

SECURITIES AND EXCHANGE BOARD OF INDIA
Northern Regional Office, New Delhi
Recovery Officer- NRO

ORDER

In respect of the Hon'ble Securities Appellate Tribunal order dated September 26, 2019 in the matter of M/s Kassa Finvest Pvt. Ltd.

In respect of:

- 1. Mr. Siddharth Shankar (AAMPS8754R)**
- 2. Ms. Anjana Kumar (AHOPK6281C)**
- 3. Mr. Ashok Kumar (AAFPK7362N3)**
- 4. Ms. Nitika Shankar (AADPB9990K)**

The aforesaid entities are hereinafter individually referred to by their respective names/appellant number and collectively as "the appellants".

Background

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') passed a final order dated September 05, 2017 (hereinafter referred to as "**SEBI order**") in respect of M/s Kassa Finvest Private Limited (hereinafter referred to as "**Kassa**"), Mr. Ashok Kumar, Mr. Umashankar Sharan Shrivastav, Mrs. Anjana Kumar, Mr. Siddharth Shankar, Ms. Nitika Shankar, Mr. Manoj Kumar Agrawal, M/s Kassa Holdings & Consultants Private Limited, M/s Kassa Financial Advisors Private Limited, M/s Mystic Cures Pvt. Ltd., M/s Mille Roses Ltd, Malta, M/s Doyen Vyapaar Pvt. Ltd., M/s Guru Trading, M/s GVC Capital, M/s AARB Capital, M/s G&G Impex, M/s Durgamaya Advisors Pvt. Ltd., M/s Primavalue Capital Advisors Pvt. Ltd. and Mr. Anil Kumar Dhawan. The said SEBI order at Para **8.1 (ii) & 8.2 (a)** *inter alia* directed as under:
"8.1 (ii) The following Noticees shall forthwith repay/refund the investors/clients' money with an interest of 15% per annum from the date when the repayment became due till



the date of actual payment.

1. *M/s Kassa Finvest Private Limited*
2. *Mr. Ashok Kumar*
3. *Mr. Umashankar Sharan Shrivastav*
4. *Mrs. Anjana Kumar*
5. *Mr. Siddharth Shankar*
6. *Ms. Nitika Shankar*
7. *M/s Kassa Holdings & Consultants Private Limited*
8. *M/s Kassa Financial Advisors Private Limited*
9. *M/s Mystic Cures Pvt. Ltd.*
10. *M/s Guru Trading;*
11. *M/s GVC Capital*
12. *M/s AARB Capital*
13. *M/s G&G Impex*
14. *M/s Durgamaya Advisors Pvt. Ltd.*
15. *M/s Primavalue Capital Advisors Pvt. Ltd.*

The Payments to the investors/clients (as per the directions issued at (ii) above) in respect of the transactions executed through stock exchanges (i.e admissible claims by the stock exchanges) shall be made in-coordination with NSE and BSE, after taking into account the payments made by said exchanges to the investors/clients of Kassa Finvest out of the IPF account of the exchanges."

"8.2 *In case of failure of the Noticees to comply with the aforesaid directions issued by SEBI against them, on expiry of the three months period from the date of this Order, SEBI:*

a. shall recover such amounts in accordance with Section 28A of the SEBI Act including such other provisions contained in securities laws.".....

Further the SEBI order at para 6 *inter alia* directed ".....that the aforesaid Noticees are liable jointly and severally to repay the money to the investors/clients."

- 2 As the aforesaid 15 Noticees (as mentioned at para 8.1 (ii) in the SEBI order), failed to



refund/repay the amounts as directed in the SEBI order, the Recovery proceedings were initiated against them, in terms of Section 28A of SEBI Act. Accordingly, Recovery Certificate no. 1851 of 2018 for a sum of Rs.80,97,62,785/- with returns due to investors along with further interest, all costs, charges and expenses incurred in respect of all the proceedings taken for recovery of the said sum was drawn; and the Notice of Demand dated December 18, 2018 was issued to the aforesaid 15 noticees directing them to pay jointly and severally a sum of Rs.80,97,62,785/- along with interest due to investors etc. within 15 days of the receipt of the said notice.

3. Out of the abovesaid 15 Noticees Mr. Siddharth Shankar (appellant no.1), Mrs. Anjana Kumar (appellant no.2), Mr. Ashok Kumar (appellant no.3), and Mrs. Nitika Shankar (appellant no.4), preferred separate appeals before the Hon'ble Securities Appellate Tribunal, Mumbai (hereinafter referred to as '**SAT**') challenging the SEBI order dated September 05, 2017. The Hon'ble SAT vide common order dated September 26, 2019 (hereinafter referred to as "SAT Order") upheld the findings in the SEBI order on merits and, *inter alia*, directed that:

"44. In the light of the above, while upholding the impugned order on merit we remit the matter to SEBI to specifically decide the following issues:

i) The Recovery Officer shall crystallize the exact amount of liability for refund/ repayment to investors/ clients and issue a revised certificate.

45. The appropriate authority shall pass fresh order(s) on the above issues within a period of three months from the date of the receipt of this order after giving an opportunity of hearing to the appellant(s). All the Appeals are disposed of on above terms with no orders on costs. Consequent to disposal of the appeals Misc. Applications for stay of the impugned order have become infructuous and are dismissed as such."



4. Before further proceeding, it would be appropriate to reproduce the relevant portion of the observations made by the Hon'ble SAT with regard to dispute raised by the appellants in respect of crystallization of amount due for recovery, which is as under:

"43. A common submission made by four of the appellants (excluding Manoj Kumar Agrawal) is that the impugned order does not crystallize the amount to be repaid/ refunded to investors/ clients and when the principal amount itself is not determined interest liability also becomes inconclusive and hence the order is unimplementable. It is also contended by them that the Demand Notice/ Recovery Certificate dated December 18, 2018 has travelled beyond the impugned order. When the impugned order itself does not crystallize the amount due the Recovery Certificate for Rs. 80,97,62,785/- could not be issued by the Recovery Officer who is not an Adjudicating Authority. Further the Recovery Officer does not tell what is the amount to be adjusted in coordination with the NSE and BSE as directed in the impugned order. We find some merit in these submissions; it is not clear from the Recovery Certificate how the amount has been arrived at; what is the interest liability; whether payments made to various parties by NSE and BSE have been taken into account etc."

5. I note that, the Recovery Proceedings are execution proceedings in nature, the amount mentioned in the Recovery Certificate drawn in a matter is on the basis of the information provided by the concerned department of SEBI through the Recovery Proposal and its Form 1. In the instant matter, the recovery proposal received by then Recovery Officer, provided the amount to be recovered from the above mentioned 15 noticees was **Rs.80,97,62,785/-**. Further, from the records annexed with recovery proposal, it was observed that the amount to be recovered was arrived on the basis of the information received from National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The brief of the information received in this regard is as follows:

Exchange		Rupees
NSE	Total Admissible Amount	68,63,45,917.09
	Under process	23,165.00
	Total (A)	68,63,69,082.09



BSE	Total Admissible Amount	1,67,54,875.98
	Under process	2,06,75,274.42
	Total (B)	3,74,30,150.40
(A+B)		72,37,99,232.49
Amount of Interest @ 15% p.a. for 289 days (date of order – 21.06.2018) (C)		8,59,63,552.68
Total amount to be recovered including interest (as on 21.06.2018) D= (A+B+C)		80,97,62,785.17

Table No. 1

6. Pursuant to the directions vide SAT order, in order to crystallize the liability of defaulters in the matter of Kassa, latest status of the claims of the investors in the matter of Kassa lodged with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (hereinafter collectively referred as the exchanges) was sought. Further, in terms of SAT order, opportunity of hearing was provided to the 4 aforesaid appellants.

7. Personal Hearing and Reply of the Appellants

- a) SEBI vide letter dated December 4, 2019 informed the appellants, that in compliance of SAT's order an opportunity of personal hearing on December 11, 2019 before the Recovery Officer has been granted to them.
- b) The appellants vide separate letters *inter alia* contended that Recovery Officer is not the appropriate authority in terms of SAT order and the appellants have filed review applications (RA(s)) before the Hon'ble SAT, and hence the appellant did not consider personal hearing given by Recovery Officer as the opportunity of personal hearing.
- c) Since, the appellants failed to appear for personal hearing on December 11, 2019, SEBI vide separate letters dated December 13, 2019 informed the appellants that last and final opportunity of personal hearing on December 19, 2019 before the Recovery Officer has been granted.
- d) The appellant no.1 vide letter dated December 17, 2019 again contended the issue of jurisdiction of the Recovery Officer and requested that the Recovery Officer may wait till the Hon'ble SAT gives its decision on the review application (RA) of the noticee. Further, the Appellant no. 1, *inter alia* requested for the documents related



to crystallization of the liability and cross examination of various entities/persons. The appellant no.2 vide letter dated December 17, 2019 requested that the Recovery Officer may wait till the Hon'ble SAT gives its decision on the review application of the noticee and *inter alia* requested for the data in possession of SEBI in regard to the matter for which hearing is scheduled before the Recovery Officer. The appellant no. 3 and 4 vide letter dated December 16, 2019 and December 17, 2019 respectively expressed their inability to attend the personal hearing on December 19, 2019 and hence requested for another date of personal hearing.

- e) The appellant no.1 along with his advocate attended the personal hearing on December 19, 2019 and reiterated the submissions made in his letter dated December 17, 2019. The appellant no.2 attended the personal hearing on December 19, 2019 and reiterated the submissions made in her letter dated December 17, 2019.
- f) SEBI vide letter dated December 20, 2019 provided the appellants with the details of calculation in regard to liability for refund/repayment to investors/clients as per recovery Certificate No.1851 of 2018 dated December 18, 2018. Further, in the letter appellants were also provided with the information received (as on September 26, 2019) from the exchanges in regard to the claims lodged with them of investors/clients along with the copies of the emails received from BSE and NSE.
- g) The appellant no.1 and 2 vide their separate letters dated December 20, 2019 and dated December 23, 2019 replied to SEBI's letter dated December 20, 2019, and *inter alia* requested SEBI to provide the legible/complete copies of the annexures provided vide letter dated December 20, 2019 and extension of time of 3 weeks to file reply from receipt of requested documents. The appellant no. 3 and 4 vide separate letters dated December 23, 2019 *inter alia* requested SEBI to fix date for personal hearing after the outcome of the Review application filed by noticees before the Hon'ble SAT.
- h) SEBI vide letter dated December 26, 2019 again provided copy of the annexures to letter dated December 20, 2019 to the appellants and advised appellants to file any additional submission by December 30, 2019.
- i) Since the appellants requested for more time to file their reply and another date for personal hearing before the Recovery Officer, SEBI filed Miscellaneous Application



(MA(s)) Nos. 653, 654, 655 and 656 of 2019 in Appeals filed by the appellants before the Hon'ble SAT seeking extension of 4-weeks from the date of submission by the appellants for passing of appropriate order.

- j) In the meanwhile, the aforesaid MA(s) came up for hearing on December 30, 2019 and thereafter the same was kept for hearing along with the RA(s) filed by the appellants on January 22, 2020. On January 22, 2020 the M.A.(s) before the Hon'ble SAT were adjourned to January 31, 2020. Further SEBI vide letter dated January 24, 2020 advised the appellants to make their written submissions, if any, by January 28, 2020 and appellant no.3 and 4 were also advised to appear for personal hearing before the Recovery Officer on January 28, 2020. On January 31, 2020 the M.A.(s) before the Hon'ble SAT were adjourned to March 17, 2020. The appellants vide separate letters dated January 31, 2020 reiterated their earlier made submissions *inter alia* regarding illegibility of documents, jurisdiction of Recovery Officer etc.

8. The main contentions made by the appellants are summarized as under:

- a. The Hon'ble SAT in para 45 has unambiguously stated that "The appropriate authority" shall give them (appellants) the opportunity of hearing before passing fresh orders. The order does not state that the recovery officer' will give the opportunity of hearing. In view of the same, SEBI has to appoint an adjudicating officer who will give them the opportunity of hearing.
- b. The appellants have filed review applications to the Hon'ble SAT order, and it will be appropriate to wait till the SAT decides the review applications.
- c. The appellants have contended that the data/details provided by SEBI are partial, incomplete, illegible. Many portions of the Annexures provided have been intentionally blacked/blanked out/redacted. Hence, the documents are legally untenable.
- d. The appellant no.1 have requested for inspection of records and data available with SEBI.
- e. The appellants requested for following documents/material that has been used/relied upon/involved to crystalize the amount:
 - i. Copy of the claims received by NSE/BSE/SEBI/Any other related body.



- ii. Copy of the authorization of the 'body' that was assigned to assess the claims.
 - iii. Copy of the rules formulated by the 'body' to assess each claim.
 - iv. Copy of the proceedings of the 'body' in respect of each claim.
 - v. Copy of the comments/submission of 'Kassa' and 'Person –in-charge' with respect to each claims.
 - vi. Copy of the cross-examination done for each claimant
 - vii. Amount disbursed to each claimant along with the source of funds i.e. Kassa's funds, IPF or any other source.
 - viii. Copy of the certification done for each claim by Kassa based on their books of account and other record.
 - ix. Copy of the arrangement/agreement that each of the claimant had with Kassa.
- f. The appellant no.1 have also requested the opportunity to cross examine various connected persons/ entities pursuant to receipt of documents as sought in his letter dated December 17, 2019.
- g. Appellant no.4 has requested to be provided with copy of claims received, reason for accepting/rejecting each claim, copy of the verification done for each claim by Kassa based on their books of account and other records.
- h. Copy of the arrangement/agreement that each of the claimant has with Kassa.
- i. The appellants have sought the basis of admitting and/or rejecting claims filed with NSE/BSE separately for each case.
- j. Whether the claims were verified by Kassa? If not, how can it be assumed that the claim filed was correct and not a sham?
- k. The appellants no.1 requested to be provided with sequence of steps/procedure that is being followed by yourself/'appropriate authority' to crystallize the amount.
- l. Unless Appellant no.1 verify the authenticity of the data/information SEBI received from various sources that have been tabulated in various paras and annexures of SEBI's letter dated December 20, 2019, appellant cannot accept the same as being lawful supply of data and documents for the purpose fixed. Hence SEBI cannot consider appellant to be a part of Kassa for the purpose



of ordering any refund/issue a recovery certificate.

- m. Appellant no.1 contends that SEBI has received the data of admitted claims from NSE/BSE basis which it is proceeding. The data of client funds, borrowed funds of Kassa and own earnings of Kassa is aggregated and unsegregated but is segregable. In absence of any segregation of clients and Kassa's funds any further attempt of crystallization is illogical and would be gross injustice because no monetary and civil liability can be imposed on the basis of unsegregated data.
- n. Appellant no. 2 has contended that she was not In-charge of and/or responsible for the conduct of the business of Kassa during the period of alleged wrong doings by Kassa. In absence of any specific allegation against her or any documentary evidence to prove that she exercised control on the decisions of the company, she cannot be held vicariously liable for the alleged offences being committed by the Company and be made liable for any repayment.
- o. Appellant no. 4 has contended that she has never been Director, or a shareholder, or a person-in-charge of Kassa. She had no role in dealing with the clients or getting the clients but she was just a client of Kassa, and in fact there are monies receivable by her from Kassa.
- p. Appellant no.1 contends that all procedures of recovery are based on joinder of notices where the common ground taken was that he is supposed and alleged recipient of funds from Kassa. It therefore is elementary and necessary that receipt of funds by him needs to be proven against appellant by the SEBI in respect of any violations alleged against appellant. However, the Hon'ble WTM has not questioned the receipt of money by him as violative of any regulation of SEBI Act or the SCRA. Further, continuing with recovery procedures against him in the absence of basic requirement to demonstrate receipt of funds by him illegally is unwarranted and uncalled for.
- q. Appellant No.1 contends that the annexures ('A' and 'B') to your notice (SEBI's letter dated December 20, 2019) under reply do not reveal any time periods. Annexure 'A' and 'B' may be gross liability of Kassa, which is an entity separate from himself, but cannot be foisted and imposed on a retired former Director,



or a shareholder or a non-Director family member, simply on the basis of family relationship.

- r. Apart from the company Kassa, which naturally is responsible for its acts, SEBI in its report, the following persons have been named by SEBI as the persons handling operations of the broker and clearly defined roles.
- i. Mr Ashok Kumar
 - ii. Mr AK Dhawan
 - iii. Mr Manoj Agarwal
 - iv. Mr Vivek Kumar Agarwal

Hence, the above named persons would need to verify each claim if not done already. It is pertinent to mention that even as per SEBI the appellant no. 1 was not handling operations of Kassa. As per SEBI order dated 30.08.2017 in the matter of M/s Unikon Securities Pvt Ltd and M/s Kassa Finvest Pvt Ltd, self – constructed ledgers were used to approve the claims. A self –constructed ledger of claimants without verification by the persons in –charge of Kassa will lead to false claims being approved. Some cases of false claims being approved were brought to the notice of the Hon'ble SAT and Ld. WTM during the proceedings in the matter.

- s. Interest is being levied the exorbitant rate of 15% per annum. It is not clear on what basis this rate has been arrived at and the same is clearly arbitrary.
- t. Appellant no.4 contends that as per SEBI, she was not in charge of and/or responsible for the conduct of the business of Kassa during the period of the alleged wrongdoings by Kassa. In absence of any specific allegations against me or any documentary evidence to prove that she exercised control on the decisions of the company, she cannot be held vicariously liable for the alleged offences being committed by the Company and be made liable for any repayment
- u. SCN did not indicate any amount and hence no opportunity was provided to contest the amount before the Ld. Whole Time Member and, further, the order dated September 05, 2017 passed by the Ld. WTM, SEBI also did not mention any crystalize amount alleged to be repaid to client/investors.
- v. Interest cannot and ought not to be applied from the date of SEBI's order i.e.



05th September, 2017. Pertinently, the interest cannot be retrospective in application and has to be applied from the date the quantum is crystallized.

Consideration of contentions of Appellants

9. In order to give an opportunity of personal hearing to the appellants several letters were sent to the appellants as detailed above. Further, an applications seeking for the extension of time for passing an appropriate order/crystallization of amount was also filed by SEBI before the Hon'ble SAT to give the appellants an opportunity of personal hearing/make their submissions. The said applications filed by SEBI were listed for hearing on December 30, 2019 and thereafter the same was kept for hearing along with the RAs filed by the appellant on January 22, 2020. On January 22, 2020 the M.A.(s) before the Hon'ble SAT were adjourned to January 31, 2020. On January 31, 2020 the said applications have further been adjourned to March 17, 2020. The appellant no.1 and 2 availed the opportunity of personal hearing, however, appellant no.3 and 4 despite sufficient opportunity failed to avail the personal hearing. In these circumstances, without prejudice the fact that the M.A.s are listed on March 17, 2020, I am proceeding with the matter on the basis of material available on record, and oral/written submissions made by the appellants. Before crystallization of the amount as per the direction of the Hon'ble SAT, I deal with the contention raised by the Appellants.
10. The appellants have questioned the jurisdiction of the Recovery officer in regard to the crystallization of the amount pursuant to SAT order. In this regard, I note that the Hon'ble SAT in para "44" of its order has specifically directed that 'the Recovery Officer shall crystallize the exact amount of liability for refund/ repayment to investors/ clients and issue a revised certificate'. Thus, in view of the specific directions given by the Hon'ble SAT, I find that said contention regarding jurisdiction, as raised by the appellants is untenable. Accordingly, I am proceeding to crystalize the amount of liability, as directed in SAT order.
11. In regard to, the appellants' contention that before they could make written submissions they may be provided with various documents, records etc., and appellant no.1's



request to cross examine various persons/entities, I note that all the relevant documents/material that have been relied upon to calculate the total claims admitted/pending before the exchanges were provided to the appellants. The appellants have also contended that the data/details provided by SEBI are partial, incomplete, illegible and many portions of the annexures provided have been intentionally blacked/blanked out/redacted. In this regard, I note that, the details of the claims/awards in regard to Kassa as provided by the exchanges to SEBI through emails, were provided to the appellants by SEBI as annexures to its letters dated December 20, 2019 and December 26, 2019. The details provided in the letter *inter alia* are as under:

“3. a Under Recovery Certificate No. 1851 of 2018, vide notice of demand dated December 18, 2018 an amount of Rs. 80,97,62,785/- was crystallised to be due from defaulters (along with further interest, all costs, charges and expenses incurred in respect of all the proceedings taken for recovery of the said sum) in the matter. The amount was crystallised on the basis of the information received from National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The brief of the information received in this regard is as follows:

Exchange		Rupees
NSE	Total Admissible Amount	68,63,45,917.09
	Under process	23,165.00
	Total (A)	68,63,69,082.09
BSE	Total Admissible Amount	1,67,54,875.98
	Under process	2,06,75,274.42
	Total (B)	3,74,30,150.40
(A+B)		72,37,99,232.49
Amount of Interest @ 15% p.a. for 289 days (date of order – 21.06.2018) (C)		8,59,63,552.68
Total amount to be recovered including interest (as on 21.06.2018) D= (A+B+C)		80,97,62,785.17

Table No. 2

b. Now pursuant to the Hon'ble SAT's order dated 26.09.2019, in order to again crystallise the exact amount of liability for refund/repayment to investors/clients,



information regarding the claims in the matter was sought from National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The brief of the information received from Exchanges in this regard is as follows:

Exchange		Rupees
NSE	Total Admissible Amount	68,72,91,597.21
	Under process	-
	Total (A)	68,72,91,597.21
BSE	Total Admissible Amount	1,69,56,029.21
	Under process	1,52,45,724.18
	Total (B)	3,22,01,753.39
(A+B)		71,94,93,350.60
Total Amount of Interest (Rs.) @ 15% p.a. for duration from date of order (05.09.2017) till 20.12.2019 (C)		24,71,90,318.26
Total amount to be recovered including interest (as on 21.06.2018) D= (A+B+C)		96,66,83,668.86

Table No. 3

4. This is to inform you that, as per the information received from exchanges (NSE & BSE) in regard to the claims of investors/clients, liability of a sum of Rs. 96,66,83,668.86/- (Rupees Ninety-Six Crore Sixty-Six Lakh Eighty-Three Thousand Six Hundred Sixty-Eight and Eighty-Six Paise Only) is due from defaulters in the matter of Kassa Finvest Pvt. Ltd.”

I also note that in the above mentioned annexures only details like name, email addresses of the senders and recipients etc. have been omitted to keep the identity of the officers handling the matter confidential and the same are not material to the calculation of the liability/claims against defaulters (15 noticees mentioned at para 1 above). Hence, the said contentions of the appellants are untenable.

- 12 In regard to the contention of the appellants to provide them with copy of claims, authorization, rules of claim assessment, proceedings copy, submissions of Kassaa, amount disbursement details etc. I note that the details received from the exchanges (NSE & BSE) which are relied upon to crystallize the liability have already been provided to the



appellants. Further, I note that the Kassa was member of the exchanges (NSE and BSE). Kassa was expelled by NSE under relevant rules of the exchange and its constituents of the Kassa were advised to lodge claims against Kassa with the exchange (NSE) which were dealt with in accordance with the bye-laws, rules, regulations and procedures of the exchange. Further, Kassa was expelled and declared defaulter by BSE, and investors who had any outstanding claims against Kassa were advised by BSE to file arbitration reference/s with the exchange, which were dealt with in accordance with the Bye-Laws, Rules, Regulations and procedures of the exchange. I note that the claims filed with exchanges were dealt in terms of the Bye-Laws, Rules, Regulations and procedures of the exchange. Further, these awards could be challenged by the aggrieved party at appropriate appellate forum in terms of the Bye-Laws, Rules, Regulations and procedures of the exchange. In view of the above, and the fact that the scope of the present proceedings is limited, the contention of the appellants is untenable.

13. In regard to the contentions of the Appellants that they were not Director, or a shareholder, or in-charge or responsible for the conduct of the business of Kassa during the period of alleged wrong doings by Kassa. I note that the SEBI order has held the 15 noticees (as detailed at Para1 above) jointly and severally liable to repay/refund the investors/clients. The said order was challenged by the appellants before the Hon'ble SAT which was upheld on merits by the Hon'ble SAT vide its order dated September 29, 2019. Therefore, impugned order of SEBI has attained finality and the contention of the appellants that they were not Director, or a shareholder, or a person-in-charge of Kassa is not tenable in these present proceedings (execution) which are limited to crystallization of the liability.
14. Appellants have contended that interest cannot and ought not to be applied from the date of SEBI order i.e. September 05, 2017 and that the interest cannot be retrospective in application and has to be applied from the date of the quantum crystallized. In this regard, I note that SEBI order directed Noticees therein to repay/refund the investors/clients' money with an interest of 15% per annum from the date when the repayment became due till the date of actual payment. The interest is applied at rate of 15% from the date of order, as directed in the said order, which was upheld on merits



by the Hon'ble SAT. Therefore, contention of the appellants is untenable.

15. In view of the above, as on February 12, 2020, in regard to the claims/awards lodged with the exchanges in the matter of Kassa Finvest Pvt. Ltd., I note the following:

Exchange		Rupees
NSE	Total Admissible Amount in respect to claims (A)	68,72,91,597.21
	Total amount of claims under process (B)	-
	Total (C) = A+B	68,72,91,597.21
BSE	Total Admissible Amount in respect to claims (D)	1,69,56,029.21
	Total amount of claims under process (E)	1,52,45,724.18
	Total (F) = D+E	3,22,01,753.39
G = (C+F)		71,94,93,350.60
Total Amount of Interest (Rs.) @ 15% p.a. for duration from date of order (05.09.2017) till 12.02.2020 (890 days) (H)		26,31,57,157.00
Total amount to be recovered including interest (as on 12.02.2020) I= (G+H)		98,26,50,507.60

Table No. 4

I also note that there are certain claims which are under process, and amount may become admissible at a later date, hence, the same is included towards the liability of Kassa in terms of SEBI order. I note that in view of calculations given in table no. 4, the total claim amount admitted/under process at exchanges along with the interest @ 15% per annum from the date of order to February 12, 2020 is Rs.98,26,50,507.60.

16. In view of the above, I find that the amount to be recovered from the defaulters in the matter of Kassa Finvest Pvt. Ltd. as on February 12, 2020 is Rs.98,26,50,507.60 towards repayment/refund of the investors/clients' money. In terms of the directions of



the SAT order, I revise Recovery Certificate no. 1851 of 2018, and certify that a sum of Rs. 98,26,50,507.60 is due from M/s Kassa Finvest Private Limited, Mr. Ashok Kumar, Mr. Umashankar Sharan Shrivastav, Mrs. Anjana Kumar, Mr. Siddharth Shankar, Ms. Nitika Shankar, M/s Kassa Holdings & Consultants Private Limited, M/s Kassa Financial Advisors Private Limited, M/s Mystic Cures Pvt. Ltd., M/s Guru Trading, M/s GVC Capital, M/s AARB Capital, M/s G&G Impex, M/s Durgamaya Advisors Pvt. Ltd., M/s Primavalue Capital Advisors Pvt. Ltd. in the matter of Kassa Finvest Private Limited, along with interest, all costs, charges and expenses incurred in respect of all the proceedings taken for recovery of the said sum.

17. Copy of this order shall be forwarded to the appellants.

Place: New Delhi

Date: February 12, 2020


RAJEEV RASTOGI

RECOVERY OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

