

**BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI**

Appeal No. 119 of 2007

Date of decision: 13.9.2010

Accord Capital Markets Limited
First Floor, Aishwarya Apartment,
29A, Ballygunge Circular Road,
Kolkata 700 019

.....Appellant

Versus

Securities and Exchange Board of India
SEBI Bhavan, Plot No. C-4A, G-Block,
Bandra Kurla Complex,
Mumbai

..... Respondent

Mr. P. N. Modi, Advocate for the Appellant.

Mr. Shiraz Rustomjee, Advocate with Mr. Mihir Mody, Advocate for the Respondent.

CORAM : Justice N.K. Sodhi, Presiding Officer
Samar Ray, Member
P.K. Malhotra, Member

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

We have heard the learned counsel for the parties for some time and are remanding the case to the whole time member for passing a fresh order in accordance with law. In these circumstances, it is not necessary to state the facts in detail.

2. The appellant before us is a stock broker registered with the Securities and Exchange Board of India (for short the Board). It is alleged that the appellant executed synchronized trades in the scrip of DSQ Software Ltd. with a view to manipulate the market and that it is guilty of violating Regulation 4 of the (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 and the code of conduct prescribed for the stock brokers. One of the grievances which the appellant made during the course of the proceedings was that it had not been furnished the trade and order logs from which synchronization could be established. The fact that

these logs had not been supplied to the appellant is not in dispute. We are clearly of the view that the principles of natural justice were violated and this vitiates the impugned order. Accordingly, we set aside the impugned order and remit the case to the whole time member to proceed further in accordance with law from the stage of the second show cause notice. The Board is directed to furnish the trade and order logs to the appellant and such other material as it may think necessary. It shall be open to the Board to issue a supplementary show cause notice if it deems necessary. In case such a notice is to be issued, the same shall be issued within 8 weeks from today and the reply, if any, shall be furnished within 6 weeks from the date of receipt of the notice. The whole time member shall then proceed to conclude the enquiry proceedings and pass the final order before the end of March 2011. We are fixing this time schedule since the case is more than a decade old.

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

Sd/-
Justice N.K.Sodhi
Presiding Officer

Sd/-
Samar Ray
Member

Sd/-
P.K.Malhotra
Member

13.9.2010
pmb

Prepared & Compared By: Prerana