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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 1270/2017 & CMs 5745-46/2017

BIMLESH CHANDRA PATHAK & ANR Petitioners

Through : Mr. Virag Gupta and
Dr. P.K. Agrawal, Advocates

versus

SECURITIES & EXCHANGE BOARD OF INDIA & ORS

... Respondents

Through : Mr. Neeraj Malhotra, Advocate for R-1.
Mr. Sanjay Bhatt, Advocate for R-2.

CORAM:

HON'BLE MS. JUSTICE HIMA KOHLI

ORDER
13.02.2017

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1. The present petition has been filed by the petitioners praying *inter alia* for directions to the respondent No.1/SEBI, respondent No.2/National Stock Exchange of India Ltd. and the respondent No.3/Unicon Securities Pvt. Ltd. to transfer the shares belonging to them in their de-mat account along with the bonus and dividends accrued thereon. Further, the petitioners claim damages of Rs.5.00 lacs from the respondents.
2. At the outset, counsel for the respondent No.2 submits that if the petitioners are aggrieved by the order dated 15.11.2016, passed by the respondent No.2/National Stock Exchange of India, then their remedy lies under Section 23L of the Securities Contract (Regulation) Act, 1956, by preferring an appeal before the Securities Appellate Tribunal.

3. Counsels for the respondents No.1 and 2 jointly submit that respondent No.3/Stock Broker has been expelled as a member of the respondent No.2 as it had committed several irregularities in respect of transactions made for and on behalf of several clients. Consequently, the respondent No.1 had passed a detailed order against the respondent No.3 on 16.3.2016, restraining it from accessing the capital markets. Based on the said order, the respondent No.2 has taken over all the demat accounts and shares held by the respondent No.3 and is in the process of distributing the sale proceeds on a proportionate basis, before the Defaulters' Committee of the National Stock Exchange.

4. Counsel for the petitioners refers to the order dated 2.1.2017 passed by the respondent No.2 which refers to a review application filed by the petitioners, stated to be pending before the Defaulters' Committee. He states that he may be permitted to confine the relief in the present petition for directions to be issued to the respondent No.2 to ensure that the said Committee takes an expeditious decision on the said application.

5. Counsel for the respondent No.2 assures the Court that needful shall be done in a time-bound manner, but points out that the petitioners have failed to furnish certain details sought from them.

6. Counsel for the petitioners states, on instructions, that no such letter seeking information has been received by his clients so far and if a copy is furnished, they shall furnish all the details sought by the respondent No.2.

7. Another copy of the aforesaid letter issued by the respondent No.2, seeking necessary details from the petitioner, shall be furnished to the counsel for the petitioners within one week. The relevant documents/information shall be submitted by the petitioners to the

Defaulters' Committee within two weeks thereafter. An endeavour shall be made by that the Defaulters' Committee to decide the review application filed by the petitioners as expeditiously as possible and preferably within two months from the date of receipt of the information sought.

8. The petition is disposed of, along with the pending applications.

HIMA KOHLI, J

FEBRUARY 13, 2017

sk/ap/rkb