

**IN THE SECURITIES APPELLATE TRIBUNAL
MUMBAI**

**Review Application No.2 of 2007
In
Appeal No.59 of 2006**

Date of Decision: 28.11.2007

Mangla Capital Services P. Ltd. **..... Appellant/Applicant**

Versus

Securities and Exchange Board of India **.....Respondent**

Present : Shri Riaz I. Chagla, Advocate with Shri Bharat Merchant, Advocate
for the Appellant/Applicant

Shri Kumar Desai, Advocate with Shri Anant Upadhyay,
Advocate for the Respondent

CORAM

**Justice N.K. Sodhi, Presiding Officer
Arun Bhargava, Member
Utpal Bhattacharya, Member**

Per: Justice N.K. Sodhi, Presiding Officer (Oral)

This application has been filed seeking clarification of our order dated 10.8.2007 dismissing Appeal no.59 of 2006. When we dismissed the appeal, we had upheld two findings recorded by the Securities and Exchange Board of India (for short "the Board") in its order dated January 31, 2006. The first finding that we upheld was that the appellant had executed two contract notes which was contrary to the circular dated March 31, 1997. The other finding that we affirmed was that the appellant had dealt with one Vinod Agarwal as a sub-broker who was not registered with the Board. We wish to clarify that we

did not uphold any other finding recorded by the Board in the order impugned in the appeal. This is clear from the tenor of our order dismissing the appeal. The Board had charged the appellant for aiding and abetting fraudulent and unfair trade practices and also with manipulation and malpractices. For want of sufficient material, the enquiry officer himself had absolved the appellant of these charges and that is why he recommended a minor penalty of censure. It is in this context that we further clarify that the following finding recorded in para 3.2 of the order dated January 31, 2006 had not been affirmed by us.

“MCSL therefore, aided and abetted fraudulent and unfair trade practices and is guilty of manipulation and malpractices and therefore, violated A (3) and (4) of Code of Conduct as laid down under Schedule II read with Regulation 7 of the Broker Regulations.”

The application stands disposed of as above.

**Sd/-
Justice N.K. Sodhi
Presiding Officer**

**Sd/-
Arun Bhargava
Member**

**Sd/-
Utpal Bhattacharya
Member**

RHN
28.11.2007

