in the number of new investors who had purchased the shares of HOL during the IP were fraudulently induced to trade in the scrip of HOL because of the misleading video circulated on YouTube by the Noticees, could not be established due to absence of the videos.
- 20.4 I also note that in absence of contents of the video, it cannot be ascertained whether it actually carried any misleading information. Even though the investigation has found trail apparently leading to the said video, the same does not prove that the trail actually resulted in the circulation of video with the same content. Also there is no evidence that the investors were misled by the alleged video and whether those who were subscribers of the channel,

had viewed the alleged video and had traded on the basis of the same, and therefore in the absence of such a crucial information, I note that the material available on record is not sufficient to ascertain whether the Noticees disseminated misleading information in the scrip of HOL to public through video on YouTube channels viz. "Money Wise" and "The Advisor."

20.5 At this juncture, I would like to rely upon the order of Hon'ble SAT in the matter of **Price Waterhouse & Co. And Ors. vs SEBI**, decided on September 09, 2019, wherein it was held that ".....Further, fraud cannot be proved only on alleged gross negligence, carelessness or recklessness as amounting to collusion and connivance on a preponderance of probabilities. The Supreme Court in Securities and Exchange Board of India vs. Shri Kanaiyalal Baldevbhai Patel, (2017) 15 SCC 1 has categorically held that the element of "inducement" must exist and should be proved before holding that a person is guilty of fraud. In the instance case, there is no finding that the appellants had induced someone and thereby played a fraud in the securities market. Assuming without admitting that the concept of preponderance of probabilities would also apply in the case of the appellants, still, it must be proved by cogent evidence that the appellants are guilty of "inducement". In the absence, of any evidence, the charge of fraud is not proved, nor the provisions of Regulation 3 and 4 of PFUTP Regulations applicable....."

21. Thus, in view of the foregoing, I note that the violations against the Noticees do not stand established.

22. Since, violations as alleged are not established, therefore, Issue-II and Issue-III do not require any consideration.

ORDER

23. Accordingly, the Adjudication proceedings initiated against the Noticees, vide SCN dated October 25, 2024, stand disposed of.

Place: Mumbai

Date: August 19, 2025

AMIT KAPOOR

ADJUDICATING OFFICER