BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Date of Decision : 28.06.2017

Misc. Application No. 125 of 2016
And
Misc. Application No. 176 of 2016
And
Misc. Application No. 233 of 2016
And
Misc. Application No. 333 of 2016
And
Misc. Application No. 47 of 2017
And
Misc. Application No. 48 of 2017
And
Misc. Application No. 97 of 2017
And
Misc. Application No. 98 of 2017
And
Appeal No. 216 of 2015

1. M/s. HBN Dairies & Allied Limited
   303, Vardhman Chamber,
   IIIrd Floor, Sonia Complex,
   Vikas Puri,
   New Delhi – 110018.

2. Mr. Amandeep Singh Sran
   S/o Sh. H.S. Sran
   Managing Director
   303, Vardhman Chamber,
   IIIrd Floor, Sonia Complex,
   Vikas Puri,
   New Delhi – 110018.

3. Mr. Harmander Singh Sran
   S/o Sh. Baldev Singh Sran
   Director
   303, Vardhman Chamber,
   IIIrd Floor, Sonia Complex,
   Vikas Puri,
   New Delhi – 110018.

4. Ms. Manjeet Kaur Sran
   W/o Sh. Harmander Singh Sran
   Director
   303, Vardhman Chamber,
   IIIrd Floor, Sonia Complex,
   Vikas Puri,
   New Delhi – 110018.

5. Ms. Jasbeer Kaur
W/o Sh. Amarjeet Singh
Director
303, Vardhman Chamber,
IIIrd Floor, Sonia Complex,
Vikas Puri, …Appellants
New Delhi – 110018.

Versus

Securities and Exchange Board of India,
SEBI Bhavan, Plot No. C-4A, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051. …Respondent

WITH

Appeal No. 292 of 2016

HBN Dairies & Allied Limited
303, Vardhman Chamber,
IIIrd Floor, Sonia Complex,
Vikas Puri,
New Delhi – 110018. …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. P.N. Modi, Senior Advocate with Mr. Anant Upadhyay and Mr. Pravin Kamble, Advocates for Appellants.

Mr. Vikram Nankani, Senior Advocate with Mr. Tomu Francis and Mr. Vivek Shah, Advocates for the Respondent.

Mr. A.K. Saxena, Advocate for the Applicant in Misc. Application No. 233 of 2016.

Ms. Sharon Patole, Advocate for the Applicant in Misc. Application No. 333 of 2016, 97 & 98 of 2017.

Mr. M.H. Chandanshive, Advocate for the Applicant in Misc. Application No. 176 of 2016 and Misc. Application No. 48 of 2017.

Mr. A.A. Badar, Advocate for Applicant in Misc. Application No. 47 of 2017.

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

Per : Justice J.P. Devadhar (Oral)

1. Appeal No. 216 of 2015 is filed to challenge the order passed by the Whole Time Member ('WTM' for short) of Securities and Exchange Board of India ('SEBI' for short) on February 12, 2015. By the said order the schemes floated by Appellant No. 1 in Appeal No. 216 of 2015 have been held to be Collective Investment Schemes ('CIS' for short) run without obtaining registration from SEBI and accordingly Appellants have been directed to refund the money collected from the investors under the schemes with promised returns.

2. Appeal No. 292 of 2016 is filed to challenge the decision of WTM of SEBI dated August 12, 2016 whereby the schemes submitted by the appellant for selling the assets of the Appellants / group concerns for implementing the impugned order, have been rejected.

3. On the last date of hearing, Counsel for the Appellants fairly stated that the Appellants are genuinely interested in implementing the order of SEBI and to prove their bonafides, offered to deposit ` 50 lakh with SEBI and also offered to deposit the title deeds of the immovable properties which can be sold by SEBI and utilize the sale proceeds to pay the amounts due to the investors. Accordingly, on February 24, 2017 we had directed the Appellants to deposit ` 50 lakh with SEBI and also deposit with SEBI the title deeds of the immovable properties set out at page 10 and 11 of the further affidavit filed by the Appellants on February 24, 2017, which can be sold by SEBI for implementing the impugned order.

4. It is not in dispute that pursuant to our order dated February 24, 2017 the Appellants have deposited ` 50 lakh with SEBI and also deposited with SEBI, the original title deeds in respect of the assets set out at page 10 and 11 of the further affidavit filed by the Appellants on February 24, 2017.

5. As the Appellants are ready and willing to comply with the impugned order passed by SEBI and the Appellants are agreeable for SEBI to sell the immovable properties (the title deeds of which are already deposited with SEBI) we dispose of these appeals by passing the following order:-

(a) SEBI is at liberty to get the revaluation of the immovable properties (the title deeds of which are already deposited by the Appellants with SEBI). If revaluation is done, SEBI shall furnish a copy of the revaluation report to the Appellants before auctioning the said immovable properties.

(b) SEBI is directed to sell off the immovable properties (the title deeds of which are already deposited with SEBI) as expeditiously as possible and preferably within a period of 6 months from today.

(c) Appellants are directed to furnish to SEBI list of other immovable properties belonging to the Appellants and other group concerns within a period of two weeks from today, so that the said immovable properties may be sold by SEBI, in case the sale proceeds of the immovable properties referred to at para 5(b) above are not sufficient to meet the amounts payable to the investors.

(d) Without the permission of SEBI, the Appellants shall not dispose of, alienate or create any third party rights in respect of other immovable properties, the list of which is being furnished by the Appellants within a period of two weeks from today.

6. Both the appeals are disposed of in the aforesaid terms with no order as to costs.

7. In view of the disposal of the appeals, nothing survives in the Misc. Applications. Accordingly, all the Misc. Applications are disposed of with no order as to costs.

Sd/-
Justice J.P. Devadhar
Presiding Officer

Sd/-
Jog Singh
Member

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

28.06.2017
Prepared and compared by:
msb

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Date of Decision : 19.7.2017

Misc. Application No.125 of 2016
And
Misc. Application No.176 of 2016
And
Misc. Application No.233 of 2016
And
Misc. Application No.333 of 2016
And
Misc. Application No.47 of 2017
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Misc. Application No.48 of 2017
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Appeal No.216 of 2015

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IIIrd Floor, Sonia Complex,
Vikas Puri, New Delhi – 110 018.

Versus

Securities & Exchange Board of India …… Respondent
SEBI Bhavan, Plot No. C-4A, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

With
Appeal No.292 of 2016

HBN Dairies & Allied Limited
303, Vardhman Chamber,
IIIrd Floor, Sonia Complex,
Vikas Puri, New Delhi – 110 018. …... Appellant

Versus

Securities & Exchange Board of India …… Respondent
SEBI Bhavan, Plot No. C-4A, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

Mr. P.N. Modi, Advocate with Mr. Anant Upadhyay, Advocate for the Appellant.

Mr. Vikram Nankani, Senior Advocate with Mr. Tomu Francis and Mr. Vivek Shah, Advocates i/b. ELP for the Respondent.

CORAM : Justice J.P. Devadhar, Presiding Officer
Jog Singh, Member

Per : Justice J.P. Devadhar (Oral)

1. Not on Board. By a praecipe dated 18.7.2017 SEBI seeks certain modifications in para 4 and para 5(b) of our order dated 28.6.2017. We see no reason to make any such modifications.

2. However, we agree with the joint request made by counsel on both sides for modification in para 5(c) of the order dated 28.6.2017. Accordingly we direct that in para 5(c) of order dated 28.6.2017 immediately after the words 'immovable properties' appearing in the 2nd line and in the 4th line the following words be added:- 'and movable properties lying therein'.

3. Praecipe is disposed of accordingly.

Sd/-
Justice J. P. Devadhar
Presiding Officer

Sd/-
Jog Singh
Member

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

19.7.2017
Prepared and compared by
RHN

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MUMBAI

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properties referred to at para 5(b) above are not sufficient to meet the amounts payable to the investors.

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Sd/-
Justice J.P. Devadhar
Presiding Officer

Sd/-
Jog Singh
Member

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

28.06.2017
msb

* amended as per the order of the Tribunal dated July 19, 2017.