
(2020) 03 SEBI CK 0013

In the Securities Appellate Tribunal Mumbai

Case No : Appeal No. 53 Of 2017

Prrsaar

APPELLANT

Vs

National Stock Exchange Of India Limited

RESPONDENT

Date of Decision : 05-03-2020

Acts Referred:

Citation : (2020) 03 SEBI CK 0013

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

Bench : Full Bench

Advocate : Mukesh M. Goel,, Rashid Roatwalla, Shreya Anuwal, Manilal Kher Ambalal

Final Decision : ?Allowed

Judgement

Sr. No., Details of contravention, Penalty (in rupees)

19., "Improper use of funds raised by

placing of clients securities with

bank/ any other financial institutions

viz. funds not used for respective

client obligation/margins", "Rs. 1,00,000/- or 0.1% of the value

of misuse whichever is higher

Mis-utilization of clients's funds and/or securities,,

(a) Prejudicial Business: When in the opinion of the relevant authority, the trading member conducts business in a manner prejudicial to the,,

Exchange by making purchases or sales of securities or offers to purchase or sell securities for the purpose of upsetting equilibrium of the,,

market or bringing about a condition of demoralization in which prices will not fairly reflect market value, orâ??",,

It was thus contended that the DAC has ample power to suspend the business. Be that as it may. The impugned order does not refer to this bye-laws,,

and has only considered the Circular dated June 27, 2013 which does not provide for suspension of trading.",,

7. In the light of the aforesaid, the impugned order of the DAC dated October 25, 2016 as well as order dated February 03, 2017 cannot be sustained",,

and are quashed in so far as it relates to the quantum of penalty. The appeal is allowed to that extent. The matter is remitted to the DAC to reconsider,,

the quantum of penalty in the light of the Circular dated June 27, 2013 and applicable bye-laws as existing on the date when the violation had occurred.",,

The DAC will decide the matter within three months from today after giving an opportunity of hearing to the appellant. In the circumstances of the,,

case, party shall bear their own costs.",,