

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION**

**CRIMINAL APPLICATION NO.1567 OF 2017
IN
CRIMINAL APPEAL NO.951 OF 2017**

Prashant Narvekar

...Applicant

Versus

The State of Maharashtra & Anr.

...Respondents

.....

Mr. A.H. Ponda i/b. Mr. Karan Jain for the Applicant.

Mr. Y.M. Nakhwa, APP for the Respondent No.1-State.

Mr. Roop Basu for the Respondent No.2.

CORAM : SMT. ANUJA PRABHUDESSAI, J.

DATED: 30th NOVEMBER, 2017.

P.C.:-

The Applicant herein was accused in SEBI Special Case No.86 of 2015. By judgment dated 8th November, 2017 the Special Judge has held the Applicant guilty of violating Section 11C(2) r/w Section 15A(2) of the Securities and Exchange Board of India Act (for short 'the SEBI Act'), which is punishable under Section 24(2) of the SEBI Act. He has been sentenced to undergo rigorous imprisonment for four years with fine of Rs.5,00,000/- out of which Rs.2,50,000/- has been ordered to be paid to SEBI as compensation. The Applicant has challenged the said conviction and sentence in Criminal Appeal

No.951 of 2017. By this application the Applicant has sought suspension of execution sentence and his release on bail.

2. Heard Mr. Ponda, the learned counsel for the Applicant. He has submitted that the Applicant has already paid Rs.2,50,000/- to the SEBI. Mr. Roop Basu, the learned counsel for the Respondent No.2- SEBI concedes that an amount of Rs.2,50,000/-, which was deposited by the Applicant has already been adjusted towards compensation.

3. Mr. Ponda submits that the Applicant shall deposit the balance fine of Rs.2,50,000/- within a period of two months from the date of his release from jail. The statement is accepted.

4. By the impugned judgment, the Applicant has been sentenced to undergo a short term imprisonment for a period of four years. The Appeal is of the year 2017. Considering the large pendency of the cases, the Appeal is not likely to come up for final hearing in the next couple of years. Rejecting the prayer for suspension of sentence, pending disposal of the Appeal, will result in the Applicant undergoing the entire term of imprisonment even before his Appeal is heard on merits. Considering the above facts in my considered view this is a fit

case for suspension of execution of substantive sentence and releasing the Applicant on bail pending hearing and final disposal of the Appeal.

Hence, following order is passed :-

- (i) The application is allowed;
- (ii) Execution of substantive sentence imposed on the Applicant vide judgment dated 8th November, 2017 in SEBI Special Case No.86 of 2015 by the learned Special Judge, SEBI Special Court, City Civil and Sessions Court, Greater Bombay, is suspended till the final disposal of the Appeal and the Applicant is released on bail subject to the Applicant furnishing bail bonds of Rs.25,000/- with one surety to the like amount to the satisfaction of the learned Special Judge, SEBI Special Court, City Civil and Sessions Court, Greater Bombay.
- (iii) The Applicant shall furnish his contact number and permanent as well as local address, if any, and shall intimate change of address, if any, to the Investigating Officer, as well as to the concerned Court.
- (iv) The Applicant to deposit the balance fine amount of

Rs.2,50,000/- within a period of two months from
the date of his release.

(ANUJA PRABHUDESSAI, J.)