

**BEFORE THE SECURITIES APPELLATE TRIBUNAL  
MUMBAI**

**Misc. Application No. 120 of 2011**

**And**

**Appeal No. 222 of 2011**

**Date of decision: 17.2.2012**

Mr. Deepak Thakkar  
305-B, Vicky Apartments, P. Baloo Marg,  
Prabhadevi,  
Mumbai-400 025

.....Appellant

Versus

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

..... Respondent

Mr. Zal Andhyarujina, Advocate with Ms. Duhita Lewis, Ms. Akshaya Bhansal and Ms. Pragati Shetty, Advocates for the Appellant.

Mr. Kumar Desai, Advocate with Ms. Harshada Nagare, Advocate for the Respondent.

CORAM : P.K. Malhotra, Member  
S.S.N. Moorthy, Member

Per : P.K. Malhotra, Member (Oral)

This appeal is directed against the order dated January 28, 2010 passed by the whole time member of the Securities and Exchange Board of India (for short the Board) confirming the ex parte ad interim order dated April 23, 2009 in the matter of Pyramid Saimira Theatre Limited (the company). The ex parte order was passed restraining the appellant and a few other entities from accessing the securities market till further directions.

2. We have heard learned counsel for the parties for some time. The alleged role of the appellant in manipulating the scrip of the company is discussed in paragraph 5 of the impugned order. After passing of the impugned order, the appellant was granted personal hearing. The appellant appeared before the whole time member and also submitted the required details. It is the case of the appellant that he is out of the

securities market for almost three years under the interim order of the Board. The investigation qua the appellant was also concluded in July 2010 and the Board has not yet passed any final order in the matter. Pursuant to the impugned order, the National Securities Depository Limited (NSDL) had frozen demat accounts of the appellant which contained shares of various companies, both, listed and unlisted. By his letter dated October 5, 2011, addressed to the NSDL, a copy of which was endorsed to the Board, the appellant sought permission to rematerialize or surrender 40,000 shares of Speedy Multimodes Limited, an unlisted company, lying in his demat account. NSDL has not yet responded to his request. However, learned counsel for the appellant Board has placed on record, copy of the letter dated January 25, 2012 issued by the Board whereby request of the appellant, as contained in the letter dated October 5, 2011, has been rejected. He has also placed on record a copy of the show cause notice dated January 20, 2012 which has been issued in pursuance of the investigation carried out by the Board. It was also submitted by him that the Board is likely to issue another show cause notice to the appellant within a period of two weeks under Section 11 & 11B of the Securities and Exchange Board of India Act, 1992. He, therefore submits that no interference by the Tribunal is called for at this stage.

3. Since the Board has already issued one show cause notice and is in the process of issuing second show cause notice, we are not inclined to intervene at this stage in so far as the impugned order dated January 28, 2010 is concerned. In so far as prayer of the appellant for disposal of the shares of unlisted company as contained in his letter dated October 5, 2011 is concerned, we feel that the request is reasonable. We say so, because the impugned order was passed almost three years back and the appellant is out of the market during all this period. Learned counsel for the appellant, on instructions, states that in case an adverse order is passed by the Board against him and the amount is required in the satisfaction in the orders that may be passed, the appellant undertakes that the amount of sale proceeds will be made available to the Board. The appellant will furnish details of the shares being disposed of, the price at which they were purchased,

sale price and the person to whom the shares are being sold. This information shall be provided to the Board within one week from today.

The appeal stands disposed of as above with no order as to costs. Accordingly the Miscellaneous Application also stands disposed of.

Sd/-  
P.K.Malhotra  
Member

Sd/-  
S.S.N. Moorthy  
Member

17.2.2012  
Prepared & Compared By: Pk