

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CRIMINAL APPELLATE JURISDICTION**

**CRIMINAL APPLICATION NO.1568 OF 2017
IN
CRIMINAL APPEAL NO.952 OF 2017**

Prashant Narvekar

...Applicant

Versus

The State of Maharashtra & Anr.

...Respondents

.....

Mr. A.H. Ponda i/b. Mr. Karan Jain for the Applicant.

Mr. Y.M. Nakhwa, APP for the Respondent No.1-State.

Mr. Roop Basu for the Respondent No.2.

CORAM : SMT. ANUJA PRABHUDESSAI, J.

DATED: 30th NOVEMBER, 2017.

P.C.:-

The Applicant herein was accused in SEBI Special Case No.394 of 2014. By judgment dated 8th November, 2017 the Special Judge has held the Applicant guilty for violating Sections 4(1) and 4(2) (a), (b), (e) and (g) SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 r/w Section 15HA of Securities and Exchange Board of India Act, which is punishable under Section 24(2) of the SEBI Act and he has been sentenced to undergo rigorous imprisonment for four years with fine of Rs.10,00,000/- out of which Rs.8,00,000/- he was ordered to be paid

to SEBI as compensation. The Applicant has challenged the said conviction and sentence in Criminal Appeal No.952 of 2017. By this application the Applicant has sought suspension of execution sentence and his release on bail.

2. Heard Mr. Ponda, the learned counsel for the Applicant. He has submitted that the Applicant will deposit the fine amount of Rs.10,00,000/- within a period of four months in four equal installments from the date of his release from jail. The statement is accepted.

4. By the impugned judgment, the Applicant has been sentenced to undergo a short term imprisonment for a period of four years. The Appeal is of the year 2017. Considering the large pendency of the cases, the Appeal is not likely to come up for final hearing in the next couple of years. Rejecting the prayer for suspension of sentence, pending disposal of the Appeal, will result in the Applicant undergoing the entire term of imprisonment even before his Appeal is heard on merits. Considering the above facts in my considered view this is a fit case for suspension of execution of substantive sentence and releasing the Applicant on bail pending hearing and final disposal of the Appeal.

Hence, following order is passed :-

- (i) The application is allowed;
- (ii) Execution of substantive sentence imposed on the Applicant vide judgment dated 8th November, 2017 in SEBI Special Case No.394 of 2014 by the learned Special Judge, SEBI Special Court, City Civil and Sessions Court, Greater Bombay, is suspended till the final disposal of the Appeal and the Applicant is released on bail subject to the Applicant furnishing bail bonds of Rs.25,000/- with one surety to the like amount to the satisfaction of the learned Special Judge, SEBI Special Court, City Civil and Sessions Court, Greater Bombay.
- (iii) The Applicant shall furnish his contact number and permanent as well as local address, if any, and shall intimate change of address, if any, to the Investigating Officer, as well as to the concerned Court.
- (iv) The Applicant to deposit the fine amount of Rs.10,00,000/- within a period of four months in four equal installments from the date of his release.

(ANUJA PRABHUDESSAI, J.)