

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Appeal No. 146 of 2011

Date of Decision : 12.09.2011

Ashika Stock Broking Limited
Registered & Corporate office:
1008, Raheja Centre, 10th Floor,
214, Nariman Point,
Mumbai – 400 021.

And

Head office:

Trinity 226/1, A.J. C Bose Road,
7th Floor, Kolkata – 700 020.

...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. Janak Dwarkadas, Senior Advocate with Mr. Zal Andhyarujina,
Mr. Nishit Dhruva and Ms. Dhvani Mehta, Advocates for the Appellant.

Mr. Shiraz Rustomjee, Advocate with Ms. Daya Gupta and Ms. Harshada Nagare,
Advocates for the Respondent.

CORAM : Justice N.K. Sodhi, Presiding Officer
P.K. Malhotra, Member
S.S.N. Moorthy, Member

Per : Justice N.K. Sodhi, Presiding Officer (Oral)

This appeal is directed against the order dated July 19, 2011 passed by the whole time member modifying the ad-interim ex-parte order issued against the appellant. By an ex-parte order dated December 2, 2010, the appellant which is a stock broker had been restrained from taking new clients and for executing proprietary trades pending investigations. The investigations are still going on. By the impugned order, the whole time member has modified his earlier order and allowed the appellant to take on fresh clients but the restraint order regarding proprietary trades is continuing. During the course of the hearing, the appellant states that it is willing to furnish an undertaking in writing to the respondent Board that it shall not

buy, sell or deal in securities on its own / proprietary account pending further orders in the proceedings before the Board. If such an undertaking is furnished within a week from today, the direction issued to the appellant in paragraph 28(c) of the impugned order shall stand vacated. This course is being adopted having regard to the peculiar facts and circumstances of the present case. The Board is directed to conclude the investigations expeditiously. It is made clear that the furnishing of the undertaking and the acceptance thereof by the respondent Board shall be without prejudice to the rights of the parties. The learned senior counsel appearing for the appellant informs us that his client is holding some shares as margin and that if a need arises to dispose of those shares, liberty may be reserved to the appellant to apply in that regard. Liberty as prayed for.

The appeal stands disposed of as above with no order as to costs.

Sd/-
Justice N.K. Sodhi
Presiding Officer

Sd/-
P.K. Malhotra
Member

Sd/-
S.S.N. Moorthy
Member

12.09.2011

Prepared and compared by:

msb