
(2021) 01 SEBI CK 0001

In the Securities Appellate Tribunal Mumbai

Case No : Appeal No. 524 Of 2020

Mukesh Chauradiya

APPELLANT

Vs

Securities And Exchange Board Of India

RESPONDENT

Date of Decision : 04-01-2021

Acts Referred:

Citation : (2021) 01 SEBI CK 0001

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

Bench : Full Bench

Advocate : Mukesh Chauradiya, Devendra Dhanesha, Nidhi Singh, Kinjal Bhatt, Hersh Chaudhary, Vidhii Partners

Judgement

Tarun Agarwala, Presiding Officer

1. We have heard the learned counsel for the parties through video conference and perused the reply filed by the respondent.

2. The present appeal has been filed against the order dated September 29, 2020 imposing a penalty of Rs. 10 lakh upon the appellant.

3. The contention of the learned counsel for the appellant is that they had filed the reply to the show cause on June 1, 2020 which was sent through e-

mail which has not been considered. Further, the matter was listed for hearing on September 22, 2020 and an e-mail was sent by the appellant on

September 21, 2020 praying for an adjournment and fixing another date. It is contended that the e-mail was duly received and the same was not

considered. The Adjudicating Officer (AO for short) proceeded ex-parte against the appellant and passed the impugned order.

4. Upon hearing the learned counsel for the parties and upon perusal of the reply filed by the respondent we find that admittedly the reply filed by the

appellant was not considered while passing the impugned order which in our opinion is in violation of the principles of natural justice. Even if the

appellant did not appear it is the onerous duty of the AO to consider the reply and decide the matter on merits. We also find that the request for an

adjournment was not arbitrary and therefore the AO should have considered the adjournment request.

5. In the light of the aforesaid and without going into the merits, we are of the opinion that there has been a violation of the principles of natural justice

and therefore on this short ground the impugned order is quashed insofar as it relates to the appellant. The appeal is allowed. The matter is remitted to

the AO to decide the matter afresh after giving an opportunity of hearing to the appellant. In the circumstances of the case, parties shall bear their

own costs.

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.