

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Date: 03.06.2022

Appeal No. 335 of 2021

Madhu Chanda & Ors. ...Appellants

Versus

Securities and Exchange Board of India ...Respondent

Mr. Vyom Shah, Advocate with Ms. Nidhi Singh, Ms. Deepti Mohan, Ms. Binjal Samani, Ms. Aditi Palnitkar and Ms. Moksha Kothari, Advocates i/b Vidhii Partners, advocates for the Respondent.

WITH
Appeal No. 403 of 2021

Praveen Kumar Jain ...Appellant

Versus

Securities and Exchange Board of India ...Respondent

Mr. Vyom Shah, Advocate with Ms. Nidhi Singh, Ms. Deepti Mohan, Ms. Binjal Samani, Ms. Aditi Palnitkar and Ms. Moksha Kothari, Advocates i/b Vidhii Partners, advocates for the Respondent.

WITH
Appeal No. 404 of 2021

Praveen Kumar Jain ...Appellant

Versus

Securities and Exchange Board of India ...Respondent

Mr. Vyom Shah, Advocate with Ms. Nidhi Singh, Ms. Deepti Mohan, Ms. Binjal Samani, Ms. Aditi Palnitkar and Ms. Moksha Kothari, Advocates i/b Vidhii Partners, advocates for the Respondent.

WITH
Misc. Application No. 179 of 2022
And
Appeal No. 448 of 2021

E Ally Consulting Private Limited and Ors. ...Appellants

Versus

Securities and Exchange Board of India ...Respondent

Mr. Gaurav Joshi, Senior Advocate for the Appellants.

Mr. Vyom Shah, Advocate with Ms. Nidhi Singh, Ms. Deepti Mohan, Ms. Binjal Samani, Ms. Aditi Palnitkar and Ms. Moksha Kothari, Advocates i/b Vidhii Partners, advocates for the Respondent.

WITH
Appeal No. 449 of 2021

Viraj Mercantile Private Limited and Ors. ...Appellants

Versus

Securities and Exchange Board of India ...Respondent

Mr. Vyom Shah, Advocate with Ms. Nidhi Singh, Ms. Deepti Mohan, Ms. Binjal Samani, Ms. Aditi Palnitkar and Ms. Moksha Kothari, Advocates i/b Vidhii Partners, advocates for the Respondent.

WITH
Misc. Application No. 66 of 2022
And
Appeal No. 12 of 2022

Laxmi Chaturvedi & Ors. ...Appellants

Versus

Securities and Exchange Board of India ...Respondent

Mr. Vaibhav Gaggar, Advocate with Mr. Vidur Mohan, Mr. Akash Chatterjee, Ms. Shefali Munde, Advocates for Appellants.

Mr. Vyom Shah, Advocate with Ms. Nidhi Singh, Ms. Deepti Mohan, Ms. Binjal Samani, Ms. Aditi Palnitkar and Ms. Moksha Kothari, Advocates i/b Vidhii Partners, advocates for the Respondent.

WITH
Appeal No. 35 of 2022

E-Ally Consulting India Pvt. Ltd. & Ors. ...Appellants

Versus

Securities and Exchange Board of India ...Respondent

Mr. Vyom Shah, Advocate with Ms. Nidhi Singh, Ms. Deepti Mohan, Ms. Binjal Samani, Ms. Aditi Palnitkar and Ms. Moksha Kothari, Advocates i/b Vidhii Partners, advocates for the Respondent.

AND
Misc. Application No. 56 of 2022
And
Appeal No. 68 of 2022

Viraj Mercantile Pvt. Ltd. and Ors. ...Appellants

Versus

Securities and Exchange Board of India ...Respondent

Mr. Vyom Shah, Advocate with Ms. Nidhi Singh, Ms. Deepti Mohan, Ms. Binjal Samani, Ms. Aditi Palnitkar and Ms. Moksha Kothari, Advocates i/b Vidhii Partners, advocates for the Respondent.

ORDER:

1. Adjourned on the request of the appellant. List on July 04, 2022. Rejoinder, if any, in any of the appeals may be filed on or before the next date.

2. In Appeal No. 448 of 2021 a Misc. Application No. 179 of 2022 has been filed praying that the appellants may be permitted to sell their shareholding as per the details given in paragraph 4 of the application during the pendency of the appeal. This application has been opposed by the respondent contending that apart from the restraint order the appellants were also restrained from selling their shares.

3. Having heard the learned counsel for the parties, we find that by the impugned order the appellants were restrained from accessing the securities market for a period of 5 years. Prior to passing of the impugned order, the appellants were also restrained since 2015 from accessing the securities market by an interim order. As a result, for the past 7 years the appellants have been restrained from accessing the securities market. In our opinion, the restraint order from accessing the securities market cannot be a ground to deny liquidating of the shares which are lying in the demat account of the appellants. We also find that penalty orders have also been passed by the Adjudicating Officer against which appeals are pending and it has been stated that the penalty amount has been deposited by the appellant.

4. Considering the facts and circumstances that has been placed on record, we direct the appellant to sell 1679700 shares of Mangal Credit and Fincorp Limited which is held in the name of E-Ally Consulting India Private Limited as depicted in Item No. 1 of paragraph no. 4 of the application. The scrip shall be sold through a broker appointed by SEBI.

5. The Misc. Application is disposed of accordingly.

6. 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. Certified copy of this order is also available from the Registry on payment of usual charges.

Justice Tarun Agarwala
Presiding Officer

Ms. Meera Swarup
Technical Member

03.06.2022
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