

IN THE SECURITIES APPELLATE TRIBUNAL
AT MUMBAI

Dated this the 3rd day of April, 2025

CORAM : Justice P.S. Dinesh Kumar, Presiding Officer
Ms. Meera Swarup, Technical Member
Dr. Dheeraj Bhatnagar, Technical Member

Appeal No. 164 of 2025
[Along with Misc. Application No. 384 of 2025 And
Misc. Application No. 385 of 2025]

BETWEEN:

Paramount Bio-tech Industries Limited
2nd Floor, B-17, Sector – 63,
Noida – 201 301.

..... Appellant

(Mr. Deepak Dhane with Mr. Chinmay Paradkar and
Mr. Viraj Bhate, Advocates i/b. Corporate Pleaders for the
Appellant)

AND:

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

...Respondent

(By Mr. Suraj Chaudhary with Ms. Prapti Kedia and
Mr. Ankit Ujjwal, , Advocates i/b Agama Law Associates for
the Appellant)

WITH
Appeal No. 165 of 2025
[Along with Misc. Application No. 386 of 2025 And
Misc. Application No. 387 of 2025]

BETWEEN:

Bhawani Srivastava
W/O: Ashish Srivastava,
559 k/16 k, Bahadur Khera,
Near Awadh Hospital, Singar Nagar,
Alambagh, Lucknow, Alambagh,
Uttar Pradesh – 226 005. Appellant

(By Mr. Deepak Dhane, Advocate with Mr. Chinmay Paradkar, Mr. Praveen Aron, Advocates i/b. Corporate Pleaders for the Appellant)

AND:

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

(By Mr. Suraj Chaudhary with Ms. Prapti Kedia and Mr. Ankit Ujjwal, , Advocates i/b Agama Law Associates for the Appellant)

AND
Appeal No. 166 of 2025
[Along with Misc. Application No. 390 of 2025]

BETWEEN:

Pushpa Gupta
D/O Babu Ram Gupta,
B-80, Mahanagar Aanshik,
Power House Mahanagar, Appellant
Sector – C, Mahanagar S.O.
Lucknow, Uttar Pradesh – 226 006.

(By Mr. Deepak Dhane, Advocate, with Mr. Chinmay Paradkar, Dr. S. Arumugham, Advocates i/b. Corporate Pleaders for the Appellant)

AND:

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

...Respondent

(By Mr. Suraj Chaudhary with Ms. Prapti Kedia and
Mr. Ankit Ujjwal, , Advocates i/b Agama Law Associates for
the Appellant)

THIS APPEAL IS FILED UNDER SECTION 15W OF
SECURITIES AND EXCHANGE BOARD OF INDIA ACT,
1992 TO QUASH AND SET ASIDE ORDER DATED
NOVEMBER 16, 2022 PASSED BY THE
ADJUDICATING OFFICER, SEBI.

THIS APPEAL COMING ON FOR HEARING THIS
DAY, THE TRIBUNAL MADE THE FOLLOWING:

ORDER

Per: Justice P.S. Dinesh Kumar, Presiding Officer (Oral)

For the reasons stated therein, the applications for
condonation of delay are allowed. Delay of 56 days in Appeal
No. 164 of 2025, Delay of 14 days in Appeal No. 165 of 2025
and delay of 814 days in Appeal No. 166 of 2025 are
condoned. Misc. Application Nos. 384, 386 and 390 of 2025
stand disposed of.

2. These appeals are directed against a common order
dated November 16, 2022 passed by the AO¹, SEBI²

¹ Adjudicating Officer

² Securities and Exchange Board of India

imposing a penalty of Rs. 50 lakhs payable jointly and severally by the appellants.

3. Learned Advocate for the appellants submitted that SEBI could not have invoked Section 15HB of the SEBI Act for violation of any order passed by the SEBI and in this case SEBI has passed the impugned order for alleged violation of order dated May 25, 2018 passed by WTM³. The appellants have not challenged the said order. The principal grievance is that SEBI has invoked Section 15HB of the SEBI Act on the premise that there was violation of earlier order. The appellants were not served with any notice prior to passing the impugned order.

4. Shri Suraj Chaudhary, learned Advocate for the SEBI, on instructions, submitted that since appellants are not served before passing the impugned order an opportunity may be granted to the appellants to appear before the SEBI. So far as invoking Section 15HB is concerned he submitted that the matter is pending consideration before the Hon'ble Supreme Court of India in the case of Securities and Exchange Board of India vs Kanaiyalal Baldevbhai Patel (Civil Appeal No. 6524 of 2022] and the matter is likely to be heard in the Supreme Court of India in July 2025. He further submitted

³ Whole Time Member

that the Apex Court has directed that this Tribunal's order shall not be treated as precedent. He further submitted that any further action pursuant to remand will be initiated based on the outcome of the aforesaid civil appeal. His submission is placed on record. In this view of the matter, nothing further survives in these appeals and hence the following order:-

ORDER

- (i) Appeals are allowed;
- (ii) *The impugned order dated November 16, 2022 passed by the AO is set aside qua the appellants and the matter is remanded back to the AO for fresh consideration which shall be subject to the outcome of Civil Appeal No. 6524 of 2022;
- (iii) Any accounts belonging to the appellants frozen by the impugned order shall be de-frozen and if any amount is already appropriated, the same shall be refunded forthwith;

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

No costs.

Justice P.S. Dinesh Kumar
Presiding Officer

Ms. Meera Swarup
Technical Member

Dr. Dheeraj Bhatnagar
Technical Member

03.04.2025
msb

* Correction / substitution in paragraph 4(ii) is carried out as
per order dated 10.06.2025.