

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

DATE : 06.10.2017

Misc. Application No. 35 of 2016
And
Appeal No. 44 of 2016

1. Dhanolty Developers Ltd.
2. Sanjay Walia

1-A/7767, Ground Floor, Ram Nagar,
Pahargang, New Delhi 110055.

..... Appellants

Versus

1. Securities and Exchange Board of India
Regional Office : 5th Floor, Bank of Baroda
Building, 16, Sansad Marg,
New Delhi – 110 001.
2. Mr. Siddharth Walia
B-704, Happy Home Apartment,
Plot No. 12A, Sector-7, Dwarka, New Delhi.
3. Ms. Anita Malik
C/o Jat Farms, Opposite RTO,
Khatima- Tanakpur Road,
Tanakpur, Uttrakhand.
4. Ms. Raksha Kumari
R/o 1-A, Ram Nagar, Pahargang, New Delhi.
5. Mr. Shiv Pratap Singh
R/o 1-A, Ram Nagar, Pahargang, New Delhi.
6. Ms. Shefali Walia
B-704, Happy Home Apartment,
Plot No. 12A, Sector-7, Dwarka, New Delhi.
7. Mr. Pankaj Bakshi
R/o 1-A, Ram Nagar, Pahargang, New Delhi.

... Respondents

Mr. Sanjay Walia, Appellant No. 2 in person representing both the Appellants.

Mr. Pradeep Sancheti, Senior Advocate with Mr. Pulkit Sukhramani, Ms. Vidhi Jhawar, Advocates i/b The Law Point for the Respondent No. 1.

None for the Respondent Nos. 2 to 7.

CORAM : Justice J. P. Devadhar, Presiding Officer
Jog Singh, Member

Per : Justice J. P. Devadhar (Oral)

Misc. Application No. 35 of 2016

1. By this misc. application appellant seeks condonation of 3 days delay in filing this appeal. For the reasons stated in the application, delay is condoned. Misc. Application is disposed of accordingly.

Appeal No. 44 of 2016

1. This appeal is filed to challenge the order passed by the Whole Time Member ('WTM' for short) of Securities and Exchange Board of India ('SEBI' for short) on December 1, 2015. By the said order the appellants were *inter alia* directed to refund the amounts collected by the appellant no. 1 company from the investors under the Collective Investment Scheme (for short 'CIS') within the time stipulated therein with returns promised under the schemes floated by the company.

2. Mr. Sanjay Walia, director of the company states that the appellants without prejudice to their contention that the schemes floated by appellant no. 1 company do not constitute CIS, in implementation of the impugned order have already refunded substantial amount out of the amounts collected from the various investors and that they are ready and willing to pay the balance amount to the investors in a time bound manner.

3. In these circumstances, since the appellants are willing to comply with the order of SEBI, we dispose of the appeal by directing the appellants to make a representation to SEBI within four weeks from today setting out in detail the amounts already refunded to the investors and also the mode and the manner in which the balance amount would be refunded to the investors.

4. If a representation is made within four weeks from today, SEBI shall dispose of the same as expeditiously as possible and preferably within a period of eight weeks from the date of receiving the representation. Ad-interim relief already

granted to continue for a period of three months from today subject to the appellants making a representation to SEBI within four weeks from today.

5. The appellants are also directed to furnish to SEBI, relevant copies of the balancesheets of the company and details of the total amount collected by the company from the investors under the schemes which are held to be CIS ***as are available with the appellant***, within a period of 45 days from today. The appellants are also directed to disclose to SEBI the list of assets owned by them within a period of two weeks from today and give an undertaking to SEBI that they shall not sell the said assets without the prior approval of SEBI.

6. Appeal is disposed of in the aforesaid terms with no order as to costs.

Sd/-
Justice J. P. Devadhar
Presiding Officer

Sd/-
Jog Singh
Member

06.10.2017
Prepared & Compared by
PTM

*** Amended pursuant to Order dated 30th January, 2018.**

prepared & compared by-dg