

BEFORE THE SECURITIES APPELLATE TRIBUNAL  
MUMBAI

Review Application No. 3 of 2006  
In  
Appeal No. 154 of 2005

Date of decision: 02.07.2009

Securities and Exchange Board of India .....Applicant

Versus

Dr. Vijay Mallya & Ors. ....Respondents

Mr. Kumar Desai, Advocate with Mr. Anant Upadhyay, Advocate for the Appellant.

Mr. Jai Munim, Advocate with Ms. R. D'souza, Advocate for the Respondent.

CORAM : Justice N.K. Sodhi, Presiding Officer  
Samar Ray, Member

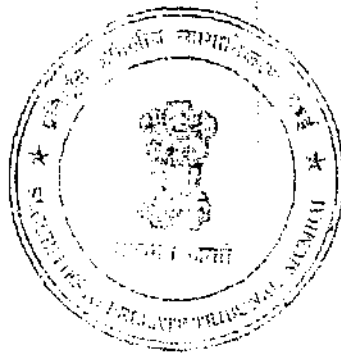
Per : Justice N.K. Sodhi, Presiding Officer (Oral)

By our order dated March 1, 2006 appeal no. 154 of 2005 filed by Dr. Vijay Mallya & Others was allowed and the order of the adjudicating officer imposing a monetary penalty of Rs. 15,000/- on the appellants set aside. On a consideration of the entire matter, this Tribunal came to the conclusion that the appellants in the appeal had not violated Regulation 3(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1994. The Securities and Exchange Board of India then filed Review Petition no. 3 of 2006 seeking a review of our order allowing the appeal. During the pendency of the petition, the appellants in the main appeal filed an application before the respondent Board for a consent order. This application was filed in terms of Clause 17 of the circular dated April 20, 2007. The application was considered by the internal committee of the respondent Board and the same was placed before the High Powered Committee constituted for the purpose. The appellants had proposed that McDowell & Co. Ltd. be treated as United Spirits Ltd.)



would pay an aggregate amount of Rs. 5,65,000/- to the respondent Board out of which Rs. 5 lacs would be towards reimbursement of legal expenses and another sum of Rs. 65,000/- towards the settlement charges making it clear that these amounts were not by way of penalty of any nature whatsoever. The proposed terms were considered by the High Powered Committee which accepted the same and recommended their approval by the respondent Board. The matter was then considered by a panel of two whole time member of the respondent Board who accepted the recommendation of the High Powered Committee. It was then that the applicants (appellants in the main appeal) filed the present application seeking approval of this Tribunal to the proposed terms and the prayer made is that the review petition as well as the main appeal be disposed off as per the consent terms proposed by the applicants:

We have heard the learned counsel for the parties and having regard to the nature of the charge levelled against the applicants the findings on which had been reversed by this Tribunal, we are of the view that the ends of justice would be adequately met if the proceedings between the applicants and the respondent Board are put to an end and the main appeal together with the review petition are disposed off as per the proposed terms. We order accordingly. No costs.



Sd/-  
Justice N.K.Sodhi  
Presiding Officer

Sd/-  
Samar Ray  
Member

02.07.2009

Prepared and compared by  
msb

CERTIFIED TRUE COPY

SECRET