

BEFORE THE SECURITIES APPELLATE TRIBUNAL  
MUMBAI

**Appeal No. 150 of 2011**

**Date of decision: 19.9.2011**

P. R. Vyapaar Ltd.  
29-A, Weston Street, 3<sup>rd</sup> Floor,  
Room No. C-5, Kolkata – 700012.

.....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. Vinay Chauhan and Mr. Anant Upadhyay, Advocates for the Appellant.

Mr. Shiraz Rustomjee, Senior 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 order will dispose of three Appeals no. 149 to 151 of 2011 all of which are directed against the common order dated July 19, 2011 passed by the whole time member of the Securities and Exchange Board of India (for short the Board) confirming the ad-interim ex-parte order dated December 2, 2010 by which the appellants, among others, had been restrained from accessing the securities market and were prohibited from buying, selling or dealing in securities till further directions. Admittedly, the investigations in the matter are still on and the Board found that the scrip of five companies had been manipulated and that a large number of entities had joined hands together in the manipulation. The learned counsel appearing for the appellants have strenuously contended that their clients are similarly situated to the two entities referred to in para 28(b) of the impugned order against whom the ad interim directions have been revoked. They have taken us through the impugned order and also the ad interim ex-parte order

which was treated as a show cause notice against the entities. Since the investigations are still pending, it may not be appropriate for us to examine the merits of the contentions now sought to be urged before us. We are informed that the investigations are in progress. In this view of the matter, we dispose of the appeals with a direction to the Board to conclude the investigations expeditiously and, in any case, before the end of this year. It will be open to the Board to proceed against different entities in accordance with law on the basis of the findings as recorded in the investigations.

2. The learned counsel for the appellants have pointed out that their clients are investment companies and are holding shares of a large number of companies by way of investment and that in view of the falling market they may be allowed to dispose of some of the scrips with a view to reduce their losses. The prayer appears to be reasonable. We, therefore, direct that the appellants may sell some of the scrips which they are presently holding to safeguard against the erosion in the value of their portfolio. The details of the sales shall be furnished to the Board within 24 hours and the sale proceeds shall be kept in a separate escrow account. In case the appellants wish to deal with the sale proceeds, they shall seek the permission of the Board which should be considered within a reasonable time. No costs.

Sd/-  
Justice N. K. Sodhi  
Presiding Officer

Sd/-  
P. K. Malhotra  
Member

Sd/-  
S. S. N. Moorthy  
Member

19.9.2011  
Prepared & Compared by  
ptm