

**BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI**

Date of Decision : 11.10.2017

Appeal No. 377 of 2016

Prism Infracon Limited
124, Karaya Road,
Kolkata – 700017.
West Bengal

...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. Hamdan Weldon, Advocate with Mr. Pratik Parija, Advocate i/b Probus Legal for the Appellant.

Mr. Gaurav Joshi, Senior Advocate with Mr. Mihir Mody and Mr. Nishant Upadhyay, Advocates i/b K. Ashar & Co. for the Respondent.

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

Per : J.P. Devadhar (Oral)

1. This appeal 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 18, 2016 whereby the appellant and its directors were directed to refund jointly and severally to the investors the money collected by the appellant through issuance of Non-Convertible Debentures with interest @ 15% per annum compounded at the half yearly intervals, from the date when the repayments became due to the investors till the date of actual payment.

2. Learned counsel for the appellant states that out of the amount of ` 59.37 crore collected by the appellant company, as on date appellant has

refunded principal amount of ` 39 crore (approximately) to the investors with interest amounting to ` 13 crore (approximately). Counsel for the appellant further states that appellant company is ready and willing to pay to the investors the balance amount as per the impugned order, however, in a time bound manner.

3. Counsel for SEBI states that the amounts allegedly refunded by the appellant to the investors are yet to be verified by SEBI.

4. In these circumstances, since the appellant company is ready and willing to comply with the order passed by SEBI, we dispose of the appeal by directing the appellant to make a representation to SEBI setting out in detail the names of the investors, proof of payment made to the investors, the quantum of refund made and the mode and the manner in which the balance amount would be refunded to the investors within a period of 4 weeks from today. Thereupon, SEBI shall consider the said representation and pass appropriate order thereon in accordance with law.

5. Appellant shall furnish list of its assets (as stipulated in the impugned order) to SEBI within a period of 4 weeks from today.

6. It is made clear that till the entire amount under the impugned order is refunded to the investors to the satisfaction of SEBI, appellant shall not dispose of any of its assets without prior approval of SEBI.

7. Appeal is disposed of in the aforesaid 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

11.10.2017

Prepared and compared by: msb