

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Date of Decision : 07.05.2019

Misc. Application No. 341 of 2017
And
Appeal No. 367 of 2017

Rajeev Singh Rajput
R/o. 504, Shagun Tower,
Plot No. 07, P.U. – 04,
Scheme No. 54, Vijay Nagar,
District – Indore (M.P.)

...Appellant

Versus

Securities and Exchange Board of India.
SEBI Bhavan, Plot No. C-4A, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

...Respondent

Mr. Abhishek Soni, Advocate for the Appellant.

Mr. Mustafa Doctor, Senior Advocate with Mr. Nishant
Upadhyay, Advocate i/b Desai & Diwanji for the Respondent.

CORAM : Justice Tarun Agarwala, Presiding Officer
Dr. C.K.G. Nair, Member
Justice M.T. Joshi, Judicial Member

Per : Justice Tarun Agarwala (Oral)

Misc. Application No. 341 of 2017:-

1. There is a delay of 3 days in filing the appeal. Cause
shown is sufficient. The delay in filing the appeal is condoned.

The application is allowed.

Appeal No. 369 of 2017:-

2. The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013 came into effect on April 21, 2013. Under Regulation 3 of the said Regulations investment advisors were allowed to apply for registration till October 20, 2013.

3. The appellant is a financial advisor and was a director in M/s. Global Mount Money Research & Advisory Pvt. Ltd., a partner in Global Money Financial Services and a proprietor in Global Money Research & Advisory.

4. It transpires that notices were issued to the appellant to get registered under the aforesaid Regulations in spite of which the registration was not done and eventually an interim order dated March 12, 2015 was passed restraining the appellant from acting as an investment advisor or to undertake such activity in the securities market directly or indirectly in any manner whatsoever. Thereafter, upon giving an opportunity of hearing, the Whole Time Member of SEBI passed a final order dated October 26, 2017 issuing the following directions:-

“Mr. Rajeev Singh is directed not to, directly or indirectly, access the securities market, and are prohibited from buying, selling or otherwise

dealing in the securities market, directly or indirectly in whatsoever manner, till the expiry of 7 years from the date of this order. The aforesaid entity is also restrained from associating with any listed public company and any public company which intends to raise money from the public, or any intermediary registered with SEBI till the expiry of 7 years from the date of this order.”

The appellant being aggrieved by the said order has filed the present appeal.

5. We have heard Shri Abhishek Soni, learned counsel for the appellant and Shri Mustafa Doctor, learned senior counsel for the respondent. At the outset, the learned counsel for the appellant pleaded leniency and prayed for reduction of the period of expulsion.

6. Having heard the learned counsel for the appellant and having perused the order we find that the WTM of SEBI has restrained the appellant from accessing the securities market for a period of 7 years from the date of the final order i.e. from October 26, 2017. We find that the appellant was already restrained from accessing the securities market by an interim order dated March 12, 2015. In our view, the expulsion should thus run from the date of the interim order.

7. Considering the aforesaid and in the peculiar facts of this case, we feel that the debarment of the appellant should run from the date of the interim order dated March 12, 2015.

8. For the reasons stated aforesaid, the appeal is partly allowed. The restraint order pursuant to the impugned order will operate from the date of the interim order i.e. from March 12, 2015.

Sd/-
Justice Tarun Agarwala
Presiding Officer

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

Sd/-
Justice M.T. Joshi
Judicial Member

07.05.2019

Prepared and compared by:msb