

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

DATE : 05.06.2018

Review Application No. 2 of 2018
In
Appeal No. 67 of 2018

1. Siya Bansal
2. Rajan Bansal
H. No. 1082, Satsang Road, Ludhiana,
Punjab, India – 400 059. Applicants
(Org. Appellants)

Versus

Securities Exchange Board of India
SEBI Bhavan, C-4A, G-Block,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051. ... Respondent
(Org. Respondent)

Mr. Saurabh Bachhawat, Advocate with Mr. Manish Bohra, Advocate i/b
A. S. Khan & Associates for the Applicants.

Mr. Vishal Kanade, Advocate with Mr. Chirag Bhavsar, Advocate i/b MDP
& Partners for the Respondent.

CORAM : Justice J. P. Devadhar, Presiding Officer
Dr. C. K. G. Nair, Member

Per : Justice J. P. Devadhar (Oral)

1. This is a frivolous Review Application filed by the applicants seeking review of order passed in the appeal no. 67 of 2018 on April 6, 2018.

2. By the aforesaid order dated April 6, 2018, this Tribunal upheld the penalty of Rs. 15 lac imposed on each appellant on ground that the trades executed by the appellants were in violation of PFUTP Regulations.

3. Counsel for the applicants sought review of order dated April 6, 2018 firstly on ground that in para 3 of the order, it is erroneously stated that the notices therein together took the price of KGN scrip from Rs. 149/- to Rs. 500/- within a span of 1 minute and 37 seconds when in fact the price of

KGN scrip was increased from Rs. 200/- to Rs. 500/- within a span of 1 minute 37 seconds. Secondly, it is submitted that this Tribunal failed to consider the notice dated November 26, 2011 issued by BSE and NSE.

4. We see no merit in the above contentions. In relation to the first contention it is relevant to note that in para 21 of the order the adjudicating officer has specifically recorded that the noticees therein, namely, Siya Bansal and Rajan Bansal and Sandhya Badekar together took the price of the scrip from Rs. 149/- to Rs. 500/- with 11 trades in a span of 1 minute and 37 seconds. Thus, what is recorded in para 3 of our order dated April 6, 2018 is nothing but reiteration of the findings recorded by the A. O. During the course of arguments advanced on April 6, 2018 it was not brought to our notice the aforesaid discrepancy. In any event, even if the applicants were responsible for the price rise from Rs. 200/- to Rs. 500/- instead from Rs. 149/- to Rs. 500/-, the applicants would still be guilty of violating the PFUTP Regulations. Hence, review is not warranted on the first ground raised by the applicants.

5. Second plea raised by the applicants that this Tribunal in the order dated April 6, 2018 has failed to consider the notice dated December 26, 2011 is equally without any merit, because, firstly, neither the notice dated December 26, 2011 was annexed to the memo of appeal nor brought to notice of this Tribunal during the course of arguments. Therefore, it does not lie in the mouth of the applicants to contend that this Tribunal failed to consider the said notice dated December 26, 2011. Secondly, fact that the said notice dated December 26, 2011 recorded that there would be no circuit filter in the equity shares on KGN Enterprises Ltd. on the date of listing would not entitle the applicants to enter into irregular trades so as to

inflate the share price of the KGN Enterprises Ltd. scrip in violation of the PFUTP Regulations.

6. In these circumstances, we see no merit in the review application and, accordingly, dismiss the review application with costs quantified at Rs. 10,000/- to be paid by the applicants to SEBI within a period of one week from today.

7. Review application is disposed of accordingly.

Sd/-
Justice J. P. Devadhar
Presiding Officer

Sd/-
Dr. C. K. G. Nair
Member

05.06.2018
Prepared & Compared by
PTM