

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Date of Decision : 30.08.2021

**Misc. Application No. 858 of 2021
And
Appeal No. 561 of 2021**

Priyadarshan Mehta
22/10, Bhimbhai Mehta Bungalow,
Pritamnagar 1st Slope,
Ellisbridge,
Ahmedabad – 380 006.

...Appellant

Versus

Securities and Exchange Board of India
SEBI Bhavan, Plot No. C-4A, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

...Respondent

Ms. Poonam D. Gadkari, Advocate with Mr. Anil Shah,
Ms. Kritika Nahate, Advocates i/b Juris Matrix Partners LLP
Advocates & Solicitors for the Appellant.

Mr. Sumit Rai, Advocate with Mr. Abhiraj Arora, Ms. Rashi
Dalmia and Mr. Karthik Narayan, Advocates i/b ELP for the
Respondent.

**WITH
Misc. Application No. 859 of 2021
And
Appeal No. 562 of 2021**

Vilas Joshi
95, Tarang,
Jai Prakash Nagar,
Goregaon (East),
Mumbai – 400 063.

...Appellant

Versus

Securities and Exchange Board of India
SEBI Bhavan, Plot No. C-4A, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

...Respondent

Ms. Poonam D. Gadkari, Advocate with Mr. Anil Shah,
Ms. Kritika Nahate, Advocates i/b Juris Matrix Partners LLP
Advocates & Solicitors for the Appellant.

Mr. Sumit Rai, Advocate with Mr. Abhiraj Arora, Ms. Rashi
Dalmia and Mr. Karthik Narayan, Advocates i/b ELP for the
Respondent.

AND
Misc. Application No. 864 of 2021
And
Appeal No. 563 of 2021

Rajbhushan Dixit
204/12, Jawahar Nagar,
Road No. 13,
Goregaon (West),
Mumbai – 400 062.

...Appellant

Versus

Securities and Exchange Board of India
SEBI Bhavan, Plot No. C-4A, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

...Respondent

Ms. Poonam D. Gadkari, Advocate with Mr. Anil Shah,
Ms. Kritika Nahate, Advocates i/b Juris Matrix Partners LLP
Advocates & Solicitors for the Appellant.

Mr. Sumit Rai, Advocate with Mr. Abhiraj Arora, Ms. Rashi
Dalmia and Mr. Karthik Narayan, Advocates i/b ELP for the
Respondent.

CORAM : Justice Tarun Agarwala, Presiding Officer
Justice M.T. Joshi, Judicial Member

Per : Justice Tarun Agarwala, Presiding Officer (Oral)

1. All the three appeals are filed against a common order dated June 22, 2021 passed by the Whole Time Member ('WTM' for short) of the Securities and Exchange Board of India ('SEBI' for short) whereby the appellants have been debarred from accessing the securities market for three years and have also been restrained from holding any position in a listed Company for a period of three years.

2. The appellants are non-executive directors in the Company which issued Global Depository Receipts ('GDR' for short) and which has been found to be violative of Section 12A and Regulation 3 and 4 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ('PFUTP Regulations' for short).

3. The only charge against the appellants is that they were signatories to the resolution of the board of directors which authorized the issuance of the GDR issues and which

authorized the Managing Director to execute the necessary documents. Apart from that there is no finding that the appellants had any other role to play in issuance and implementation of the GDR issue.

4. In our view the controversy involved in the present appeals is squarely covered by a decision of this Tribunal in the matter of *Prafull Anubhai Shah vs Securities and Exchange Board of India (Appeal no. 389 of 2021 decided on June 28, 2021)*.

5. In view of the aforesaid, the impugned order insofar as it relates to the appellants are quashed at the admission itself without calling for a reply. The appeals are allowed with no order as to costs. The miscellaneous applications are also disposed of.

6. The present matter was heard through video conference due to Covid-19 pandemic. At this stage it is not possible to sign a copy of this order nor a certified copy of this order could be issued by the registry. In these circumstances, this order will be digitally signed by the Private Secretary on behalf of the bench and all concerned parties are directed to

act on the digitally signed copy of this order. Parties will act on production of a digitally signed copy sent by fax and/or email.

Justice Tarun Agarwala
Presiding Officer

Justice M.T. Joshi
Judicial Member

30.08.2021
msb

RAJALA
KSHMI
H NAIR

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by RAJALAKSHMI
H NAIR
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