

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA  
CORAM: MADHABI PURI BUCH, WHOLE TIME MEMBER**

**ORDER**

**UNDER SECTIONS 11, 11B AND 11D OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992**

**IN THE MATTER OF APPLICATION FOR STAY DATED FEBRUARY 22, 2019  
MADE BY ZOID RESEARCH (PROPRIETOR MR. TABREZ KHAN).**

**IN RE SECURITIES AND EXCHANGE BOARD OF INDIA (INVESTMENT ADVISERS) REGULATIONS, 2013.**

**IN RESPECT OF**

<b>S. No.</b>	<b>NAME</b>	<b>REGISTRATION NO.</b>	<b>PAN</b>
1	Zoid Research (proprietor Mr. Tabrez Khan)	INA000001282	BBQPK0436A

**Background:**

1. Zoid Research, proprietor Mr. Tabrez Khan (hereinafter interchangeably referred to as "Zoid Research / Mr. Tabrez Khan / Applicant / Noticee") is registered as an Investment Adviser ("IA") under the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 (hereinafter referred to as the "IA Regulations") with effect from March 20, 2014. It has its registered office at 202, Mangal City Mall, Plot No. A-1 PU 4, Commercial Scheme 54, Opposite Vijay Nagar Police Thana, Vijay Nagar, AB Road, Indore - 452010. Its website address is [www.zoidresearch.com](http://www.zoidresearch.com).
2. Securities and Exchange Board of India ("SEBI"), upon receipt of several complaints against Zoid Research / Mr. Tabrez Khan had carried out a preliminary examination in respect of its dealings. On the basis of the preliminary examination, it was observed that Zoid Research / Mr. Tabrez Khan had prima facie violated the following securities laws:

- a) Section 12A(a), (b) and (c) of the SEBI Act, 1992 and regulations 3 (b), (c) and (d) and 4(1) and 4(2) (k) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (“PFUTP Regulations”).
  - b) Regulation 16 of the IA Regulations.
  - c) Regulation 17 of the IA Regulations.
  - d) Regulation 7(2) of the IA Regulations.
  - e) Regulation 21 of the IA Regulations read with SEBI Circular CIR/OIAE/2014 dated December 18, 2014.
  - f) Clause 1, 2, 3, 4, 5, 6 and 8 of the Code of Conduct for Investment Advisers read with regulation 15(9) of IA Regulations.
3. In view of the *prima facie* violations of the provisions of securities laws and the findings against Zoid Research / Mr. Tabrez Khan, SEBI, vide an ex-parte interim order dated February 8, 2019 (hereinafter referred to as the “interim order”) issued the following directions against Zoid Research / Mr. Tabrez Khan:
- a) *Mr. Tabrez Khan / Zoid Research is restrained from buying, selling or dealing in the securities market or associating himself/itself with securities market, either directly or indirectly, in any manner whatsoever, till further directions.*
  - b) *Mr. Tabrez Khan / Zoid Research and any other employee/person working under him/it in his/its investment advisory activity shall cease and desist from undertaking any activity in the securities market including the activity of acting and representing through any media (physical or digital) as an investment advisor, directly or indirectly, in any manner whatsoever till further directions.*
  - c) *Mr. Tabrez Khan is directed to provide a full inventory of all assets held in his name or in the name of Zoid Research, whether movable or immovable, or any interest or investment or charge on any of such assets, including details of all bank accounts, demat accounts and mutual fund investments, immediately but not later than 5 working days from the date of receipt of this order.*
  - d) *Mr. Tabrez Khan is directed not to dispose of or alienate any assets, whether movable or immovable, or any interest or investment or charge on any of such assets, held in his name or in the name of Zoid Research, including money lying in bank accounts except with the prior permission of SEBI.*

- e) *The depositories are directed to ensure that till further directions no debits are made in the demat accounts, of Mr. Tabrez Khan / Zoid Research held jointly or severally.*
- f) *The banks are directed to ensure that till further directions, no debits are made in the bank accounts held by Mr. Tabrez Khan / Zoid Research jointly or severally.*
- g) *The Registrar and Transfer Agents are also directed to ensure that till further directions the securities held in the name of Mr. Tabrez Khan / Zoid Research, jointly or severally, are not transferred.*

#### **Directions of Hon'ble Securities Appellate Tribunal**

4. The said order of SEBI was appealed by Zoid Research through proprietor Mr. Tabrez Khan before Hon'ble Securities Appellate Tribunal ("SAT"). Vide an order dated February 20, 2019, Hon'ble SAT disposed of the appeal filed by Zoid Research with the following observations:

*"1. After hearing the learned counsel for the parties, we find that the present appeal has been filed against the ex-parte ad interim order dated February 08, 2019. In our opinion, the appropriate approach would be to file an objection as directed by the Whole Time Member ("WTM") of Securities and Exchange Board of India ("SEBI") in the impugned ex parte interim order. Considering the urgency pointed out by the learned counsel for the appellant that the entire business of the appellant would come to a halt, we dispose of the appeal with the following directions;*

- 1) The appellant will file the objections, if any, before the WTM of SEBI within 48 hours.*
- 2) The objections along with an application for vacating the ex-parte interim order for stay be filed before the WTM. If such an application is filed, the WTM of SEBI, after providing an opportunity of hearing, will decide the matter within a week thereafter.*

*2. Appeal as well as the Misc. Application is disposed of accordingly."*

5. Thereafter, Zoid Research on February 22, 2019 filed two documents with SEBI. The first document is a reply to the interim order on merits, which has been filed along with annexures running into more than 1000 pages. The other document is *"an application for vacating the ex-parte interim order for stay"*.

6. Considering that the reply filed by Zoid research contains annexures of more than 1000 pages, and the requisite appreciation thereof would require considerable time, SEBI filed an application before Hon'ble SAT seeking extension of timeline which was stipulated by Hon'ble SAT vide the above mentioned order dated February 20, 2019. The said application seeking extension of time filed by SEBI was heard by Hon'ble SAT on February 27, 2019, and the Hon'ble SAT was pleased to dispose of the same with the following observations:

*“Not on Board. In the event, the hearing is not completed today the Whole Time Member of SEBI will ensure that the stay vacating application is decided within three days from today.”*

#### **Hearing:**

7. Pursuant to the directions of Hon'ble SAT issued vide the order dated February 20, 2019, an opportunity of hearing was provided to Zoid Research / Mr. Tabrez Khan on February 27, 2019. The said hearing was attended by the authorized representatives of Zoid Research / Mr. Tabrez Khan. In the said hearing, the authorized representatives on behalf of Zoid Research / Mr. Tabrez Khan prayed that pending detailed consideration of the reply and the annexures thereto filed by Zoid Research / Mr. Tabrez Khan, SEBI may allow Zoid Research / Mr. Tabrez Khan to function as an investment adviser so that its satisfied customers (i.e. customers who have not complained) can avail the service, allow operation of the bank accounts frozen pursuant to the interim order and stay the operation of the interim order.
8. It is relevant to note here that pursuant to the directions of Hon'ble SAT vide order dated February 27, 2019, Zoid Research was heard in respect of its submissions on the prayer for stay on operation of the interim order. The hearing in respect of the detailed reply along with the annexures filed by Zoid Research has not been completed at this stage and Zoid Research will be provided a separate opportunity of hearing to make its submissions in that regard.

#### **The application filed by Zoid Research / Mr. Tabrez Khan:**

9. The stay vacating application mentioned in the above observations of Hon'ble SAT (hereinafter referred to as *“the application for stay”*) filed by Zoid Research is reproduced as under:

*“1. I / We are aggrieved by the Impugned Order, dated 08.02.2019 passed by the Ld. Whole Time Member of SEBI whereby, inter alia with immediate effect, me and my investment advisory firm and also persons and employees working under us have been ceased and desisted from undertaking any activity in the securities market including activity of acting and representing through any media (physical and digital) as an investment advisor, directly or indirectly, in any manner whatsoever, which we have been rendering as an investment advisor registered with SEBI since 21.03.2014. Further, I am also restrained from buying and selling or dealing in the securities market or associating myself with securities market, either directly or indirectly, in any manner, whatsoever, till further directions.*

*2. I am aggrieved by the directions issued in the Impugned Order dated 08.02.2019, I beg to prefer this application for vacating the ex-parte interim order for stay on following grounds, which are urged without prejudice to one another:*

*(i) We have been rendering satisfactory services to the large number of clients and most of the clients have not raised any grievances against me and my investment advisory company for services rendered by us to them.*

*(ii) We are engaged into rendering services as an Investment Advisor only and we have received money from clients for the services render/to be rendered and therefore to apprehend that Appellant will fail to repay debt of the client is totally far-fetched and far cry.*

*(iii) Our clients have been carrying out trading activities through their own stock brokers and we have no role in the financial dealings inter se between clients and their broker.*

*(iv) In case Zoid Research is not allowed to render the services which are ongoing and online required to be rendered to the clients than the clients will immediately switch to another Investment Advisor. This will practically shut down our business, this have leading to a harsh and punitive sentence of civil death for us.*

*(v) Zoid Research is registered intermediary as Investment Advisory and has been granted certificate of registration after following due process and procedure as laid down by SEBI. Therefore, any direction restraining us from acting as an Investment Advisor ought to have been passed in compliance with due process prescribed under Intermediaries Regulations and not by the way of an Ad Interim Ex-Parte Order more particularly on the grounds as mentioned in the Impugned Order.*

*It is a settled position of law that measures, if any, under section 11 and 11B of SEBI Act ought to be remedial and preventive in nature and not penal and punitive. It is humbly submitted that arbitrarily disproportionate penalty has been imposed on us.*

*(vii) Zoid Research is registered with SEBI since about 5 years and has been functioning as a law abiding entity with a clean & unblemished track record. We have never been penalized by SEBI for any violation of the SEBI Act and rules & regulations framed there under, save and except present proceedings. The law permits proceedings against a registered Investment Advisor only if it has failed to comply with any condition of registration or contravened any provision of the securities laws.*

*(viii) We humbly submits that by virtue of the Impugned Order, grave and irreparable harm, injury and loss would be caused to us, as the Investment Advisory business is our the only source of income.*

*We have good conduct of over past many years and that no purpose would be served by issuing such harsh directions which results into fatal blow on our existence in the Investment Advisory business, that too for no fault.*

*(x) We humbly submits that on the basis of such vague allegations, conjectures, surmises and hypothesis, SEBI cannot be permitted to purport to pass such drastic and far reaching orders which affect my the fundamental right under Article 19(1) (g) of the Constitution of India.*

*(xi) It has therefore humbly submits that it was completely discriminatory, unfair, unjust, unreasonable and untenable for SEBI to have stopped my major source of revenue, as an Investment Advisor in total violation of the most basic principles of natural justice as hereinabove stated.*

*(xii) The attachment before judgement is ex-facie contrary to and belied by the facts of the case and settled law. The Impugned Order is also contrary to justice, equity, good concise and the balance of convenience.*

...

*It is therefore submitted that it was completely discriminatory, unfair, unjust, unreasonable and untenable for me to have stopped the major source of revenue of Zoid Research as a Investment Advisor in total violation of the most basic principles of natural justice as hereinabove stated.*

*We further submits that the directions imposed being harsh, oppressive and grossly disproportionate be withdrawn having regard to the fact and circumstances of the case.*

#### **4. Prayer**

*In view of the facts and circumstances stated above and the submissions made herein, we humbly pray that Ld. Whole Time Member be pleased to grant following reliefs:*

- (i) Impugned Order dated 08.02.2019, be quashed and set aside.*
- (ii) Effect, implementation and operation of the Impugned Order dated 08.02.2019, be stayed.*
- (iii) I may be allowed to render services as Investment Advisor.*
- (iv) Direct the banks to allow using the funds from our bank accounts.*
- (v) For such further or other reliefs as this Hon'ble Tribunal deems just and fit in the facts and circumstance of the case."*

10. The applicant has also relied upon the order in the matter of *Pancard Clubs Limited Vs SEBI*, passed by the Hon'ble Securities Appellate Tribunal. in support of its prayer in the application for staying the interim order dated February 8, 2019.

11. Subsequent to the hearing, Zoid Research / Mr. Tabrez Khan vide letter dated February 27, 2019 has filed "*submission of clarifications and undertaking as per the queries and questions raised by Ld Whole Time Member (Ms. Madhabi Puri Buch) in the hearing conducted today i.e. 27/02/2019 at SEBI Mumbai Office.*" The said undertaking is reproduced as under

#### **UNDERTAKING/ DECLARATION**

- 1. I, Tabrez Khan Proprietor of Zoid research, is carrying out activities from 20/03/2014 as an investment Advisor registered with SEBI*
- 2. I have been abiding all the statutory requirement from time to time and there is no lapse on my part.*
- 3. I had engaged professional to develop the website who has done the same for large number of Investment Advisor's registered with SEBI.*
- 4. We regret to state that in the past, on our website message displaying the assured, committed return was being displayed when come to our knowledge which we had already been removed from the website, as the same was commonly used by other SEBI registered Investment advisor also.*
- 5. On understanding the error, we had immediately taken corrective measures and thereafter no such messages were disseminated.*
- 6. Pertinently, our website had always disseminated message about risk factors while making investment in the stock market*

7. *We have always rendered investment advice after carrying out risk profiling of the client and have always ensured that investment advices in given to the which client is commensurate with his risk appetite and financial capabilities*
8. *Recently it has come to our knowledge that in past some of our employees have interacted with our clients showing assured and committed returns, Further on enquiry, we find that only few customers have been communicated. However sincerely regret for the same*
9. *We hereby undertake and sincerely assure SEBI that on revocation of direction of SEBI*
  - i. *We shall carry out activity as investment advisor strictly in adherence to SEBI (Investment Advisor Regulation) 2013 as amended from time to time ...*
  - ii. *We shall redesign and restructure our website, purely display investment scheme/stock module without at all in any manner mentioning any assured/ commitment of return*
  - iii. *We shall resolve customer's complaints in timely manner.*
  - iv. *We shall ensure that lapses if any observed by the SEBI shall not recur in future at all.*

*Prayer: We hereby pray to quash and set aside the directions issued vide order dated 08.02.2019*

12. *Vide the said letter dated February 27, 2019, Zoid Research / Mr. Tabrez Khan has also requested to grant relief in this matter, permit it to start its Investment Activities as well as to release the bank accounts which were frozen as per the order dated 08/02/2019.*

**Issue for consideration:**

13. *It is pertinent to mention that in the above application dated February 22, 2019, Zoid Research/Mr. Tabrez Khan has made the following prayer:*

- “(i) Impugned Order dated 08.02.2019, be quashed and set aside.*
- (ii) Effect, implementation and operation of the Impugned Order dated 08.02.2019, be stayed.*
- (ii) I may be allowed to render services as Investment Advisor.*
- (iv) Direct the banks to allow using the funds from our bank accounts.*
- (v) For such further or other reliefs as this Hon'ble Tribunal deems just and fit in the facts and circumstance of the case.”*



14. I have perused the application for stay and submissions/undertaking made at the time of hearing by the applicant. It is noted that in terms of the order of Hon'ble SAT dated February 27, 2019, at this stage, SEBI is required to decide upon the application for stay filed by Zoid Research. ***Thus, at this stage, for deciding on the application for stay, the limited issue for my consideration is whether the operation of the interim order dated February 8, 2019 passed by SEBI can be stayed in light of the grounds put forth by Zoid Research in the application for stay dated February 22, 2019.***

15. One of the grounds for seeking stay on the operation of the interim order made by Zoid Research is that it has around 5,000 clients and only a miniscule percent (less than 5%) of those clients have complained against it. In other words, it has claimed that majority of its clients are satisfied with the services being rendered and have already paid for availing the services of Zoid Research. It has also been submitted that majority of the complaints filed against Zoid Research have been resolved and at present less than 50 complaints are pending against Zoid Research. On that ground, it has been prayed that if Zoid is not allowed to continue to act as an investment adviser, its satisfied clients who have already paid for the services, will suffer and may also switch their investment adviser if the restriction continues for long. In this regard, I find it important to highlight that in the interim order, the investment advisory services being provided by Zoid Research were found to have been *prima facie* fraudulent, inter alia, on the basis of the following observations:

*“An investment adviser cannot sell products guaranteeing assured returns to investors as was being done by Zoid research / Mr. Tabrez Khan in the present case. Knowing fully well that all investment in stocks, derivatives, commodity derivatives, etc. in respect of which it was offering investment advice are subject to market risk, Zoid research was falsely promising unrealistic assured returns on investments and had disclosed the same on its website as a continuous ticker. It is also noted from the agreements and the email exchanges that the advisory process being followed by Zoid was akin to selling pre-fixed plans and extracting more and more money from the clients. In the communications with the clients, fake names were being used and the agreements entered into with the clients did not contain any name of the authorized person of Zoid Research.”*

16. Thus, the very nature of the investment advisory activity being practised by Zoid Research has been found to be *prima facie* fraudulent and in violation of the provisions of SEBI Act, PFUTP Regulations and IA Regulations. In view thereof, if the services which Zoid Research plans to continue to offer to its clients (even

those who have not complained) have been found to be *prima facie* fraudulent and not in line with what has been envisaged under the IA Regulations.

17. Further, the interim order has already recorded its *prima facie* finding that there is no evidence of documented process for Investment advice which is required, as per the IA Regulations, to be based on the risk profiling of the clients. The applicant while seeking the stay has mentioned in the grounds that it has been rendering satisfactory services to large number of clients. Further in the undertaking filed by the applicant it stated that it has rendered investment advice after carrying out risk profiling of its clients and has always ensured that investment advice given to the clients is commensurate with his risk appetite and financial capabilities. On the other hand, I note that the application does not adduce any proof of the same. It has already *prima facie* been found that many of the clients have been sold pre-fixed plans promising unrealistic assured returns irrespective of their financial situation, investment objective and risk profiling. The selling of such pre-fixed plans goes against the customized advice which would be required based on the investors' risk profile. When queried on this during the hearing, the Noticee was unable to submit any reasoned explanation. The undertaking submitted by the applicant after the hearing further acknowledges that in the past, its website message displayed assured, committed returns, though it stated that subsequently, it had removed this message from the website.
18. As regards the undertaking filed by the Noticee stating that its website had always disseminated message about risk factors while making investment in the stock market, I note risk profiling and "product/advice suitability" is different from the "general risks of making investment". This requirement of risk profiling goes to the very root of suitability of investment advice as clients are required to get the investment advice based on their risk profile. Exposing the existing clients to such advice, which has no co-relation to their risk profile, is against the interest of those existing investors. In view of the urgency to prevent the existing as well as the prospective clients from getting such advice which has no co-relation to their risk profile, the interim order was passed directing the applicant from ceasing and desisting from undertaking any activity in the securities market including the activity of acting as Investment Adviser. When queried during the hearing if the applicant has any evidence that the advice given to different clients was different based on their risk profile, the applicant was unable to present the same. In fact, in line with its earlier reply, it reiterated that it had no records of old clients at all. If the ground of requested stay, that is, his existing clients may shift to another investment adviser is accepted and the interim order is stayed at this stage, the existing clients would, *prima facie*, continue to get the investment advice not suitable to them. In

view of this, the balance of convenience is not in favour of the applicant. Therefore, staying the operation of the order and permitting the applicant to continue its business even to those who as claimed by Zoid are satisfied with its services will not be in the interest of investors who are receiving the investment advice.

19. The applicant has mentioned in its grounds of stay that it is receiving money from clients for the services rendered and to be rendered and therefore there is no question of repayment to the clients. The Interim order has already recorded the *prima facie* finding that the applicant has charged unreasonable fee. Para 5 of the Interim order brings out a few instances of fees charged. In the case of client Girija Shankar for a trading commitment of Rs. 1,00,000, a fee of Rs. 47,200 is shown as fee. Similarly, for four other clients for trading commitments the fee in brackets are mentioned below. Rs.2,00,000, (Rs.3,41,800) Rs.3,00,000, (Rs.4,50,000), Rs. 1,00,000 (Rs.3,80,000) and Rs.80,000 (Rs.1,20,000). The unreasonable fee was charged in view of the unrealistic return assured. The Interim order also has recorded the *prima facie* finding that the applicant has extracted money by various methods such as (a) putting strict deadlines for making payments, (b) refusal to provide any services in the event of delay, (c) up-gradation from one package to another citing non-availability of slots or higher returns, (d) demanding various types of fees under the garb of various types of fees which was not disclosed at the time of initial subscription etc. Receipt of such money cannot be equated to the mere receipt of fees for services rendered. At the time of hearing, the applicant submitted that it has eleven bank accounts and in total it has around Rs. 4 - 4.5 lakh in the bank accounts. As per the information available with SEBI, Mr. Tabrez Khan/Zoid Research has Rs. 3,31,079.86/- in seven accounts. I *prima facie* find from the record that the total amount covered in various complaints of the investors (233 unique complaints mentioned in the interim order) is around Rs.1,93,94,229. It is noted that SEBI has powers under section 11B and 11(4) of SEBI Act, in the interest of investors, to pass final direction against the applicant to repay such money received from various investors after giving a fair opportunity of hearing. The interim order has been passed in order to maintain the status quo, so that on final adjudication after granting fair opportunity of hearing on merits, if the liability to repay is established, the possible direction in the final order does not become infructuous. Therefore, I find that the balance of convenience is not in favour of the applicant.

20. Another ground mentioned by Zoid Research / Mr. Tabrez Khan in its application is that *on the basis of vague allegations, conjectures, surmises and hypothesis, SEBI cannot be permitted to purport to pass such drastic and far reaching orders which affect his fundamental right under Article 19(1)(g) of the Constitution of India.*

In this regard, I note that Article 19(1)(g) guarantees to all citizens, the right to practice any profession or to carry on any occupation, trade or business. However, at the same time it is pertinent to mention that this freedom is not unbridled, as clause (6) of Article 19 authorises legislation which imposes reasonable restrictions on this right in the interest of general public. Securities and Exchange Board of India, 1992 is a special Act enacted by the Parliament conferring on SEBI the duty to protect the interests of investors in the securities and to promote the development of, and to regulate the securities market, by such measures as it thinks fit. Such reasonable restrictions have been imposed through delegated legislation such as Investment Adviser Regulations and granting of powers to passing of interim orders for violations of IA Regulations in the interest of investors. In the present case, the interim order has been passed by SEBI in exercise of the powers conferred upon it by law and towards fulfilment of the duties cast under the SEBI Act. As noted in the interim order, the conduct of Zoid Research / Mr. Tabrez Khan has been found to be *prima facie* fraudulent and in violation of IA Regulations and therefore directions have been issued against it/him. It is a settled law that while exercising his fundamental rights, a person cannot commit an act which is forbidden by law. In view of the above, I find that the interim order against Zoid Research / Mr. Tabrez Khan is not in violation of Article 19(1)(g) of the Constitution of India. Therefore, this ground does not justify an order for staying the operation of the interim order.

21. With regard to the submission regarding resolution of majority of the complaints and low pendency of complaints, I find that Zoid Research has not adduced any evidence to show that the complaints which are claimed to have been resolved were resolved to the satisfaction of the complainants. Without prejudice to the above, it is also relevant to mention that the claimed resolution of complaints does not alter the nature of investment advisory activity which was being carried out by Zoid Research and has been *prima facie* found to be fraudulent and in violation of the provisions of securities laws. In view thereof, I do not find the above submission to be a ground to justify stay on the operation of the interim order.
22. The applicant among other grounds for stay, submitted that any direction of restraint should have been passed under the Intermediaries Regulations and not by way of ex-parte interim order. Further, in its grounds, the Noticee had made a submission that the exercise of power under section 11, 11B and 11D of SEBI Act is equal to attachment before judgement. I note that SEBI has power to pass interim orders against the intermediaries under section 11B and 11D of SEBI Act. I further note that existence of such power is in addition to the powers of attachment of Bank Accounts as envisaged under SEBI Act. It is well settled that the legal

consequence of an order of attachment and an order of restraint is different in its effect. I further note that the procedure for suspension or cancellation of certificate of Registration of intermediary is mentioned in Intermediaries Regulations. The present proceedings which are prima facie in nature, at this stage, are not for the purpose of suspension or cancellation of certificate of Registration. Therefore, the interim order under section 11, 11B and 11D of SEBI Act has been passed in view of the urgency to prevent further harm to investors and maintain *status-quo* and nonexistence of balance of convenience in favour of the applicant. In view of this, I find that these grounds also do not justify the stay of the operation of the interim order.

23. I also note that the applicant has not even undertaken to file bank guarantee for an amount covered in various complaints of the investors. Filing of such bank guarantee could be a basis for consideration of de-freezing the bank accounts. Therefore, undertaking of the nature submitted by the applicant cannot be a ground for staying the operation of the interim order.

24. In view of the above discussion, I find that there are no adequate grounds for staying the operation of the interim order dated February 8, 2019 and the application for stay dated February 22, 2019 is disposed of accordingly.

25. The applicant herein is at liberty to file additional written submissions, in view of the inspection of documents by the applicant and seek an opportunity of hearing on merits in respect of the interim order dated February 8, 2019.

Sd/-

**DATE: March 1, 2019**

**PLACE: NEW DELHI**

**MADHABI PURI BUCH**

**WHOLE TIME MEMBER**

**SECURITIES AND EXCHANGE BOARD OF INDIA**