

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

Date of Decision: 10.10.2019

Misc. Application No. 504 of 2019

In

Appeal No. 95 of 2016

Metex Marketing Pvt. Ltd.
357, Kothari Mansion, SVP Road,
Mumbai - 400 004

...Respondent/
Original Appellant

Versus

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

...Applicant/
Original Respondent

Mr. Kunal Katariya, Advocate for the Respondent/ Original Appellant.

Mr. Kumar Desai, Advocate with Mr. Kaushal Parsekar,
Advocate for Applicant/ Original Respondent.

WITH
Appeal No. 92 of 2016

1. Apurva M. Shah
2. Ms. Ashni Shah
3. Ms. Bhavna M. Shah
4. Manish L. Shah
5. Manish L. Shah HUF

4A, Sambhav Tirth, 2A,
Bhulabhai Desai Road, Hajiali,
Mumbai-400 026

...Respondents/
Original Appellants

Versus

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

...Applicant/
Original Respondent

Mr. Aditya H. Mehta, Advocate i/b Mr. Rajesh Khandelwal,
Advocate for the Respondents/ Original Appellants.

Mr. Kumar Desai, Advocate with Mr. Kaushal Parsekar,
Advocate for Applicant/ Original Respondent.

WITH
Appeal No. 93 of 2016

Ms. Chanchal Jain
1/B, Nagindas Building,
Prathna Samaj,
Mumbai - 400 004

...Respondent/
Original Appellant

Versus

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

...Applicant/
Original Respondent

Ms. Sourabhi Waknis, Advocate i/b Aagam Doshi for the
Respondent/ Original Appellant.

Mr. Kumar Desai, Advocate with Mr. Kaushal Parsekar,
Advocate for Applicant/ Original Respondent.

WITH
Appeal No. 94 of 2016

1. Mr. Lalitchandra Shah
2. Ms. Sumitra Lalitchandra Shah

203, Rajmohan Society,
Asurvav, Dharampur,
Valsad - 396050

...Respondents/
Original Appellants

Versus

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

...Applicant/
Original Respondent

Mr. Kumar Desai, Advocate with Mr. Kaushal Parsekar,
Advocate for Applicant/ Original Respondent.

AND
Appeal No. 96 of 2016

Rashi Jain
601/602, Padmavati Heights,
P B Marg, Tardeo,
Mumbai - 400 007

...Respondent/
Original Appellant

Versus

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

...Applicant/
Original Respondent

Mr. Kumar Desai, Advocate with Mr. Kaushal Parsekar,
Advocate for Applicants/ Original Respondent.

CORAM: Justice Tarun Agarwala, Presiding Officer
Dr. C.K.G. Nair, Member
Justice M. T. Joshi, Judicial Member

Per: Justice Tarun Agarwala (Oral)

1. The Tribunal while deciding the appeal passed the following order:

“42. We, accordingly, affirm the order of the WTM except that part which relates to the fixation of the price of Rs. 33.50 per share and to that limited extent, we remit the matter to SEBI to appoint a merchant banker who will fix the price per share keeping in mind that the face value per share is Re. 1/-. The determination of the price per share will be

approved by SEBI and thereafter SEBI will give such directions to the merchant banker and/or the appellants for compliance for making public announcement within a stipulated period in order to provide a delayed exit opportunity to the shareholders of the target company.

43. If the price fixed by the merchant banker does not include the component of interest, in that case, SEBI will also pass orders for payment of interest under Regulation 44(i) of the Takeover Regulations. Such exercise shall be carried out by SEBI within three months from today.”

2. The present application has been filed on behalf of Securities and Exchange Board of India (“SEBI” for convenience) praying for the following reliefs:

“b) Direct all the Appellants to comply with the Order dated 04th June, 2019 and co-operate with the Applicant (SEBI) and the Independent Valuer with respect to the information and/ or documents sought by the Independent Valuer and pay the professional fees of Rs. 2,00,000/- to the Independent Valuer.”

3. Having heard the learned counsel for SEBI, we are of the view that no specific direction is required to be given by this Tribunal requiring the original appellants to comply with the information sought by SEBI. SEBI itself has the power to enforce the order of this Tribunal and its own directions. In the event the original appellants are not co-operating in the proceeding it would be open for SEBI to initiate independent proceedings against them. Further, the valuation and thereafter the open offer is required to be made as per the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 which should be done without any further delay. In the event the original appellants are not paying the professional fees of ₹ 2 lakhs to the Independent Valuer as directed by SEBI, then SEBI should pay this professional fee to the Independent Valuer and thereafter recover the same if recoverable from the appellants. Misc. Application is disposed of.

Sd/-
Justice Tarun Agarwala
Presiding Officer

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

Sd/-
Justice M. T. Joshi
Judicial Member