BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED 28.03.2017

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THE HONOURABLE MR.JUSTICE V.PARTHIBAN

W.P(MD)No.5376 of 2017

Iruthayam ..Petitioner

Vs

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

2.The Jeevan Land Developers India Limited-company,
No.2/69, V.R.S.Complex, near Anna Bus Stand Roundtana,
Sivagangai Road,
Madurai - 625 020.

3.Antony Jesu Basker,
Managing Director,
No.2/69, V.R.S.Complex, near Anna Bus Stand Roundtana,
Sivagangai Road,
Madurai - 625 020. ..Respondents.

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus directing the first respondent to take action against the respondents 2 and 3 under the provisions of the Securities and Exchange Board of India Act, 1992 and Regulations of the Securities and Exchange Board of India(Collective Investment Scheme) Regulation - 1999.

For Petitioner :Mr.R.Murugappan

ORDER

The Petitioner has approached this Court seeking issuance of a Writ of Mandamus directing the first respondent to take action against the respondents 2 and 3 under the provisions of the Securities and Exchange Board of India Act, 1992 and Regulations of the Securities and Exchange Board of India(Collective Investment Scheme) Regulation - 1999.

2.According to the Petitioner, the second respondent/Company in which he was once a Director, has been collecting investments from the investors I,e,, from the general public under the guise of giving lands to the investors after maturity of the investments. According to the Petitioner, the said action of the second respondent/company is in contravention of the provisions of Securities and Exchange Board of India Act, 1992 and Regulations framed thereunder. According to the Petitioner, the respondents 2 and 3 have fraudulently collected investments from the general public and because of their activity, the Petitioner was constrained to submit his resignation as Director of the said Company. According to him, the said resignation has also been duly informed to the Company Law Board and others authorities concerned. According to the Petitioner, the collection of investment from the general public was in contravention of the provisions of Securities and Exchange Board of India Act, he is before this Court for issuance of a Writ of Mandamus directing the first respondent to take action against respondents 2 and 3.

3.Heard the learned counsel for the Petitioner and perused the materials placed before this Court.

4.The Petitioner would submit that in view of the action by the respondents 2 and 3, collecting investment from the general public is contrary to the provisions of the Securities and Exchange Board of India Act, 1992, a direction may be issued to the first respondent to initiate action. After hearing the arguments, I am of the considered view that direction as sought for by the Petitioner cannot be granted invoking the jurisdiction of this Court under Article 226 of the Constitution of India and it is always open to the Petitioner to move the first respondent for any action to be taken as they deem it fit. Jurisdiction of this Court under Article 226 of the Constitution of India cannot be invoked for a blanket direction, as it appears that the Petitioner being the Director of the company has got axe of grind on the affairs of the company and therefore, this Court cannot be a party to the issues and party to the grievance of the Petitioner vis-a-vis., the second and third respondents. In these circumstances, the prayer asked for is not maintainable in the circumstances explained above. Thus the Writ Petition fails and the same deserves dismissal.

5.Accordingly, the Writ Petition is dismissed. No costs.

Sd/-
Assistant Registrar(CS-III)

/True Copy/

Sub Assistant Registrar

To

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

+1cc to Mr.R.Murugappan, Advocate Sr.No.18594

VSN

VB/JC/SAR3/12.04.2017/3P/3C

W.P(MD)No.5376 of 2017
28.03.2017