

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Date of Decision : 10.08.2020

Misc. Application No. 233 of 2020
And
Appeal No. 163 of 2020

1. Regent Chemicals Limited
Light House Building, Ground Floor,
Sitafalwadi, Mazgaon,
Mumbai – 400 010.
2. Sahid Investments and Trading Co.Pvt. Ltd.
Neco Chambers, 4th Floor,
Rajiv Gandhi Road, Sector - 11,
C.B.D. Belapur,
Navi Mumbai - 400 614. ...Appellants

Versus

BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001. ...Respondent

Mr. Prakash Shah, Advocate with Mr. Kushal Shah, CA i/b
Prakash Shah & Associates for the Appellant.

Mr. Tomu Francis, Advocate with Arka Saha, Advocate
i/b Khaitan & Co. 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, Presiding Officer (Oral)

1. The present appeal has been filed against the order dated 25 May 2017 and 6 February 2020. The appeal is accompanied with an application for condonation of delay which has been calculated from 6 February 2020 onwards. A prayer has been made to condone the delay on account of the ensuing pandemic situation.

2. The facts leading to the filing of the appeal is, that the appellant is a public limited company and was incorporated in the year 1991. The said company was listed on the platform of BSE Limited since 1995. However, no trading was going on since the year 2001 and accordingly by an order dated 25 May 2017 the respondent directed the company to be delisted from the platform of the Exchange under the SEBI (Delisting of Equity Shares) Regulations, 2009 ('Delisting Regulations' for short). On 1 June 2017 the respondent determined the fair value of the shares of the company at the rate of 10/- per share under Regulation 23(1) of the Delisting Regulations. The appellant did not challenge either the order of delisting of its company by the order of 25 May 2017 nor challenged the determination of the

fair value done on 1 June 2017. On the other hand, it is reported that the appellant submitted a valuation report on 8 May 2018 and then submitted balance sheets and annual reports to BSE Limited on 15 October 2019 and 26 November 2019 and prayed that the fair value determined by the independent valuer appointed by the appellant should be considered and the fair value determined by the BSE Limited should be reviewed. The respondent by a communication dated 6 February 2020 rejected the contention of the appellant holding that the fair value determined on 1 June 2017 does not require any reconsideration at this belated stage. The appellant, being aggrieved by the aforesaid orders, has filed the present appeal.

3. We have heard Shri Prakash Shah, the learned counsel for the appellant and Shri Tomu Francis, the learned counsel for the BSE Limited. We find that there is an inordinate delay of more than 3 years in approaching this Tribunal. No justification whatsoever has been given as to why the appeal against the order of 25 May 2017 or against the determination of the fair value dated 1 June 2017 could not be challenged by the appellant at that point of time. Nothing has been indicated in the memo of appeal to show that they were pursuing any other

remedy. Merely by submitting a valuer's report after one year from the passing of the impugned order and then again filing the annual reports and balance sheets after a further period of 17 months does not entitle them to condone this inordinate delay. We are of the opinion that the communication made by the respondent by their letter dated 6 February 2020 does not extend the period of limitation for questioning the veracity and/or the legality of the order dated 25 May 2017 or 1 June 2017.

4. In view of the inordinate delay of more than 3 years in filing the appeal and in the absence of any sufficient cause being shown we are of the opinion that the delay in filing the appeal could not be condoned. The application for condonation of delay is rejected, as a result of which, the appeal is also dismissed with no order as to costs.

5. 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 Presiding Officer 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.

Sd/-
Justice Tarun Agarwala
Presiding Officer

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

Sd/-
Justice M.T. Joshi
Judicial Member

10.08.2020
msb