

Order No.RO/PO/SRO/03/2020-21

SECURITIES AND EXCHANGE BOARD OF INDIA
BEFORE THE RECOVERY OFFICER
SOUTHERN REGIONAL OFFICE, CHENNAI

Recovery Certificate No. 2093 issued to –

1. Mr. Prabhat Sethia (PAN: AREPS7605L),
2. Ms. Sangeetha Sethia (PAN-ARHPS2827H) and
3. Mr. Swaminathan Rajendran (PAN- AIGPR6377P)

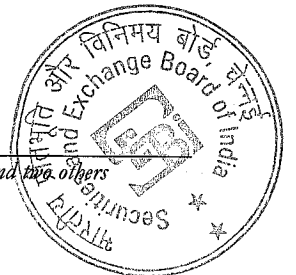
Prohibitory Order under Rule 16 and 48 of the Second Schedule to the Income-tax Act, 1961 read with Section 28A of the Securities and Exchange Board of India Act, 1992

1. Recovery proceedings was initiated by the Securities and Exchange Board of India ("SEBI") vide R.C. No. 2093 against the persons mentioned above in view of their default in remitting the penalty amount of Rs.2,00,00,000/- imposed by the Adjudicating Officer vide order no.EAD-2/SS/VS/2018-19/2020-2022 dated 30.01.2019 in the matter of Filatex Fashions Limited. Accordingly, a notice of demand dated 23.04.2019 was issued to the aforesaid persons. The amount as per the notice of demand was **Rs.2,05,46,753/-** which included interest (as on that date) and costs. Subsequently and in pursuance of the recovery proceedings, attachment notices dated 23.05.2019 in AP Nos. 4493 and 4494 of 2019 were also issued.

2. In the course of the recovery proceedings, **Mr. Prabhat Sethia and Ms. Sangeetha Sethia** had approached SEBI with a proposal to settle the dues by availing the instalment facility. This proposal was considered and accordingly allowed vide letter dated 28.10.2020, subject to certain terms and conditions. The installment facility had commenced from November 2020 and would be in effect till April 2022, as already intimated to the said persons. One of the terms to be complied with by the said persons was to furnish a collateral to secure SEBI's interest. Accordingly, the persons had identified the residential apartment (*as per the copy of the sale deed executed on 22.01.2008, Ms. Sangeetha Sethia is the purchaser of the aforesaid property*) located at Flat No. 503, Plot No. 111, Jyothi Splendour Apartments, Sri Nagar Colony, Hyderabad – 500073 morefully described below:

All that Flat No. 503 Duplex Fifth & Sixth Floors Municipal No.8-3-1100/1&1/A/503 in "Jyothi Splendour" admeasuring 4340 sq.ft. along with 100 sq.yds. of UDS in land in House No.8-3-1100/1 and 8-3-1100/1/A, plot no.111 situated at Srinagar Colony, Yellareddyguda, Hyderabad.

The said persons have undertaken not to sell, give away, transfer, mortgage, or otherwise alienate or encumber the said assets in any way, until the entire amount due from them is paid to the



Recovery Officer and also agreed that in the meanwhile, these assets may continue to remain attached if considered necessary.

3. Considering the case at hand and in pursuance of the instalment facility extended to Mr. Prabhat Sethia and Ms. Sangeetha Sethia to satisfy their dues, in exercise of the powers conferred under Rule 16 and 48 of the Second Schedule to the Income-tax Act, 1961 read with Section 28A of the SEBI Act, 1992, the property mentioned above stood attached in the subject recovery proceedings and Ms. Sangeetha Sethia is prohibited from disposing, transferring, alienating, or charging the aforesaid immovable property.

4. It is further directed that all persons are hereby prohibited from taking any benefit under such disposal, transfer, alienation or charge in respect of the property mentioned above, which stands attached in execution of the aforesaid Recovery Certificate.

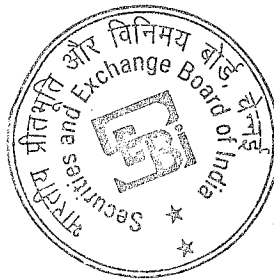
5. Mr. Prabhat Sethia and Ms. Sangeetha Sethia are directed to submit the valuation report in respect of the aforesaid property [to be carried out by an independent valuer who is registered with the Insolvency and Bankruptcy Board of India (IBBI)], as already directed by SEBI, within a period of 21 days from today.

6. This Order is served on –

- a. Mr. Prabhat Sethia and Ms. Sangeetha Sethia for information, record and compliance; and
- b. The Commissioner & Inspector General of Registration and Stamps for the State of Telangana and The Sub-Registrar, Banjara Hills (RO), with a direction not to act upon any documents purporting to be dealing with transfer, mortgage, charge, lease or creation or alteration of any interest in the attached property, if presented for registration.

Given under my hand and seal at Chennai on this the 4th day of March, 2021.

SEAL



Vijay Rajneesh

RECOVERY OFFICER

टी. विनय राजनीश
T. VINAY RAJNEESH
वरिष्ठ अधिकारी एवं सहायक प्रबंधक
Recovery Officer & Deputy General Manager
भारतीय प्रतिभूति और विनिमय बोर्ड, चेन्नई
Securities and Exchange Board of India, Chennai