IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CRM-M No.28436 of 2019 (O&M)
Decided on: 28.02.2020

Vikson Securities Private Limited

....Petitioner

Versus

State of Punjab

....Respondent

CORAM: HON'BLE MR JUSTICE ARVIND SINGH SANGWAN

Present : Mr. Bipan Ghai, Sr. Advocate
with Mr. V.K. Virk, Advocate
for the petitioner.

Mr. Gaurav Garg Dhuriwala, Sr. DAG, Punjab.

Mr. P.S. Ahluwalia, Advocate
for the intervener.

Mr. H.S. Dhindsa, Advocate
for the applicants.
(in CRM Nos.34927 of 2019 and 6703 of 2020)

ARVIND SINGH SANGWAN, J. (Oral)

Prayer in this petition is for setting-aside the order dated 18.05.2019 passed by the trial Court (Annexure P1) in FIR No.47 dated 09.05.2019 registered under Sections 406, 420, 465, 467, 468, 471, 120-B of the Indian Penal Code, 1860 (in short 'IPC') and 66 of the Information Technology Act, 2000 vide which the trial Court has granted permission (i) Seize servers and seal other related records at the office premises of M/s. Vikson Securities Private Limited (ii) Block Security of M/s. Vikson Securities Private Limited at the National Stock Exchange and (iii) Block Bank accounts of M/s. Vikson Securities

Private Limited and for setting-aside the order dated 27.06.2019 passed by the Revisional Court, dismissing the revision.

Brief facts of the case are that FIR No.47 was registered against the Director(s) of M/s. Vikson Securities Private Limited on a complaint given by Jai Gopal, Sunita Gupta and Deepak Gupta. During the investigation, the Investigating Officer filed 03 different applications, the first application has been moved with a prayer for seizure of servers and seals as along with other related record lying in the office of M/s. Vikson Securities Private Limited, the second application has been moved with a prayer for blocking the security of M/s. Vikson Securities Private Limited and the third application has been moved with a prayer for blocking the bank accounts of M/s. Vikson Securities Private Limited and Pinderson Investment Management Limited.

The trial Court, thereafter, has allowed the said application vide impugned order dated 18.05.2019.

Thereafter, the petitioner filed a revision before the Court of Sessions, which was dismissed vide impugned order dated 27.06.2019 primarily on the ground that the revision is not maintainable.

Learned senior counsel for the petitioner has argued that the petitioner – Company is suffering on account of passing of the impugned orders as the petitioner – Company is a registered share broker with Securities and Exchange Board of India (SEBI) and National Stock Exchange (NSE) and has deposited the security amount of Rs.5 crores in National Stock Exchange of India. It is further stated that on account of passing of the impugned order wherein the trial Court has ordered seizure of the servers, the petitioner – Company is unable to do its trading/CTC service through NSE and since the petitioner – Company has more than 10,000 clients in India, the business has come to a stand-still.

It is worth noticing that some of the investors have also filed application as an intervener with a prayer that they are small investors and they may be permitted to withdraw the amount which they have invested with the petitioner – Company.

Reply by way of affidavit of the Superintendent of Police (Investigation) District SAS Nagar, Mohali is on record and in the reply, it is stated that de-sealing of the accounts of the petitioner – Company will hamper the investigation wherein some amounts still exist and during the investigation, it has come that Globe FIN CAP has advanced an unsecured loan of Rs.3.5 crores to the petitioner – M/s Vikson Securities Private Limited. It is also stated that since the petitioner is indulged in unfair trade practice by fudging KYC documents or providing false account statement and in case, the impugned orders are set-aside, the investigation cannot be conducted properly.

Counsel for the intervener has prayed that they may be granted permission to move before SEBI for staking their claim in accordance with law.

After hearing the counsel for the parties, I find no ground to set-aside the impugned orders dated 18.05.2019 and dated 27.06.2019 as the investigation is still going on and in case the impugned order is set-aside, the petitioner may siphoned off the amount available with them without meeting the liability of the investors.

Accordingly, this petition is dismissed.

However, liberty is granted to the interveners/investors to move an appropriate application before the trial Court for passing appropriate order for releasing the amount invested by them or move appropriate application before the SEBI for redressal of their grievance, if any.

(ARVIND SINGH SANGWAN)
28.02.2020 **JUDGE**
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Whether speaking/reasoned Yes/No

Whether reportable: Yes/No