

**IN THE SPECIAL COURT
(TRIAL OF OFFENCES RELATING TO TRANSACTIONS IN SECURITIES) ACT, 1992
CUSTODIAN REPORT NO. 12 OF 2021
IN
MISCELLANEOUS APPLICATION NO. 63 OF 2019**

The Custodian ... Applicant
vs.
Shrenik Jhaveri ... Respondent/Org. Applicant
vs.
BSE Ltd. & Anr.

Mr. Gandhar Raikar i/b. M/s. Shilpa Bhate and Associates for the Custodian.

Mr. Shanay Shah a/w. Mr. Darshan Mehta and Ms. Drishti Gudhaka i/b.
M/s. Dhruve Liladhar & Co. for respondent/original applicant.

Mr. Kingshuk Banerjee a/w. Mr. Taha Mirza i/b. M/s. Khaitan & Co. for
Respondent no.1.

CORAM: A.K. MENON, J.

Judge, Special Court

DATE : 25th FEBRUARY, 2022

P.C. :

1. By this report the Custodian seeks leave of the court to pay an amount of Rs.54,60,605/- from the attached account of the notified party as demanded by the Stock Exchange vide letter dated 15th September, 2021 at Exhibit C to the report. The BSE Ltd. originally demanded a sum of Rs.1,90,19,805/- from the notified party under the Rules, Bye Laws and

Regulations of the Stock Exchange. The Custodian has since verified the demand and has approached this court for release of the aforesaid sum after adjustment of dividend paid on the shares. According to the Stock Exchange the amount has been revised and the amount now due is Rs.67,26,810/-.

2. Initially there was opposition to the payment of the amount from the notified party. Meetings have since been held by the Advocates representing the notified party and the Stock Exchange. As a result of these meetings the accuracy of the computation of the amount of Rs.67,26,810/- is not now in dispute.

3. Mr. Shah on instructions of the notified party who is present in court accepts that this amount as computed by the Exchange is correct. There was however reservation on the rate of interest levied and levy on compound interest. That is an aspect which the Exchange through its counsel Mr. Banerjee has clarified. It is also not in dispute that the difference between the outstanding dues and accrued dividend is the aforesaid sum of Rs.67,26,810/-.

4. After obtaining instructions Mr. Shah states that the notified party has no objections to the amount of Rs.67,26,810/- being paid by the Custodian to the Stock Exchange that will bring a closure to the account of the notified party held with the Stock Exchange, notwithstanding his suspension.

5. Since all parties are ad idem this report can be allowed but since the prayer in the report originally filed reflects an amount of Rs.54,60,605/-. Mr. Raikar seeks leave to amend to correct the amount in paragraph 6 and in prayer clause 8(i). Accordingly, I pass the following order:

- (i) Leave granted to correct the amount of Rs.54,60,605/- to Rs.67,26,810/-. Amendment to be carried out forthwith.
- (ii) Report is allowed in terms of amended prayer 8(i).
- (iii) Report is disposed in the above terms.

(A.K. MENON, J.)