

**IN THE SECURITIES APPELLATE TRIBUNAL
AT MUMBAI**

DATED THIS THE 08TH DAY OF MAY, 2026

**CORAM: Justice P.S. Dinesh Kumar, Presiding Officer
Ms. Meera Swarup, Technical Member
Dr. Dheeraj Bhatnagar, Technical Member**

**Review Application No.5 of 2026
In
Appeal No.426 of 2024**

1. Mr. Alpesh VasANJI Furiya
A-1202 Clublife Ahuja Tower CHSL, Eksar
Road, Borivili (West),
Mumbai-400 092.
2. Alpesh VasANJI Furiya HUF
A-1202 Clublife Ahuja Tower CHSL,
Eksar Road, Borivili (West),
Mumbai-400 092.
3. Mrs. Alpa Alpesh Furiya
A-1202 Clublife Ahuja Tower CHSL,
Eksar Road, Borivili (West),
Mumbai-400 092.
4. Mr. Manish VasANJI Furiya
301, Olive Apartment, New Link Road
Borivili (West), Mumbai-400 092.
5. Manish VasANJI Furiya HUF
301, Olive Apartment, New Link Road
Borivili (West), Mumbai-400 092.

6. Mahan Investment

Office No.208, 2nd Floor Techno IT Park,
Link Road, Borivili (West), Mumbai-400 092.

7. Toshee Trade

A-1202 Clublife Ahuja Tower CHSL,
Eksar Road, Borivili (West),
Mumbai-400 092.

...Appellants

(By Mr. Khushil Shah, Advocate i/b. Khushil Shah for the
Applicant No.1)

(By Mr. Kunal Singh, Advocate i/b. Khushil Shah for the Applicant
Nos.2 to 7.)

Securities and Exchange Board of India
SEBI Bhavan, Plot No.C4-A, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051.

...Respondent

(By Mr. Shiraz Rustomjee, Senior Advocate with Mr. Manish
Chhangani, Mr. Sumit Yadav, Mr. Abhay Chauhan, Mr. Atul Agrawal,
Mr. Prateek Pai and Ms. Smriti Singh, Advocates i/b. The Law
Point for the Respondent.)

THIS REVIEW APPLICATION IS FILED UNDER SECTION 15U OF THE
SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 TO
REVIEW THE ORDER DATED JANUARY 29, 2026 PASSED BY THIS
TRIBUNAL.

THIS REVIEW APPLICATION HAVING BEEN HEARD AND RESERVED
FOR ORDERS ON MARCH 26, 2026 COMING ON FOR
PRONOUNCEMENT OF ORDER THIS DAY, THE TRIBUNAL MADE THE
FOLLOWING:

ORDER

Per: Justice P. S. Dinesh Kumar, Presiding Officer

This review application is filed by appellant Nos.1 to 7 in Appeal No.426 of 2024 seeking review of order dated 29.01.2026.

2. The applicants have urged following three grounds in the application:

i. (a) That it was argued by the appellants that calculation of disgorgement amount by SEBI was unscientific. The movement in share price up till the point of recommendation made on the television is attributable to the market forces and not to the unlawful acts alleged against the applicants. Therefore, disgorgement must be limited to the difference between the price prevailing at the time of recommendation on the T.V. and the price at which the stock was sold.

(b) This Tribunal has committed an error by holding that para 3 of letter dated 01.04.2025 discloses a tacit admission with regard to quantum of disgorgement excluding ₹3.16 Crores though the letter was issued on 'without prejudice basis'.

ii. That the order passed by this Tribunal does not deal with appellants' contention with regard to refund of income tax.

iii. Costs of ₹25 Lakhs has been imposed without assigning any reason.

3. In addition to the above three grounds, applicants have urged one additional ground in the 'note for arguments' (para Nos.18, 19 and 20) that applicants' bank accounts and demat accounts were frozen on 05.03.2026. Applicants' Advocate wrote an email to the SEBI to defreeze the bank accounts as they were frozen without intimation to the applicants. SEBI replied on 21.3.2026 stating that on 20.02.2026, applicants were directed to remit the outstanding amounts. SEBI's email dated 20.02.2026 was in the spam folder and therefore, applicants were unaware of the same. There was no grave urgency for SEBI to freeze the bank account especially when this Tribunal has remitted the matter to the SEBI to re-compute the disgorgement amount.

4. We have heard Mr. Kushil Shah, learned Advocate for applicant No.1 and Mr. Kunal Singh, learned Advocate for the applicant Nos.2 to 7 and Mr. Shiraz Rustomjee, learned Senior Advocate for the SEBI.

5. With regard to the first ground, the learned Advocates for the applicants submitted that applicants are not responsible for any increase in the share price till the time of announcement made on the T.V. show. Therefore, SEBI's calculation of disgorgement is unsustainable. He submitted that this ground was argued, but it has not been considered by this Tribunal.

6. In reply to the above ground, Mr. Rustomjee for SEBI submitted that this is a case involving fraudulent acts on the part of the applicants and the T.V. anchor, Pradeep Pandya. He argued that once fraud is established, the calculation of disgorgement must be made on 'net gain' basis. Amplifying his contention, he

submitted that the exchange of WhatsApp messages clearly establishes that the applicants were working in tandem with Pandya. The calculation made on the 'net gain' basis is one of the accepted standard mode. Therefore, there is no error in the order passed by this Tribunal on this aspect.

7. With regard to the second ground about the income tax, Mr. Rustomjee submitted that the SEBI has passed its order on 11.06.2024 and trading has taken place in previous financial years. In the event appellants were to succeed, they can always apply for refund of the income tax paid by them. To support this contention, he relied upon *Monal Y Thakkar v. ACIT*¹.

8. With regard to the third ground about costs, Mr. Rustomjee submitted that this Tribunal may pass appropriate order.

9. In reply to applicants' averments in para Nos.18 to 20 of 'note for argument', with regard to freezing applicants' bank and demat accounts, Mr. Rustomjee submitted that these averments are subsequent to the date of order impugned in this review application. Therefore, the same cannot be considered in this review application.

10. We have carefully considered the rival contentions and perused the records.

11. The first ground is with regard to calculation of disgorgement amount. Applicants' contention is that they are not responsible for increase in price of scrips based on market

¹ 2015 SCC OnLine ITAT 9749, Para 23.

movement prior to the recommendations. According to them, disgorgement amount ought to be the difference between the sale price and the price immediately after the recommendation made by Pandya on his 'Pandya Ka Funda' program in CNBC Awaaz TV channel. In the order under review, we have considered six scrips in para 26 of the order. The WhatsApp chats have been extracted in para 25.

12. The first scrip is 'Fairchem'. The WhatsApp chat in para 25² clearly shows that Furiya has sent a text message to Pandya on 9.6.2020. Applicants have purchased shares in 'Fairchem' on 10th and 11th of June, 2020. On 11.06.202, Furiya has again sent a message about 'Fairchem' to Pandya and sought confirmation.

13. The second scrip is 'Jindal Poly'. The WhatsApp chat in para 25³ clearly shows that Furiya has sent a text message to Pandya on 10.06.2020. Applicants have purchased shares in 'Jindal Poly' on 9th and 10th of June, 2020. On 10.06.2020, Furiya has sent message to Pandya 12:05 PM and purchased 'Jindal Poly' shares in his name and his brother's name after 14:00 (2:00 PM).

14. The third scrip is 'Godfrey Phillips'. The WhatsApp chat in para 25⁴ shows that Furiya has sent a text message to Pandya on 9.6.2020 at 11:36 AM and purchased the shares on the same day after 13:00:00 (1 PM).

² Page 18 of SAT's order under review.

³ Page 18 of SAT's order under review.

⁴ Page 18 of SAT's order under review.

15. The fourth scrip is 'Sparc'. The WhatsApp chat in para 25⁵ shows that Furiya has sent a text message to Pandya on 09.06.2020 at 15:12:03 (3:12 PM) and simultaneously purchased (at 15:13:02) shares in that scrip. Furiya has sent a message to Pandya to recommend 'Sparc' on 10.06.2020, but the sale got concluded as it was a 'limit order'.

16. The fifth scrip is 'NCL'. The WhatsApp chat in para 25⁶ shows that Furiya has sent a text message to Pandya on 11.6.2020 at 11:33:47 and simultaneously purchased (at 11:45:17) shares in 'NCL'. Furiya has sent a message to Pandya to recommend 'NCL' on 12.06.2020 at 8:41:00. He purchased NCL shares at 9:18:57. The recommendation was at 9:31:56 and sale got concluded at 9:32.

17. The sixth scrip is 'Indigo'. In this scrip, Furiya had called Pandya at 11:43:00 and purchased the scrip at 12:15:19. Pandya recommend at 12:19:59. The sale was concluded at 12:20:41.

18. The above narration clearly shows that Furiya has contacted the Pandya before purchasing the scrips. Thus their *nexus* in transactions is established. The term 'fraud' defined in SEBI (PFUTP) Regulations, 2003⁷ reads thus:

“Regulation 2(1)(c):

“fraud” includes any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss,.....”

⁵ Page 18 of SAT's order under review.

⁶ Page 18 of SAT's order under review.

⁷ SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market), 2003

19. In our order under review, we have upheld PFUTP violations committed by the applicants. That is not challenged in this review application. Thus, once a fraud is established, any gain made out of such fraudulent act is a 'wrongful gain'.

20. Therefore, the applicants' contention that the disgorgement must be calculated as the difference between quoted price at the time of recommendation and the sale price is meritless. Since, Furiya who has admitted to have traded on behalf of all other applicant-appellants has first contacted Pandya and also followed up with him for recommendation and thereafter placed 'sell limit orders', the entire gain has been rightly construed by the WTM as wrongful gain and upheld by us in the order under review.

21. The second ground is with regard to deduction of income tax. Applicants' contention is, they have paid income tax on the income earned by trading in the above scrips. Therefore, the same must be deducted from the disgorgement amount determined by the WTM.

22. Admittedly, the investigation period is between 01.11.2019 and 04.10.2021. These dates fall between FY 2019-20 and 2021-2022. The WTM has passed his order on 11.06.2024, which falls in FY 2024-25. In *Monal Y Thakker*⁸ relied upon by Mr. Rustomjee, the ITAT⁹, Ahmedabad has excluded the payments made to the SEBI. In our view, it is appropriate for the applicants to seek remedy under the Income Tax Act, 1961.

⁸ 2015 SCC OnLine ITAT 9749

⁹ Income Tax Appellate Tribunal

23. The third ground is with regard to imposition of costs. It was argued that Section 15-T of the SEBI Act, 1992 provides for filing an appeal in this Tribunal. It was submitted that a person aggrieved is entitled to challenge Regulator's order, which is akin to a first appeal. Appellants have deposited 90% of the amount sought to be disgorged by the SEBI at the stage of interim order cum show-cause notice dated October 4, 2021. He submitted that as this is a first appeal and appellants have deposited the amount sought to be disgorged, imposing costs is not tenable. He prayed that this Tribunal may re-consider this aspect and waive the costs.

24. We are persuaded to accept applicants' contention that challenge to SEBI's order in this Tribunal is akin to a first appeal under Section 96 of the Code of Civil procedure, 1908. It is also relevant to note that applicants have deposited more than 90% of the disgorgement amount at the very preliminary stage of proceedings without a demur, even before commencement of adjudication proceedings. Thus, keeping appellants' conduct in view and the fact that this appeal is akin to a first appeal, we deem it appropriate to waive the costs imposed by us in the order under review.

25. In para 18 to 20 of the notes for argument, the learned Advocate has stated thus:

"18. All the bank accounts and demat accounts of the Applicants were frozen for recovery of penalties on around 05.03.2026 pursuant to Notice of Attachments dated 04.03.2026. The Notice of Attachments dated 04.03.2026 were received by the Applicants only on 10.03.2026 that too after the attachments.

19. Upon receipt of such notices, the advocate for the Applicants addressed an email annexing letter dated 16.03.2026 inter alia requesting SEBI to unfreeze their bank accounts as they were frozen without intimation to Applicants. A reply was received from SEBI on 21.03.2026 informing that a direction was sent to all Applicants for remittance of outstanding amounts by their email on 20.02.2026 and that SEBI received no reply or remittance from the Applicants because of which notice of attachments were issued. However, the said email dated 20.02.2026 sent by SEBI to Applicants was in the spam folder and therefore the Applicants were unaware about such notice and became aware about the said email only on 21.03.2026. No physical notice was served by SEBI upon the Applicants.

20. It is submitted that there was no urgent requirement for SEBI to freeze bank accounts especially when this Hon'ble Tribunal has remitted the matter to SEBI for the recomputation of the disgorgement. The said action has severely affected the livelihood of the Applicants. No loss or prejudice will be caused to the Respondent as a substantial amount of Rs. 8.40-crores has already been deposited by the Applicants with Respondent since October 2021.”

During the course of argument, he sought for de-freezing of bank and demat accounts. Admittedly, the above narration is a subsequent event after pronouncement of our order under review. The above facts and the prayer made by the learned Advocate do not find place in the review application. Hence, we have not considered them.

26. It is also relevant to record that no error apparent on the face of record is pointed out either in the pleading or in the arguments. However, we have re-considered the three grounds urged on behalf of the applicants and recorded the reasons.

27. In the result, the following:

ORDER

- i. Review Application is ***allowed in part.***
- ii. Order dated January 29, 2026, passed by this Tribunal is modified and costs imposed are waived.
- iii. Pending Interlocutory applications, if any, stand disposed of.
- iv. No costs.

Justice P.S. Dinesh Kumar
Presiding Officer

Ms. Meera Swarup
Technical Member

Dr. Dheeraj Bhatnagar
Technical Member

08.05.2026
RHN