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CC no. 75/09

SEBI Vs. Accord Plantation Ltd.

15.07.2010.

Present : Convict P. C. Thakur with counsel Sh. R.S.Dogra.

File has been taken up today on an application moved on behalf of convict for payment of fine in terms of the order of Hon'ble High court dated 9.07.2010 whereby the suspension of sentence has been granted subject to payment of 50% of fine by the applicant/convict. Fine deposited, application is disposed off.

(POONAM CHAUDHARY)

ASJ(Central-01)/DELHI.

15.07.2010.

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Ms. POONAM CHAUDHARY
Asst. Secy. (Central-01)
H.No. 319,
Tis Hazari Courts, Delhi

IN THE COURT OF MS. POONAM CHAUDHARY

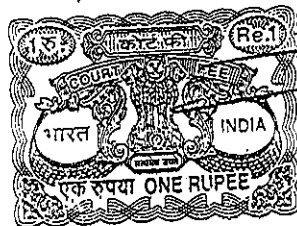
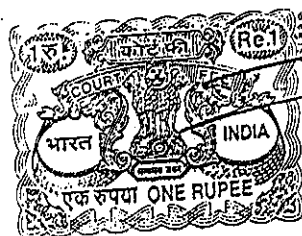
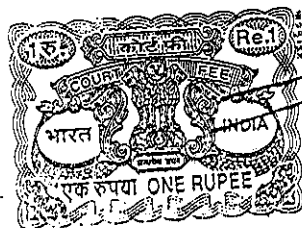
ASJ (Central-01) : DELHI

C. C. No. 75/09

SECURITIES AND EXCHANGE BOARD OF INDIA, a statutory body established under the provisions of Securities and Exchange Board of India Act, 1992, having its regional Office at Block No. 1, Rajendra Bhavan, Rajendra Place District Center, New Delhi-110008, Represented by its Asst. General Manager, SEBI, New Delhi, Smt. Jyoti Jindgar.

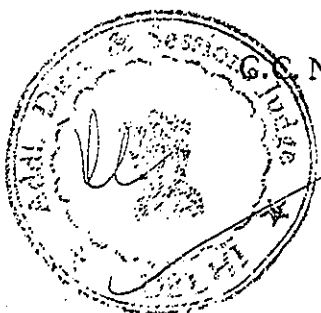
VERSUS

- 1 Accord Plantation LTD. a company incorporated under the provisions of Companies Act, 1956 and having its Head Office at Blue Peaks Office Complex (Near Gaiinda Mull Stairs), The Mall, Shimla 171001 Corporate Office at S.C.O. 19-A, Swastik Vihar, Panchkula, 134109.
- 2 Sh. Ajay Vohra S/o Not known to the complainant, occupation Director of accused no.1, R/o C 7, Friends Apartments, Annadale, Shimla 171003, H.P.
- 3 Mag. Sh. P.C. Thakur, S/o Not known to the complainant, occupation Director of accused no.1, R/o The Retreat, Phagli, Shimla 171004, H.P.
- 4 Smt. Sunita Bhagat, W/o Not known to the complainant, occupation Director of accused no.1, R/o Constance Lodge, Upper Kaithu, Shimla 171033.



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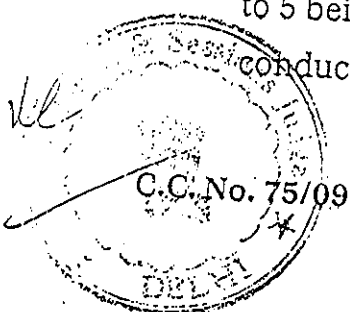
Put up on 26/07/10
C.S. & M.O.

- 5 Sh. Rajan Rai, S/o Not known to the complainant, occupation Director of accused no.1, R/o 9/10, Old Batial Building, Middle Bazar, Shimla 171001.

Arguments heard on : 19.03.2010
Judgments reserved for : 25.03.2010
Judgments announced on : 25.03.2010

JUDGMENT

1. In brief the case of Securities and Exchange Board of India (hereinafter referred to as 'SEBI') a statutory body established under the provisions of Securities and Exchange Board of India Act 1992 (hereinafter referred as the 'Act') as disclosed in the complaint dated 21.01.2003 is that accused no. 2 to 5 being the directors of accused no. 1 company (hereinafter referred to as the accused company) floated Collective Investment Schemes (for short referred to as 'CIS') and collected 80.64 lakhs from the general public.
2. It is also averred that for Regulation of CIS being run by entrepreneurs, SEBI notified the Securities and Exchange Board of India Regulations 1999 (in short referred to as the 'Regulations') however the accused company neither applied for registration nor took any steps for winding up its 'CIS' and repayment to investors as per the Regulations. Therefore, according to the SEBI accused company committed violation of Section 11 (B), 12 (IB) of the SEBI Act and regulation 5(I) read with regulation 68 (1), 68 (2), 73 and 74 punishable U/s 24 (I) of the Act. SEBI also claimed that accused no. 2 to 5 being directors of the accused company were responsible to it for conduct of its business and were therefore liable for the violation U/s



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27 of the Act.

3. After the filing of the complaint all the accused were summoned vide order of Ld. ACMM dated 21.01.2003. After appearance of the accused notice of accusation was given to them on 05.08.2005 to which each of them pleaded not guilty for self and co. and claimed trial.
4. In support of its case SEBI examined CW 1 Ms. Jyoti Jindgar, DGM SEBI as CW 1 and thereafter closed its evidence. The statements of accused no. 2 to 5 were thereafter recorded U/s 313 Cr.P.C. The accused examined 9 witnesses in support of their defence.
5. I have heard the Ld. counsel for parties and perused the record.
6. The question for consideration is whether SEBI has been able to prove its case against the accused beyond reasonable doubt.
7. CW 1 Ms. Jyoti Jindgar proved letter Ex. CW 1/1 dated 09.12.1997 issued by the accused company furnishing information to SEBI regarding its CIS. As per the said letter the company had mobilized Rs. 60,86,061.00/- lakhs under its CIS. Along with this letter, the company also furnished the biodata of its promoters. CW 1 also deposed that as per letter enclosed with Ex. CW 1/1 the promoters of the company were Sh. Ajay Vohra, Smt. Sunita Bhagat and Sh. Tajender Singh. CW 1 also proved Ex. CW 1/2 the compliance report submitted by accused company to SEBI as well as details of its directors, as per the same the directors of the company were accused no. 2 to 5 namely Sh. Ajay Vohra, PC Thakur, Sunita Bhagat and Rajan Rai.

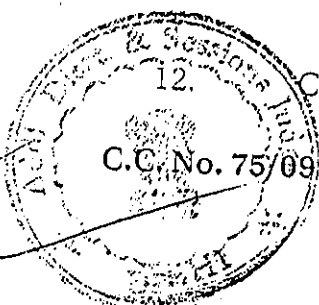
C.C. No. 75/09

8. CW 1 also proved Ex. CW 1/3 furnished by company to SEBI enclosing therewith a certified true copy of memorandum and articles of association of company, as per the certificate of incorporation appearing therein company was incorporated on 20.11.1996.
9. The genuineness and authenticity of Ex. CW 1/1, 1/2 and 1/3 was not challenged by the accused in the cross examination of CW 1, therefore, they are deemed to have been admitted as correct. As per the undisputed document Ex. CW 1/2 accused 2 to 5 were the directors of the accused company on the date of its issue which 28.05.1998.
10. The Act came into force with effect from 30.01.1992 chapter V of the Act relates to registration certificate. Section 12 (IB) was incorporated in the Act w.e.f. 25.01.1995 and reads as follows:

"1 (B) no person shall sponsor or cause to be sponsored or carry on or cause to be carried on any venture capital funds or collective investment scheme including mutual funds, unless he obtains the certificate of registration from the Board in accordance with the regulations."

11. Therefore, according to Section 12(IB) of the Act no person could sponsor CIS without obtaining a registration from SEBI in accordance with the Regulations. The regulations came into force with effect from 15.10.1999.

CIS has been defined in Section 11AA of the Act. According to



sub-section (1) thereof any scheme or arrangement which satisfied the conditions referred to in sub-section (2) shall be a collective investment scheme. The conditions specified in sub-section (2) thereof as under:-

"(2) Any scheme or arrangement made or offered by any company under which:-

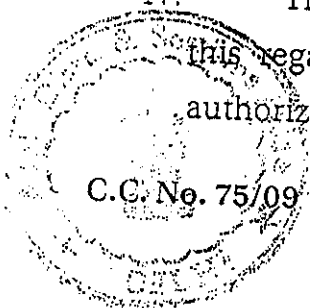
- (i) The contributions, or payment made by the investors, by whatever names called, are utilized for the purpose of the scheme or arrangement;*
- (ii) The contributions or payments are made to such scheme or arrangement by the investors with a view to receive profits, income, produce or property, whether movable or immovable, from such scheme or arrangement;*
- (iii) The property, contribution or investment forming part of scheme or arrangement, whether identifiable or not, is managed on behalf of the investors;*
The investors do not have day to day control over the management and operation of the scheme or arrangement."

13. As per Ex. CW 1/1 issued by the accused company and its enclosures, the accused company had mobilized funds to the tune of Rs. 60,86,061/-lakhs from the general public under its various schemes. Along with Ex. CW 1/1 the company also enclosed the prospectus furnishing the terms and conditions of schemes. Thus, company had invited general public to invest in its various schemes

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which were to be managed by it and not by general public. So it is an admitted fact that the accused company had been running CIS even as on date of issue of Ex. CW 1/1 i.e. 09.12.1997.

14. Apart from the above accused no. 2, Managing Director of the company admitted in his statement U/s 313 Cr.P.C. that vide letter dated 19.12.1997 Ex. CW 1/1 he informed SEBI the names of the promoters of the company and vide letter Ex. CW 1/2 dated 28.05.1998 he submitted the details of the directors of the company to SEBI namely Sh. Ajay Vohra, Sh. P.C. Thakur, Smt. Sunita Bhagat and Sh. Rajender.
15. Further accused no. 2 Sh. Ajay Vohra, Managing Director of the accused company also admitted in his statement U/s 313 Cr.P.C. that in pursuance of the press release issue by SEBI dated 26.11.1997 and public notice dated 18.12.1997, the company filed information with SEBI furnishing details of fund mobilized names of the promoters, whereas the other accused no. 3 to 5 gave evasive reply in their statement u/s 313 Cr.P.C.
16. Apart from the above DW 5 Assistant Manager, Vijaya Bank, Shimla deposed that a current account was opened in the name of the company in their branch at Shimla on 15.11.1996 and the Managing Director of the company was Ajay Vohra was authorized signatory of the account of company as per the Ex. DW 5/33 and Ex. DW 5/34, the extract meeting of Board of directors and resolution passed by board of director of the company.
17. The testimony of DW 5 was not challenged by other accused in this regard, hence it is admitted fact that accused no. 2 was the authorized signatory of the account of the company opened with the



Vijaya Bank, Shimla.

18. As per the Memorandum and articles of association of the company, there were 7 promoters/subscribers of accused company. At the cost of repetition it is stated that as per section 12 (IB) of the Act no person could run CIS or cause it to be run without registration promoters and subscribers of CIS would be covered by section 12 1 B of the Act as CIS was being run by them through other especially directors attending to the daily affairs of the company, they were therefore responsible to ensure that the business of CIS was run according to the law and regulation.
19. Besides this Managing Director of the accused company, accused no. 2 Ajay Vohra also admitted in his statement U/s 313 Cr.P.C. that the accused company neither applied for registration nor intimated to SEBI regarding winding up of its scheme whereas other accused gave evasive reply in their statement u/s 313 Cr.P.C.
20. It is pertinent to note that as per the photocopy of the balance sheet of the company as on 31.03.1998 the company had investors fund to the tune of Rs. 80,64,306.00/-lakhs.
21. In view of the said facts I have no hesitation in holding that accused no. 2 to 5 were directors of the company and had been running CIS after incorporation of company on 16.10.1996 and had been collecting funds from the general public.
22. As already stated the regulations came into force with effect from 15.10.1999. As per the evidence of CW 1 and material on record after notification of the regulations SEBI sent letter to the company dated 21.10.1999 Ex. CW 1/4 by registered post, by virtue of this letter

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various provisions of the regulations were brought to the notice of the company. As per the Regulation (5) of regulations the accused company had to apply for registration of its CIS till 31.03.2000. Further as per regulations 73 (1) CIS which failed to make an application for registration with SEBI would wind up the same and repay the investors. Apart from this as per regulation 74 existing CIS which was not desirous of obtaining provisional registration from SEBI would formulate a scheme of repayment and make such repayment to existing investors in the manner specified in Regulation 73. According to regulation 73(2) existing CIS to be wound up shall, send information memorandum to investors who had subscribed to the schemes, within two months from the receipt of intimation from SEBI.

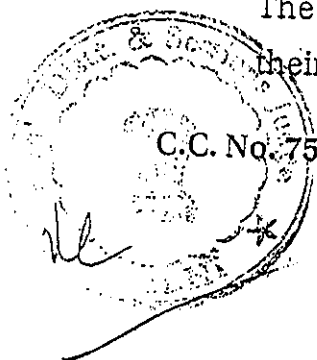
23. It was contended on behalf of the accused no. 2 and 5 that company had been facing trial of winding up proceedings before the Hon'ble High Court of Punjab and Haryana vide company petition no. 134/06 filed through official liquidator. It was further alleged that as the directors of the company had been already punished vide orders of Punjab and Haryana High Court in the winding up proceedings, the accused no. 2 and 5 may be acquitted. However I am of the view that the said contention of Ld. Counsel for accused does not merit consideration as in the said proceedings accused had been punished for violation of the Companies Act whereas the present complaint relates to violation of SEBI CIS regulations.

It was also alleged that no information was sought by SEBI from Register of companies neither enquiries made to ascertain as to who were the directors of the company at the time filing of the complaint.

25. The defence of accused no. 2 was also that the accused company had received the deposits from relatives and friends of the directors of the company and none of the investors had filed any complaint for recovery of the invested amount either with SEBI or in the court of law. It was further alleged that DWs 8 and 9 had deposed regarding the repayments made to the investors by the company. DW 8 had stated that the company was owned by one of his friends and he had received back Rs. 25,625/- against the invested amount of Rs. 20,000/-. In his cross examination he stated that he had not made any entry of deposit of the amount of Rs. 20,000/- with the company in his books of account although he was running business and he also stated that Rs. 25,625/- was refunded in cash. He also stated that he was an income tax payee and he had not disclosed the profit of Rs. 5,625/- to the income tax department. He also stated that he had not signed any voucher in lieu of receipt of payment by company but he had returned the FDR to the company in lieu of the repayment received.

26. DW 9 also deposed that he was a friend of accused no. 2 and he had invested Rs. 10,000/- in the company and received back Rs. 24,640/-. In his cross examination he stated that he was a Government employee and he had not sent any intimation of investment made in the company to his department. He also stated that he was not aware at what rate of interest the repayment was made.

27. It was argued by Ld. counsel for SEBI Sh. Sanjay Mann that no cash book or record was maintained by the company in respect of the amount repaid as deposed by DW 2 Managing Director of company. The investors had also not shown the amount invested by them in their books of accounts, neither any voucher was prepared in lieu of



the repayment made to investors. Thus company failed to prove that all the investors were repaid. Moreover DW 2 Managing Director of company admitted that company had not filed winding up and repayment report even till filing of the complaint.

28. From the totality of the evidence it is evident that accused company was running CIS and were governed by the Regulations. Thus, the accused company was bound to submit the winding up and repayment report to SEBI in terms of Regulations 73, 74 which they admittedly failed to do till filing of the complaint. In these circumstances accused cannot plead ignorance for non-compliance of the Regulations.

29. On the other hand accused no. 3 stated that he had resigned from the directorship from the company on 20.02.2000 and was not a director of the company on the date of commission of the offence as he was not incharge of the affairs of the company. In this regard that DW 6 the official from Registrar of Companies Jalandhar deposed that as per the form 32 Ex. DW 6/1 in respect of 'Accord Plantations' Sh. P.C. Thakur resigned from the directorship of the company w.e.f. 20.02.2000. It was alleged that as accused no. 3 resigned, he ceased to be a director and was not liable for the actions of the company and offences committed by it. Hence, accused no. 3 cannot be made vicariously liable for the acts of company for offence committed by it after his resignation.

30. It was also alleged that as per the memorandum and articles of association of accused company there were 7 promoters and the name of P.C. Thakur, accused no. 3 was not mentioned therein. It was further alleged that CW 1 had deposed that no correspondence was done with the directors as such accused no. 3 was not aware of

the notifications.

31. On the other hand, Ld. counsel for SEBI Sh. Sanjay Mann had submitted that as per the admitted documents Ex. CW 1/2 accused no. 3 was one of the directors of the company on the date of the issue which is 28.05.1998 and as such incharge of the affairs of company and was responsible for the conduct of its business at the time when the offence punishable under the SEBI Act was committed 'for the first time' by the company and is vicariously liable for the period during which he was managing and controlling the affairs of the company.

32. In support of his contention Ld. counsel for SEBI Sh. Sanjay Mann placed reliance upon the decision of Hon'ble High Court in:

Crl. M. C. 1182/2009

Vishnu Prakash Bajpai

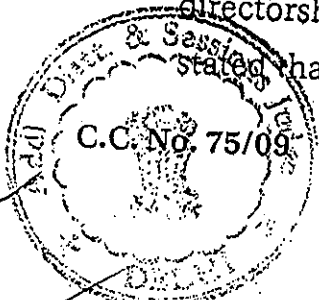
Vs.

Securities and Exchange Board of India,

wherein it has been held as follows:

"If the petitioner was a person in charge of and responsible to the Company at any point of time since the time offence punishable under SEBI Act was committed for the first time by the company, he would be vicariously liable for the period during which he was managing or controlling the affairs of the company."

33. Accused no. 4 also alleged that he had resigned from the directorship from the company on 31.08.1999 and in this regard DW 3 stated that official from the ROC Jalandhar stated that as per form 32



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which is Ex. DW 3/A, Sunita Bhagar resigned from the directorship of accused company as on 31.08.1999. In his cross examination on behalf of counsel for complainant he had stated that the resignation letter was received on 29.09.1999 by the company.

34. It is also stated that the SEBI having regard to the interest of investors extended the time for seeking registration with SEBI till 31.03.2000 whereas accused no. 4 resigned from the company w.e.f. 31.08.1999 prior to the above said date. It was beyond his control to comply with the SEBI CIS Regulations which were notified on 15.10.1999. It is also alleged that till the time accused no. 4 was the director the company did not violate the SEBI directions.

35. It is also alleged that CW 1 deposed that the complaint had been filed on the information furnished by company vide Ex. CW 1/2 dated 28.05.1998 and SEBI did not make any further inquiries as to who were the directors of the company at the time of filing of the complaint. It is also alleged that CW 1 stated in her cross examination that they have not filed that complainant did not file any document to show that accused no. 4 had signed any document check on behalf of company. Hence accused no. 4 had proved that he was never incharge of the conduct of the affairs of the company.

36. Accused no. 5 further submitted that he was neither the director nor person incharge of the affairs of the company at the time of commission of the offence as per Ex. CW 3/C annual return of the company. It was also alleged that accused company had received deposits only from relatives and friends of the directors of the company and none of the investors filed any complaint and in fact DW 8 and 9 deposed regarding the repayments made to them by the company. It was also alleged that the company had returned Rs.

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65,22,551/- to the investors even after the bank account of the company was closed on 29.01.2001 as per letter Ex. DW 5/61. It was also alleged that Ex. DW 7/3 pertains to the repayments.

37. As per the admitted document Ex. CW 1/1 and CW 1/2 accused was one of the directors of accused company and the company had mobilized funds to the tune of Rs. 6,86,061/-. Hence in view of the above decision of the Hon'ble High Court accused no. 6 was one of the persons incharge and responsible for the affairs of the company at the time when the offence punishable under the Act was committed for the first time by the company. The company was incorporated on 16.10.1996. In view of Section 12 (IB) of the Act no person should sponsor CIS without obtaining a registration from SEBI in accordance with the Regulations. Section 12 (IB) was incorporated in the Act w.e.f. 25.01.1995.

38. Further the company failed to prove that all the investors had been repaid and the CIS had been wound up. Therefore, even though accused no. 3, 4, and 5 has resigned from the company, the CIS had not been wound up and all the investors had not been repaid. Ld. counsel for SEBI Sh. Sanjay Mann further argued that the offence committed by accused was a continuing one statutory obligations were not complied with and the default constitutes continuing offence as held in:

CrI. R.C. No. 842/2005

M/s Rhodanth's Agro Limited and Ors

Vs.

Securities and Exchange Board of India;

by Hon'ble High court of Judicature at Madras

wherein it has been held as follows:

"The expression continuing offence means that if

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an act or omission constituting an offence continues from day to day, then fresh offence is committed every day on which the act or omission is repeated, recurred or continues.

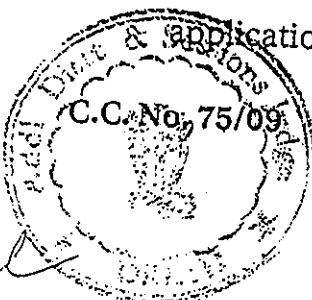
Continuing offence is an act or omission over which the offender can exercise his control irrespective of the penal provision of daily fine. Law may cast an obligation upon a person either to discontinue an act or abstain from continuing an omission. If the obligation continues and it is not discharged, the default constitutes a continuing offence.

The non-compliance of Regulations 73 and 74 for winding up the company is continuing in nature. Hence the trial court is correct in coming to the conclusion that the offence is continuing in nature.

39. Thus, at the time of filing of the complaint the violations continued in the circumstances when the WRR had not been submitted to SEBI nor the accused had repaid the investors. Hence the accused are guilty for violating the Regulations under Regulations 73 and 74. The accused were obliged to inform SEBI in the format the repayment made by them in not submit the WRR in the format which was not done.

40. The next question that arises from consideration is whether the accused company complied with the aforesaid regulations or not.

41. CW 1 deposed that the accused company had not filed any application seeking registration under SEBI CIS Regulations neither

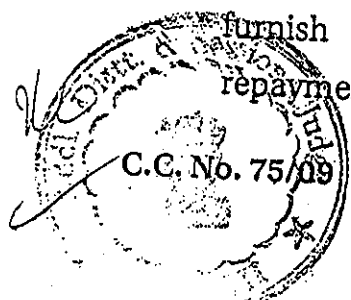


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the company furnished winding up and repayment report with SEBI in the prescribed format subsequent to Section 11 directions issued by Chairman vide order dated 31.01.2001. CW 1 further stated that copy of order dated 31.01.2001 was again forwarded to the company at its head office at Shimla vide letter dated 31.01.2001 Ex. CW 1/15. In response thereto company vide letter dated 30.03.2001 Ex. CW 1/16 informed SEBI regarding having circulated information memorandum to investors and requested SEBI for the sympathetic consideration of their case. Therefore, as per an admitted document Ex. CW 1/16 the accused company had neither wound up its CIS nor repaid the investors till then i.e. date of issue of the letter Ex. CW 1/16 dated 30.03.2001. As already stated that as per Section 12 (IB) of the Act any person carrying CIS without registration of the SEBI in accordance with regulations is liable to be punished U/s 24 of the Act.

42. Section 27 of the Act deals with commission of offences by company. According to Sub-section (1) thereof if an offence have been committed by a company then every person who at the time of commission of offence was incharge of and was responsible to the company for conduct of the business as also the company shall be deemed to guilty of the offence.

43. In view of the offence on record, it is evident that accused no. 2 to 5 being incharge of affairs of the accused company had been running CIS after the incorporation of the company on 20.11.1996 till the filing of the complaint. The regulations came into force with effect from 15.10.1999. It is important to mention that SEBI wrote a letter dated 31.07.2000 to the accused forwarding format of winding up and repayment report in which companies were required to furnish information regarding winding up of the schemes and repayment done thereafter, which is Ex. CW 1/10. The company failed



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to comply with the regulatory provisions. The company did not submit the WRR, therefore it cannot escape liability for violations of the regulations. Moreover, no documentary evidence has been placed on record by the accused to show the entire money of investors was repaid.

44. For the foregoing reasons I hold that SEBI has been able to prove its case against the accused company of which accused no. 2 to 5 were its directors. It has been proved beyond reasonable doubt the CIS as contemplated by section 11 AA of the Act had been floated and fund mobilized from general public without obtaining certificate of Registration as required u/s 12(1B) of that Act. Further it has been proved that despite notification of regulations on 15.10.99, accused company failed to apply for registrations of its CIS and did not wind up its CIS nor repaid the investors as per regulations 73 and 74.
45. I accordingly hold that accused company Accord Plantation Ltd. and its director accused no. 2 to 5 are guilty for violation of Regulation 5(1) read with regulations 68 (1), 68(2), 73 & 74 of SEBI CIS regulations 1999 r/w section 24 & 27 of the SEBI Act, 1992. Accused to be heard on the point of sentence on 26.03.2010.

Announced in the open Court
On this day of 25th March 2010

Poonam Chaudhary
(POONAM CHAUDHARY)
ASJ (Central-01) Judge
(Central)-01
Tis Hazari Courts, Delhi

Attest & True copy

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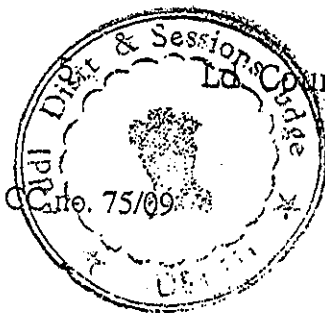
IN THE COURT OF MS. POONAM CHAUDHARY
ASJ (CENTRAL-01) : DELHI

CC No. 75/09
SEBI Vs. Accord Plantation Ltd.
26.03.2010.

ORDER ON SENTENCE

Present : Sh. Sanjay Mann, counsel for SEBI.
Convict no. 2 to 5 on bail.
Sh. R. S. Dogra counsel for accused no. 3.
Sh. Rahul Bhagat counsel for accused no. 4.
Sh. Neeraj Tiwari counsel for accused no. 2 and 5.

1. I have heard the Ld. Counsel for SEBI Sh. Sanjay Mann and Ld. counsels for convicts on the point of sentence.
2. It is submitted on behalf of convict no. 2 that only he had made repayments to the investors.
3. It is also submitted on behalf of accused no. 3 is that he is the sole bread earner of the family comprising of his wife and two minor children and his wife is suffering from various ailments such as diabetes hypertension.
4. It is submitted on behalf of convict no. 4 that she has two minor children to look after. It is also submitted that she had resigned from the directorship of company on 31.08.99, hence she cannot be held liable for the offence committed by the company. It is submitted on behalf of the accused no. 5 that he was not the director of the accused company when the offence was committed. Prayer is made for taking a lenient view.



Ld Counsel for SEBI Sh. Sanjay Mann has strongly opposed

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the prayer for lenient view on the ground that winding up proceedings under the Companies Act were initiated by investors against the company for non payment. It is further submitted by Ld. counsel for SEBI Sh. Sanjay Mann that till date accused company had not filed the WRR neither fee had been paid by the company to SEBI for statutory audit of its WRR by ~~the~~ ^{the} auditors of SEBI.

6. Ld. Counsel for SEBI Sh. Sanjay Mann states that the Act came into force in 1992 to provide for establishment of a Board to protect the the interest of investors in securities and to promote the development of, and regulate securities market and matters connected therewith.
7. I am of the view that convict had sufficient time to comply with the provisions of the act and regulations made thereunder however violation continued till filing of the complaint and even till date.
8. According to section 12(1B) of the Act, the Collective Investment scheme could not be run without obtaining registration as per regulations.
9. Convicts no. 2 to 5 were the directors of accused no. 1 company and accused company in violations of section 12(1B) of the SEBI Act floated Collective Investment Scheme and collected amount from general public.
10. It is significant to note that w.e.f 29.10.2002 section 24 of the Act was amended and provides imprisonment extending up to 10 years an fine up to Rs. 25 crores or both. This shows that the the legislature has viewed the offences under the act and regulation very seriously. Hence in my view lenient view cannot be taken.



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11. However as the offence in question was committed before the amendment came into force, hence in these said facts and circumstances accused no. 2 to 5 are sentenced to RI for 6 months each. In addition accused company and accused no. 2 to 5 shall pay a fine of Rs. 10,00,000/- (Ten lack) each and in default thereof accused no. 2 to 5 shall undergo SI for 3 months each u/s 24 read with section 27 of the Act. Out of the amount of fine realised a sum of Rs. 50,000/- be paid to SEBI after expiry of period of revision, appeal, towards the expenses incurred by it. Copy of order be given to convicted free of cost. File is consigned to record room.



Poonam Chaudhary
(POONAM CHAUDHARY)
ASJC Sessions Judge
(28.03.2010)
Tis Hazari Courts, Delhi