

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Date of Decision: 07.07.2016

Appeal No. 326 of 2014

1. Khoday India Limited
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
2. Srihari K L (HUF)
No: 9, Seshadri Road,
Bangalore- 560 009
3. Ramachandra K L (HUF)
No: 9, Seshadri Road,
Bangalore- 560 009
4. Padmanabhasa K L A (Huf)
No: 9, Seshadri Road,
Bangalore- 560 009
5. Swamy K L (Huf)
No: 9, Seshadri Road,
Bangalore- 560 009
6. Srihari K.L
No: 9, Seshadri Road,
Bangalore- 560 009
7. Ramachandra K L
No: 9, Seshadri Road,
Bangalore- 560 009
8. Padmanabhasa K L A
No: 9, Seshadri Road,
Bangalore- 560 009
9. Swamy K L
No: 9, Seshadri Road,
Bangalore- 560 009
10. Ghanashyam K P
No: 9, Seshadri Road,
Bangalore- 560 009

11. Giridhar K S
No: 9, Seshadri Road,
Bangalore- 560 009
12. Lalitha Swamy Khoday
No: 9, Seshadri Road,
Bangalore- 560 009
13. Srihari K L (Ptnr K Lakshmansa & Co)
No: 9, Seshadri Road,
Bangalore- 560 009
14. Srihari K L (Trustee L K Trust)
No: 9, Seshadri Road,
Bangalore- 560 009
15. Nithyananda K R
No: 9, Seshadri Road,
Bangalore- 560 009
16. Dayananda K R
No: 9, Seshadri Road,
Bangalore- 560 009
17. Srinivas K H
No: 9, Seshadri Road,
Bangalore- 560 009
18. Radheshyam K H
No: 9, Seshadri Road,
Bangalore- 560 009
19. Rajalakshmi Srihari Khoday
No: 9, Seshadri Road,
Bangalore- 560 009
20. Gurunath K H
No: 9, Seshadri Road,
Bangalore- 560 009
21. Gulab Padmanabhasa Khoday
No: 9, Seshadri Road,
Bangalore- 560 009
22. Srihari K L (Trustee L K & Sons)
No: 9, Seshadri Road,
Bangalore- 560 009
23. Gayathri Holdings Private Limited
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062

24. Srihari K L-Partner-
M/s Khoday R C A Industries
No: 9, Seshadri Road,
Bangalore- 560 009
25. Vyjayanti Tradings Private Limited
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062
26. Macdonald Tradings Private Limited
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062
27. Panchaganga Tradings Private Limited
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062
28. Honeywell Business Private Limited
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062
29. Sri Gurunath Tradings Private Ltd.
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062
30. Pancha Kalyanni Tradings Pvt. Ltd.
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062
31. Peter Scot Tradings Private Limited
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062
32. Khoday's Breweries Ltd.
'Brewery House', 7th Mile,
Kanakapura Road,
Bangalore-560 062
33. Elkay Tradings Corporation Pvt. Ltd.
No: 9 Seshadri Road,
Bangalore-560 009

34. The Distillers Company Pvt. Ltd.
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
35. Hercules Construction Co. Pvt. Ltd.
Sri Lakshmi Venkateshwara Complex,
P.B. No: 9940,
No.:11, Race Course Road,
Bangalore- 560 009
36. K.L. Ramachandra-Chairman
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
37. K.L. Srihari-Vice Chairman
& Managing Director,
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
38. K.L.A. Padmanabhasa- Joint Managing Director,
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
39. K.L. Swamy- Executive Promoter Director
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
40. K.R. Nithyanand- Promoter Director
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
41. K.H. Gurunath-Promoter Director
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
42. K.S. Giridhar-Promoter Director,
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062
43. Prof. L.R.Vagale-Independent Director
‘Brewery House’, 7th Mile,
Kanakapura Road,
Bangalore-560 062

44. Maj.Gen(Retd.) M.K. Paul-Independent Director,
 'Brewery House', 7th Mile,
 Kanakapura Road,
 Bangalore-560 062

45. Sudhakar Shetty-Former Independent Director
 'Brewery House', 7th Mile,
 Kanakapura Road,
 Bangalore-560 062

46. B.K. Rathnakar Rao-Independent Director
 'Brewery House', 7th Mile,
 Kanakapura Road,
 Bangalore-560 062

47. P.R. Ananda Murthy- Independent Director,
 'Brewery House', 7th Mile,
 Kanakapura Road,
 Bangalore-560 062

48. D.V. Sathyanarayana-Independent Director,
 'Brewery House', 7th Mile,
 Kanakapura Road,
 Bangalore-560 062

49. D. Prabhakara Rao- Independent Director,
 'Brewery House', 7th Mile,
 Kanakapura Road,
 Bangalore-560 062

...Appellants

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. Aditya Sondhi, Senior Advocate with Mr. R. Venkat Subramaniam,
 Company Secretary i/b Mr. Karan Joseph, Advocate for Appellants.

Mr. Kumar Desai, Advocate with Mr. Chirag Bhavsar, Mr. Rohan
 Agrawal, Advocates i/b MDP & Partners, for the Respondent.

CORAM: Justice J.P. Devadhar, Presiding Officer
 Jog Singh, Member
 Dr. C.K.G. Nair, Member

Per: Justice J.P. Devadhar (Oral)

1. This appeal is filed to challenge order passed by the Whole Time Member (“WTM” for short) of Securities and Exchange Board of India (“SEBI” for short) on 24.07.2014 whereby the directions contained in the ex-parte ad-interim order passed by the WTM of SEBI on 04.06.2013 are confirmed.

2. By the ex-parte ad-interim order dated 04.06.2013, SEBI had inter alia freezed the voting rights and corporate benefits like dividend, rights, bonus shares, split etc. with respect to the excess of proportionate promoter/promoter group shareholding by various companies set out therein (including the appellants herein) till such time the said entities comply with the minimum public shareholding requirement.

3. It is submitted by the counsel for the appellants that in view of the subsequent order passed by the Karnataka High Court on 07.08.2014 in Company Petition No. 132 of 2014, the directions contained in the order of SEBI dated 04.06.2013 read with order dated 24.07.2014 have become incapable of performance. It is further submitted by the counsel for the appellants that the order passed by the Karnataka High Court being subsequent in point of time, appellants be permitted to withdraw the appeal with liberty to make a representation before SEBI within a period of three weeks from today and seek appropriate reliefs in the matter from SEBI.

4. Accordingly, the appellants are permitted to withdraw the appeal with liberty to make a representation before SEBI within a period of three weeks from today.

5. If the appellants make a representation within a period of three weeks from today, then SEBI shall consider the said application on merits and pass appropriate order thereon after giving an opportunity of hearing to the appellants. All contentions of both sides are kept open.

6. Appeal is disposed of in the above terms with no order as to costs.

Sd/-
Justice J.P. Devadhar
Presiding Officer

Sd/-
Jog Singh
Member

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