

WTM/AB/IVD/ID2/12/2020-21

**SECURITIES AND EXCHANGE BOARD OF INDIA
MISCELLANEOUS ORDER**

Order on the Representation dated September 16, 2020 made by Ms. Pia Johnson (PAN: AGVPJ6093M) and Mr. Mehul Johnson (PAN: ABBPJ3414H) pursuant to order dated February 24, 2020 passed by Hon'ble SAT in Misc. Application No. 61 of 2020 in Appeal No. 59 of 2020 – In the matter of Indiabulls Ventures Limited.

1. Ms. Pia Johnson and Mr. Mehul Johnson (hereinafter referred to as “**the Representors**”) have filed representation dated September 16, 2020 (hereinafter referred to as “**the Representation**”) as they could not affect the sale of shares within the time period granted to them in the Miscellaneous Order dated March 04, 2020 passed in the matter of Indiabulls Ventures Ltd.
2. Previously, the Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) passed a final order dated February 05, 2020 (hereinafter referred to as “**Final Order**”) against the Representors, *inter alia*, directing as under:

“.....

50. *In view of the aforesaid findings, I, in exercise of the powers conferred upon me under Section 11(1), 11(4) and 11B of the SEBI Act, 1992 read with Section 19 of the SEBI Act, 1992, hereby, directs, -*

- a. *That Noticees shall remain restrained from accessing the securities market and from buying, selling or dealing in securities including the units of mutual funds, directly or indirectly, in any manner whatsoever, for a period of 1 year;*
- b. *That Noticees shall remain restrained from buying, selling or dealing in the securities of the Indiabulls Ventures Limited, directly or indirectly, in any manner whatsoever, for a period of 3 years; and*

- c. *That the amount of Rs. 87,21,918.55/- which was impounded from the Noticees vide interim impounding order cum show cause notice dated May 09, 2019 stands disgorged and shall be remitted to Investor Protection and Education Fund (IPEF) referred to in Section 11(5) of the SEBI Act, 1992.*

.....”

3. Aggrieved with the Final Order, the Representors had preferred Appeal No. 59 of 2020 before Hon’ble SAT impugning the Final Order. The Representors also filed a miscellaneous application in the said appeal pending before Hon’ble SAT praying therein the stay on the directions contained in the Final Order. The aforesaid appeal along with the miscellaneous application was listed before Hon’ble SAT on February 24, 2020 when the Hon’ble SAT, *inter alia*, directed as under:

“.....2. In the meanwhile, the impounding of Rs. 87,21,918.55/- by way of disgorgement shall be kept by the respondent in an escrow account and would be subject to the result of the appeal. In so far as the restraint order is concerned, we permit the appellant to sell its stocks and shares as and when required during the pendency of the appeal by making an appropriate application before SEBI. If such an application is filed, an appropriate order shall be passed by SEBI within a week thereof.....”

4. Pursuant to the aforesaid directions of the Hon’ble SAT, the Representors filed a representation dated February 26, 2020, requesting therein to permit them to sell the shares, as mentioned in the representation. In view of the representation, a Miscellaneous Order dated March 04, 2020 read along with Corrigendum dated March 06, 2020, was passed, *inter alia*, directing as under:

“9. In view of the aforesaid, the Representors may sell the shares mentioned in para 4 above by availing the services of intermediaries mentioned in para 5 above, subject to the compliance with following:

(a) That the sale shall be completed within a period of three months;

(b) Shares of Indiabulls Real Estate Limited and Indiabulls Ventures Limited shall be sold as per the Code of Conduct of these companies made under Regulations 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 to

regulate, monitor and report trading by its designated persons and immediate relatives of designated persons, if applicable to the Representors;

(c) The sale of shares shall be conducted in accordance with all requirements under law including prohibition on trading while in possession of unpublished price sensitive information, pre-clearance of trades and trading window restrictions, whichever is applicable.

(d) Within 7 days of payment of Advance Tax, the Representors shall file copy of bank account statement highlighting credit of amounts received as sale consideration and debit entries corresponding to the payment of Advance Tax or any other tax paid out of the amount so realised, with SEBI; and

(e) The Representors shall also file copy of Advance Tax Challan or any other tax, as the case may be, with Enforcement Department of SEBI.”

5. The Representors have now filed the Representation submitting that due to the prevailing Covid-19 and market conditions, they were unable to complete the sale of the shares made in the representation dated February 26, 2020 within the time given in the Miscellaneous Order dated March 06, 2020.
6. As the Representors were seeking permission to extend time to sell shares which were allowed vide Miscellaneous Order dated March 04, 2020 but with change in the number of shares, vide email dated September 24, 2020, a confirmation/clarification was sought by SEBI from the Representors regarding the number of shares sought to be sold by them and were also advised to provide the details of shares sold, if any, pursuant to Miscellaneous Order dated March 04, 2020.
7. The Representors have vide their letter dated September 28, 2020 informed that they were able to sell only 2.5 lakh shares of Indiabulls Ventures Ltd. pursuant to Miscellaneous Order dated March 04, 2020 and the present request is in respect of all the remaining shares which were referred to in their representation dated February 26, 2020 and additional 1,50,000 shares of Indiabulls Ventures Limited lying in the demat account of Mr. Mehul Johnson.

8. Accordingly, Representors are seeking extension of time to liquidate the remaining shares mentioned in the representation dated February 26, 2020, which they couldn't sell within the time given in the Miscellaneous Order dated March 04, 2020 and also seeking permission to sell an additional 1,50,000 shares of Indiabulls Ventures Limited lying in the demat account of Mr. Mehul Johnson.
9. I have considered their representation that due to the prevailing Covid-19 and market conditions, they were unable to complete the sale within the time period given in the Miscellaneous Order dated March 04, 2020. Having regard to the extraordinary circumstances which had emerged due to COVID-19 pandemic, the Representors are allowed to complete the sale of the shares that were permitted vide Miscellaneous Order dated March 04, 2020 and also to sell the additional 1,50,000 shares of Indiabulls Ventures Limited, within a period of three months from the date of this order.
10. The Representors shall comply with all other conditions/directions given in para 9 of the Miscellaneous Order dated March 04, 2020 as reproduced in para 4 above, in respect of the sale of shares allowed.
11. This order shall come into force with immediate effect.
12. A copy of this order shall be forwarded to the Representors, Stock Exchanges, Depositories, Registrar and Share Transfer Agents, Banks and other concerned intermediaries, to ensure necessary compliance.

Place: Mumbai

Date: October 15, 2020

**Sd/
ANANTA BARUA
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA**