

BEFORE THE SECURITIES APPELLATE TRIBUNAL  
MUMBAI

**Date of Decision : 29.8.2017**

**Appeal No.205 of 2017**

A.R. Dahiya (Acquirer)  
House No.329, Sector 21-A,  
Chandigarh – 160 022.

.... Appellant

Versus

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

2. Corporate Capital Ventures Pvt. Ltd.  
160, Lower Ground Floor,  
Vinoba Puri, Lajpat Nagar –II, New Delhi – 110024. .... Respondents

Mr. Prakash Shah, Advocate i/b. Ravi Ramaiya/Shah Ramaiya for the Appellant.

Mr. Gaurav Joshi, Senior Advocate with Mr. Pulkit Sukhramani and Ms. Vidhi Jhavar, Advocates i/b. The Law Point for Respondent no.1.

Mr. Saurabh Bachhawat, Advocate i/b. Ajinkya Badar for Respondent no.2.

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

Per : Justice J.P. Devadhar (Oral)

1. Appellant is aggrieved by the communication issued by the Securities and Exchange Board of India ('SEBI' for short) on 3<sup>rd</sup> August, 2017 as well as the email sent by its Merchant Banker on 4.8.2017.

2. Facts relevant to the present appeal are as follows:-

(a) By an order dated 1.8.2003 the Chairman of SEBI had directed the appellant to make a public announcement for acquisition of 20% shares of the target company for the reasons stated therein.

(b) Appeal filed by the appellant against the order dated 1.8.2003 was dismissed by this Tribunal on 19.4.2006.

- (c) Further appeal filed by the appellant against the decision of this Tribunal dated 19.4.2006 was dismissed by the Apex Court on 26.11.2015.
  - (d) Challenging the Apex Court order dated 26.11.2015 appellant filed a review petition which was dismissed by the Apex Court on 13.7.2016.
  - (e) Appellant thereupon filed a curative petition before the Apex Court which was also dismissed by the Apex Court on 2.3.2017.
  - (f) Thereafter, the appellant addressed a letter to SEBI on 9.5.2017 stating that on account of the conduct of its Merchant Banker the appellant is unable to comply with the order of SEBI. Subsequently by a letter dated 22.5.2017 the appellant sought extension of time to comply with the order of SEBI.
  - (g) By a letter dated 7.6.2017 SEBI granted 15 days time for the compliance of its order dated 1.8.2003.
  - (h) As the appellant failed to comply with the order of SEBI dated 1.8.2003 in spite of granting extension of time, SEBI by the impugned communication dated 3.8.2017 called upon the appellant to comply with SEBI's order dated 1.8.2003 within 7 days failing which appropriate action would be initiated.
  - (i) Present appeal is filed to challenge the aforesaid communication of SEBI dated 3.8.2017 and the email received by the appellant from its merchant banker (Respondent No.2) on 4.8.2017.
3. Mr. Shah, learned counsel appearing on behalf of the appellant submitted that SEBI has not given any clarification on the offer size as sought from them under the Informal Guidance Scheme of SEBI. He submits that the Merchant Banker of the appellant namely the respondent no.2 has erroneously considered Regulation 21 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ('SAST Regulations 1997' for short) as amended on 2.2.2002 for calculating the offer size ignoring the fact that the open offer had triggered for the transaction which was executed in the year 1999. Counsel for the appellant submits that the Merchant Banker has erroneously concluded that the

appellant has to comply with Regulation 21 of SAST Regulations, 1997 as amended on 9.9.2002 for the transaction which took place prior to the amendment and therefore the appellant is not in a position to comply with the order of SEBI.

4. We see no merit in the above contentions. Having appointed a Merchant Banker of his choice it is not open to the appellant to make a grievance against the Merchant Banker. Inter se dispute, if any, between the appellant and his Merchant Banker cannot be a ground for the appellant to contend that the order passed by SEBI on 1.8.2003 cannot be implemented.

5. In our opinion the present appeal is filed in gross abuse of the process of law merely with a view to delay implementation of the order of SEBI dated 1.8.2003 which was upheld by this Tribunal and finally by the Apex Court on 26.11.2015. Even after SEBI considered the plea of the appellant and granted extension of time, the appellant has failed and neglected to comply with the order of SEBI dated 1.8.2003.

6. In these circumstances, we grant extension of time for a further period of four weeks for compliance of the order of SEBI dated 1.8.2003 subject to payment of costs quantified at Rs.50,000/- to be paid by the appellant to SEBI within a period of 2 weeks from today.

7. Appeal is disposed on in the aforesaid terms with costs as quantified above.

Sd/-  
Justice J. P. Devadhar  
Presiding Officer

Sd/-  
Jog Singh  
Member

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