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

\+ **CS (OS) 2139/2014, I.As. 2755/2016 & 8156/2016**

SANGEET SHEKHAWAT & ANR. ..... Plaintiffs

Through: Mr. M.A. Niyazi, Advocate and Mr. Manish Kumar, Advocates. (M-9810413706)

versus

ANIL VEDI & ORS ..... Defendants

Through: Mr. Lalit Bhardwaj, Advocate for Defendant No. 1. (M-9212117811)
Mr. Sanjay Gupta, Advocate, Mr. Ateev Mathur, Mr. Amol Sharma and Ms. Jagriti Ahuja, Advocates for Defendant No.3. (M-9213743613)
Ms. Kashish Narang, Advocate for Mr. Punit K. Bhalla for ICICI Bank Ltd. (M-9999391994)
Ms. Bhavana Duhoon and Ms. Uttara Babbar, Advocates for CAMS with Mr. Ashwini Kakkar, Senior Manager, CAMS. (M-7769040463)
Mr. Rama Krishna and Mr. Yogesh Mahajan, Manger of M/s. Birla Sunlife. (M-9718503368)
SI Jitendra Singh, ACP/Headquarter. (M-9968001938)

CORAM:
JUSTICE PRATHIBA M. SINGH

ORDER

% 01.08.2018

1. The officer from CAMS, Delhi, Mr. Ashwini Kakkar, Senior Manager is present. On a query from Court, he states that on 13th August, 2015, the communication issued by CAMS, Delhi to M/s. Birla Sunlife Asset Management Co. Ltd., which forwarded an undated letter purportedly

written by Mr. H.S. Vedi, was received, across the counter, along with a cancelled cheque of ICICI Bank, Patiala. On a further query as to how such a letter that was received across the counter was processed and sent to M/s. Birla Sunlife Asset Management Co. Ltd, he submits that this is as per the Service Level Agreement (SLA) entered into between CAMS, Delhi and M/s. Birla Sunlife Asset Management Co. Ltd. He submits that the letter was sent to the back office of M/s. Birla Sunlife Asset Management Co. Ltd., which is based in Chennai, who then processed and changed the details of Mr. H.S. Vedi in his account. This Court notes that this event transpired two years after the death of Mr. Vedi, thereby enabling an anonymous third party to change the account details, transfer the amount to ICICI Bank, Patiala and withdraw the same.

2. Mr. Rama Krishna, Zonal Head Operations, M/s Birla Sunlife Asset Management Co. Ltd. submits that CAMS, Delhi is the recognized body of SEBI and 60% of the mutual fund transactions are transacted through CAMS, Delhi.

3. The ICICI Bank, Patiala and CAMS, Delhi have not filed their affidavits. Let the affidavits be filed within five days from today. CAMS, Delhi shall place on record the Service Level Agreement with M/s. Birla Sunlife Asset Management Co. Ltd.. The affidavit of Standard Chartered Bank has been filed and the same shall be considered on the next date.

4. Issue notice to the Chairman and General Counsel of SEBI, returnable on 8th August, 2018. Notice be additionally served through nominated counsel of SEBI. On the next date SEBI to clarify as to whether there is any system in place for the functioning of agencies such as CAMS, Delhi and if the said agencies are supervised, regulated and governed by SEBI.

5. M/s. Birla Sunlife Asset Management Co. Ltd. shall file an affidavit as to how the letters received from CAMS, Delhi are processed and what verifications are carried out before the details are changed on their platform/account of the customer.

6. The DCP (Economic Offences Wing), Delhi Police has nominated, Sub Inspector, Jitendra Singh, Headquarter, Delhi Police to appear in the matter. It is directed that a senior official of at least ACP level from the Delhi Police may be nominated to be present in Court on the next date as the present case involves serious issues.

7. All the officials from various organizations, who are present today, shall be present on the next date.

8. List on 8th August, 2018 at 3.30 p.m.

PRATHIBA M. SINGH, J.

AUGUST 01, 2018

Rekha