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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 04.07.2022

CORAM :

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

W.P.Nos.32966 of 2004 and 11204, 11205, 11206, 11627, 12280, 13453 of 2005

W.P.No.32966 of 2004

CSX Members Welfare Association
Represented by its President
S.A.Thooyamani,S/o.S.K.Appasamy
9A, SRP Nagar Main Saibaba Colony
Coimbatore 641 011.

... Petitioner
in W.P.No.32966 of 2004

.Vs.

Securities and Exchange Board of India
Mumbai.

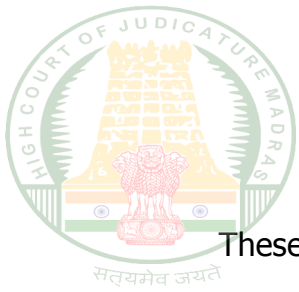
... Respondents
in W.P.No.32966 of 2004

Prayer in W.P.No.32966 of 2004 : Writ Petition under Article 226 of the Constitution of India praying to issue a Writ of Mandamus, to forbear the respondent from collecting fees under Regulation 10 of SEBI Regulation, 1992 alleged to be due by stock brokers afresh in respect of periods for which the members of the petitioner Association have already paid routed through Coimbatore Stock exchange and duly certified by qualified auditors.

For Petitioner : Mr.R.Sunil Kumar
(In All Wps)

For Respondent : Mr.Shiva Kumar
(In All Wps)

COMMON ORDER



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These writ petitions have been filed to forbear the respondent from collecting fees

under Regulation 10 of the SEBI Regulations, 1992.

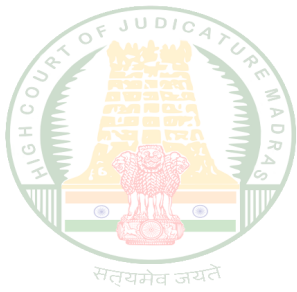
2. Heard Mr. Sunil Kumar, learned counsel for the petitioner and Mr. Shiva Kumar, learned counsel for respondent.

3. It is brought to the notice of this Court that during the pendency of these writ petitions, an exit order was passed by the SEBI on 03.04.2013, wherein it has been recorded as follows :

16. With respect to the compliance by CSX of conditions specified in the 2012 Exit Circular and settlement of its liabilities observed by the Valuation Agency, I note that:

(a) In compliance of condition mentioned in para-11(e) (i) above, as advised by SEBI, CSX has transferred an amount of Rs.51,27,493/- available in its 'Investor Protection Fund' and an amount of Rs.32,41,994/- available in its Investor Services Cell Fund' and '1% security deposit amount of Rs.20,73,890/- available with it vide Demand Draft no.206526, dated 08/12/2012 amounting to Rs.66,34,672/-, Demand Draft nos.190185, 190186, 190187, 190189, 190190 dated 07/12/2012 amounting to Rs.13,08,532/-, 5,08,645/-, 4,70,841/-, 4,90,429/-, 8,58,636/-, respectively to the SEBI Investor Protection and Education Fund (IPEF).

(b) In compliance of condition mentioned in para-11(c)(iii) above,



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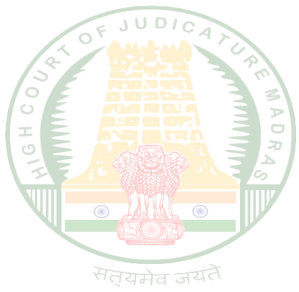


- CSX has paid the necessary dues outstanding to SEBI including 10% of the listing fee and the annual regulatory fee vide Demand draft no, 190188 dated 08/12/2012 for an amount of Rs.3,82,120/-
- CSX has paid the outstanding registration fees amounting to Rs.2,28,36,251/-of brokers/trading members as specified in the SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 till the date of such de-recognition, vide Demand draft no. 207378 dated 22/03/2013.

(c) In compliance of condition mentioned in para-11(d) above, CSX has contributed an amount to Rs.15,00,000/- vide Demand draft no. 207379 dated 22/03/2013 towards SEBI IPEF.

(d) In compliance of condition mentioned in para-11(e) above, CSX has submitted an undertaking dated March 21, 2013 stating that there are no exclusively listed companies at CSX.

(e) In compliance of condition mentioned in para-11(f) above, CSX has submitted an undertaking dated March 21, 2013 stating that there are no arbitration disputes/investor complaints pending and also stating that it will undertake to clear all the liabilities before distribution of assets of CSX.



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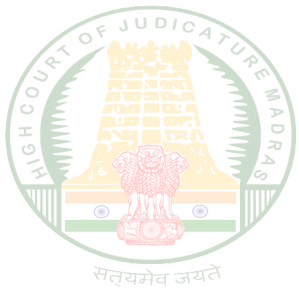
(f) In compliance of condition mentioned in para 11(c)(iv) above,

CSX has given an undertaking dated March 21, 2013 that they will not distribute any assets before clearing the liabilities in that regard.

(g) With regard to its other liabilities and contingent liabilities as pointed out by the Valuation Agency and mentioned at para 15(d) and (e) above, CSX has given the undertaking dated March 21, 2013 to clear the said liabilities before the distribution of its assets.

(f) CSX has also given the undertaking dated March 21, 2013 that the details of cases as submitted to SEBE lodged against it are the only cases pending before various legal forums and it has undertaken to assume complete responsibility for the financial implication of any claims against it that may arise at any future date as an outcome of the resolution/settlement of those cases.

4. It is clear from the above that the petitioners have complied with all the conditions in the exit circular and there is no future liability. In view of this development, there is no question of collecting any fees from the petitioners under the relevant regulations.



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5. As a result of the above development, nothing survives in these writ petitions and accordingly, the same are closed. No costs. Consequently, connected miscellaneous petitions are closed.

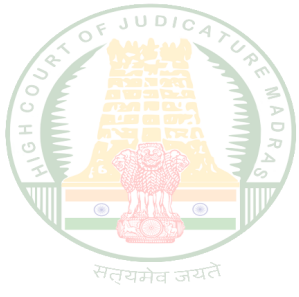
04.07.2022

KP
Internet: Yes
Index: Yes/No

To
Securities and Exchange Board of India
Mumbai.

N.ANAND VENKATESH. J.,

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11206, 11627, 12280, 13453 of 2005**

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