

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO(S). /2023  
(@ CIVIL APPEAL Diary No(s). 791/2023)

SECURITIES AND EXCHANGE BOARD OF INDIA APPELLANT(S)

VERSUS

SANDIP RAY & ORS. RESPONDENT(S)

O R D E R

Delay condoned.

The grievance of the appellant is that once a finding of violation of Section 15HB of SEBI Act, 1992 has been recorded, there appears no justification for the Tribunal to reduce the penalty below Rs. 1,00,000/- which is the minimum as permissible under Section 15HB of SEBI Act, 1992. Section 15HB of SEBI Act, 1992 is extracted below:

**"15HB. Penalty for contravention where no separate penalty has been provided.** - Whoever fails to comply with any provisions of this Act, the rules or the regulations made or directions issued by the Board thereunder for which no separate penalty has been provided, shall be liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees."

Learned counsel for the appellant submits that the

Tribunal while upholding the violation of Section 15HB has reduced the penalty from Rs. 3,00,000/- to Rs. 75,000/- which was in conflict of the mandatory requirement and there is no discretion left with the authority to reduce the penalty below the minimum prescribed, as indicated under Section 15HB of the SEBI Act, 1992.

Learned counsel for appellant further submits that even review application filed to make a correction in the order and to justify that the order reducing the penalty below Rs. 1,00,000/- is not permissible under Section 15HB of the SEBI Act, 1992.

After we have heard learned counsel for the appellant, it clearly manifests that the Tribunal has not taken into consideration the effect and mandate of Section 15HB of the SEBI Act, 1992.

Taking into consideration the facts and circumstances of this case, there appears no justification in calling upon the respondent and we modify the order impugned dated 29.07.2022 and the penalty of Rs.75,000/- as inflicted upon noticee no.5 (Mr. Sandip Ray) and noticee no.6 (Mr. Rajkumar Sharma), as referred to in para no. 13 of the order impugned, is modified and substituted to

Rs.1,00,000/- in terms of Section 15HB of SEBI Act, 1992 and with this modification the present appeals stand disposed of.

We make it clear that if the respondents have any objection in reference to the modification made by this Court, they are always at liberty to make an application, if so advised.

Pending application(s), if any, shall stand disposed of.

.....J.  
[AJAY RASTOGI]

.....J.  
[BELA M. TRIVEDI]

NEW DELHI;  
FEBRUARY 13, 2023.

ITEM NO.21

COURT NO.5

SECTION XVII

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

CIVIL APPEAL Diary No(s). 791/2023

(Arising out of impugned final judgment and order dated 29-07-2022 in AN No. 750/2021 & 04-11-2022 in RA No. 37/2022 passed by the Securities Appellate Tribunal, Mumbai)

SECURITIES AND EXCHANGE BOARD OF INDIA

Petitioner(s)

VERSUS

SANDIP RAY &amp; ORS.

Respondent(s)

( IA No.23362/2023-CONDONATION OF DELAY IN FILING and IA No.23365/2023-EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT and IA No.23360/2023-STAY APPLICATION )

Date : 13-02-2023 This petition was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE AJAY RASTOGI  
HON'BLE MS. JUSTICE BELA M. TRIVEDI

For Petitioner(s) Mr. Pratap Venugopal, Adv.  
Mr. Abhishek Baid, Adv.  
Mr. Praneet Das, Adv.  
Mr. Ashok Kumar Jain, Adv.  
Mr. Anup Jain, Adv.  
M/S Expletus Legal, AOR

For Respondent(s)

UPON hearing the counsel the Court made the following  
O R D E R

Delay condoned.

The civil appeals are disposed of in terms of the signed order.

Pending application(s), if any, stands disposed of accordingly.

(VIRENDER SINGH)  
BRANCH OFFICER

(ASHWANI KUMAR)  
ASTT. REGISTRAR-cum-PS

(Signed order is placed on the file)