

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

**Misc. Application No. 51 of 2008
And
Appeal No. 111 of 2006**

Date of decision: 9.6.2008

M/s. Bansal Sharevest Services Ltd.

..... Applicant/Appellant

Versus

Securities and Exchange Board of India
National Stock Exchange of India Limited
UP Stock Exchange Association Limited

..... Respondents

Mr. P.N. Modi Advocate with Mr. N.P. Lashkari Advocate for the Appellant.

Ms. Daya Gupta Advocate for Respondent No.1.

Mr. V.K. Rambhadran Advocate with Ms. Venita Daver Advocate for Respondent No.2.

None present for Respondent No.3.

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

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

This order will dispose of two Appeals no.111 and 152 of 2006 and the two applications filed therein. Appeal no.111 of 2006 is directed against the order dated 28.6.2006 passed by the Securities and Exchange Board of India (for short the Board) cancelling the certificate of registration of the appellant as a stock broker. Upon the cancellation of the certificate, the National Stock Exchange of India Limited respondent no.2 passed an order dated 17.8.2006 expelling the appellant from its membership with effect from the date of the order. This order has been impugned in Appeal no.152 of 2006. During the pendency of the appeals, the appellant filed an application before the Board seeking a consent order in terms of the circular dated April 20, 2007. The application was processed and the matter was placed before the High Powered Committee constituted under the aforesaid circular. After detailed deliberations the committee has accepted the consent terms as proposed by the appellant and recommended to the Board to accept those terms. The recommendations of the committee were placed before two wholetime

members of the Board who have approved the terms as proposed by the appellant and accepted the recommendations of the committee.

Since the appeals were pending before this tribunal, the appellant has filed Misc. application no.51 of 2008 with a prayer that the appeal be disposed of as per the consent terms as proposed by the appellant and approved by the committee and the Board. This application has been filed in terms of clause 17 of the circular dated April 20, 2007. The appellant has offered to pay a sum of Rs.50 lacs and another sum of Rs.2.5 lacs towards the legal expenses and has voluntarily undertaken to remain suspended for a period of 5 years commencing from 23.7.2003. Having regard to the facts and circumstances of the case and the terms proposed by the appellant, we are of the view that it would be in the interest of justice to accept the terms and dispose of Appeal no.111 of 2006 on those terms. We order accordingly. Since Appeal no.111 of 2006 has been disposed of as per the consent terms referred to hereinabove, the order impugned therein dated 28.6.2006 no longer subsists. This being so, the consequential order passed by respondent no.2 expelling the appellant from its membership cannot also survive. The learned counsel for respondent no.2 states that the appellant should move a formal application seeking restoration of its membership and when such an application is filed the same shall be disposed of within two weeks from the date of its receipt. Appeal no.152 of 2006 also stands disposed of in these terms.

Appeals no.111 and 152 of 2006 alongwith the applications filed therein stand disposed of as above. No costs.

Sd/-
Justice N.K. Sodhi
Presiding Officer

Sd/-
Arun Bhargava
Member

Sd/-
Utpal Bhattacharya
Member

9.6.2008
pw

BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI

**Misc. Application No. 53 of 2008
And
Appeal No. 152 of 2006**

Date of decision: 9.6.2008

M/s. Bansal Sharevest Services Ltd.

.....Applicant/Appellant

Versus

National Stock Exchange of India Limited

.....Respondent

Mr. P.N. Modi Advocate with Mr. N.P. Lashkari Advocate for the Appellant.

Ms. Daya Gupta 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)

Same order as in Appeal no.111 of 2006.

Sd/-
Justice N.K. Sodhi
Presiding Officer

Sd/-
Arun Bhargava
Member

9.6.2008
pw

Sd/-
Utpal Bhattacharya
Member