(2020) 06 SEBI CK 0006

In the Securities Appellate Tribunal Mumbai

Case No : Appeal (L) No. 158 Of 2020

Bharat J. Patel & Ors — APPELLANT

Vs

Securities And Exchange Board Of India — RESPONDENT

Date of Decision : 26-06-2020

Acts Referred:

Citation : (2020) 06 SEBI CK 0006

Hon'ble Judges : Tarun Agarwala, Presiding Officer;Dr. C. K. G. Nair, Member;M. T. Joshi, J

Bench : Full Bench

Advocate : P.N. Modi, Neville Lashkari, Rihal Kazi, Aniket Katre, Kumar Desai, Anubhav Ghosh

Judgement

1. We have heard Shri P.N. Modi, the learned senior counsel for the appellant and Shri Kumar Desai, the learned counsel for the SEBI. The

contention raised by the learned senior counsel for the appellant is, that there has been an inordinate delay in initiating the proceedings against the

appellant on account of which the impugned order debarring the appellant from accessing the securities market cannot be sustained and, in any case,

the penalty is disproportionate to the alleged misconduct. It was contended that a large number of trades were executed but only four trades have

been taken into consideration on which the penalty has been imposed.

2. On the other hand, the learned counsel for the respondent contended that the order has already come into effect and therefore it is not a fit case to

grant any stay at this stage. The learned counsel further submitted that the matter could be finally disposed off after calling for a reply.

3. Considering the aforesaid, since we find that the order has already came into effect since March 4, 2020 it would not be appropriate to pass any

interim order at this stage allowing the appellant to access the securities market. We accordingly direct the respondent to file a reply within two weeks

from today and rejoinder may be filed within a week thereafter. The matter would be listed for admission and for final disposal on July 22, 2020.

4. In the event the appeal is not heard finally on date fixed the interim application for grant of interim relief would be considered. We also make it

clear that in the event the appellant wants to sell off its shareholdings it may apply by moving an appropriate application before the respondent giving

details of the shares which the appellant wants to sell. If such an application is filed SEBI would take action and pass appropriate orders within five

working days.

5. We also direct the appellant to approach the Registrar of this Tribunal 48 hours before the date fixed in order to find out as to whether the present

appeal would be heard through video conference or through physical hearing depending on the prevailing situation.

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 Presiding Officer 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.