BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[[ADJUDICATION ORDER NO. IVD/KSERA- KP /AO/DRK/ASG/EAD/272 /38- 2011]

UNDER SECTION 15 I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5(1) OF SECURITIES AND EXCHANGE BOARD OF INDIA (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES BY ADJUDICATING OFFICER) RULES, 1995

Against

Shri Kenneth Pinto

PAN No. AHUPP6300K

(Residing at Flat 2801, Celeste,
Planet Godrej Tower 5,
K.K. Marg, Mahalaxmi (E)
Mumbai-400011)

FACTS OF THE CASE IN BRIEF

1. K Sera Sera Productions Ltd. (hereinafter referred to as '**KSERA'**) was incorporated in the year 1994. The company is in the business of motion picture production, motion picture distribution, television, broadband and wireless. The shares of the company are listed on Bombay Stock Exchange Ltd. (hereinafter referred to as '**BSE**') and National Stock Exchange of India Ltd. (hereinafter referred to as '**NSE**'). The shares of KSERA are being traded in the S segment of BSE.

2. A snap investigation was conducted by BSE in the trading of the scrip for the period from June 01, 2004 to October 31, 2004 wherein it was observed that certain stock brokers and their clients have entered into circular/ reversal trades amongst themselves. In view of the above, BSE vide its letter dated February 19, 2007 referred the matter to SEBI for consideration.

3. SEBI conducted an investigation into the trading of the scrip of KSERA, during the period from June 01, 2004 to October 31, 2004 (hereinafter referred to as '**Investigation Period'**). During this period, the shares of

KSERA were listed only on BSE. The Investigation Report observed that during the Investigation Period the price of the scrip opened at ₹ 83.00, reached period low of ₹ 79.90 on June 01, 2004, touched a high of ₹ 164.00 on October 28, 2004 and closed at ₹ 151.75 on October 29, 2004. During the period from June 1, 2004 to June 25, 2004 the scrip moved gradually from ₹ 79.90 to 117.10 in 19 trading days. Thereafter the scrip registered a day high of ₹ 130 on June 28, 2004. The price was moving in the range of ₹ 105 to ₹ 125 till July 14, 2004. Thereafter the price of the scrip sharply moved from ₹ 121 (opening price on July 15, 2004) to ₹ 149 (intra-day high on July 16, 2004) in two trading days.

4. The Investigation Report observed that a group of clients and a few stock brokers, trading on their own accounts, traded significantly in the scrip during the Investigation Period. The group aggregately purchased 93,29,344 shares and sold 92,59,474 shares, which constituted almost 51.73% of the gross volume on the exchange during the period under investigation. Majority of the stock brokers appearing in the list of top ten stock brokers on gross purchases basis also appeared as top stock brokers in gross sales basis. This group consisted of namely S P J Stock Brokers Pvt. Ltd. (dealing on its own account), Vijay Bhagwandas & Company (dealing for Shri. Tejas Ghelani and Shri. Sunil Purohit), Harikishan Hiralal (dealing for Victory Trading), Sanchay Fincom Ltd. (dealing for Shri Sunil Purohit), Uttam Financial Services Ltd. (dealing on its own account), Shri Adolf Pinto (dealing for Kenneth Pinto, hereinafter referred to as '**the noticee'** and Gillian Pinto) and Galaxy Broking Ltd. (dealing for Shri. Kapil Bhuptani). This group is hereinafter referred to as '**the group'**. It was alleged that the trades executed amongst the group were synchronized/ circular in nature.

APPOINTMENT OF ADJUDICATING OFFICER

5. I was appointed as the Adjudicating Officer (subsequent to the transfer of Shri Biju S.) vide order dated December 10, 2008, under section 15 I of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the **'SEBI Act'**), read with Rule 3 of Securities and Exchange Board of

India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as '**Adjudication Rules'**) to inquire into and adjudge under Section 15HA of the SEBI Act, the violations of Regulations 4(1) and 4(2) (a), (b) (e) and (g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as the **'PFUTP Regulations'**) alleged to have been committed by the noticee. An Adjudication Order dated August 31, 2009 was passed against the noticee. Subsequently the noticee filed an appeal against the said Order before the Hon'ble Securities Appellate Tribunal (hereinafter referred to as '**SAT**'). The Hon'ble SAT vide its order dated March 23, 2010 remanded the case back to the Adjudicating Officer for a fresh decision.

SHOW CAUSE NOTICE, HEARING AND REPLY

6. Accordingly, a Show Cause Notice A&E/DRK/ASG/ 126784/2010 dated November 15, 2010 (hereinafter referred to as **'SCN'**) was served on the noticee in terms of the provisions of Rule 4(1) of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, seeking reply of the noticee as to why an inquiry should not be held against the noticee in respect of the violations alleged to have been committed by the noticee.

7. In the SCN it was alleged that the group had traded significantly in the scrip of KSERA during the Investigation Period and on analyzing the trading pattern amongst the major stock brokers on the gross purchases and sales it was observed that the trades were synchronized/ circular in nature and that the majority of the trades amongst the group were through synchronized orders. These actions amounted to execution of non-genuine trades and manipulation of the price of the scrip of KSERA and were in violation of Regulations 4(1) and 4(2) (a), (b), (e) and (g) of the PFUTP Regulations.

8. A reply to the SCN dated January 24, 2011 was received from the noticee which *inter alia* stated the following:

i. The noticee denied each of the allegations contained in the SCN.

ii. The noticee submitted that the data provided in the CD (complete Order Log and Trade Log as directed by the Hon'ble SAT in its Order dated March 23, 2010) was incomplete. Further, the noticee submitted that the sale side data has not been provided in the CD.

iii. The noticee submitted that during the investigation period the total buy quantity by eight brokers on behalf of their clients or in their own account was 93,29,344 shares. Out of the said total buy quantity the noticee's buy quantity was shown as 1,36,515 shares and the buy quantity among group of clients was only 0.57% of the market volume. Similarly during the said period the total sell quantity by eight brokers on behalf of their clients or in their own account was 92,69,474 shares. Out of the said total sell quantity the noticee's sell quantity is shown as 1,36,515 shares and his sell quantity among group of clients was only 0.49% of the market volume. The volumes of the noticee's trades both in terms of total trades and total trading volume was insignificant and could not have impacted the market.

iv. The noticee further submitted that K Sera scrip was highly liquid scrip. Hence in screen based trading system where the counter party broker or counter party client are anonymous, the circular trades/synchronized trades with preconceived intent, motive or deign is just not possible. If the noticee was involved in circular or synchronized trades, all his trades on buy and sell side should have been circular/ synchronized trades and not some quantity of the total buy and sell quantity. Thus, the noticee submitted that it is clear that the circular/synchronized trades were just cases of mere coincidence.

v. The noticee had traded in the scrip of KSERA when the price was already established and the BSE reports also suggest that his trades did not cause any significant influence on the price of the scrip thus the charges of price manipulation is not substantiated by the BSE Report on the basis of which the whole Investigation was carried out by SEBI.

9. A personal hearing notice dated March 18, 2011 was issued to the noticee granting him an opportunity of hearing on April 06, 2011. The noticee, vide its letter dated April 01, 2011 authorised Shri S.K Jain, practicing Company secretary and Shri Vikas Bengani to appear as Authorised Representatives (hereinafter referred to as '**ARs**'). Accordingly, Shri S.K Jain and Shri Vikas Bengani appeared as Authorised Representatives and stated that the noticee had traded for only 9 days in a total of 108 trading days during the investigation period. The ARs submitted that no nexus has been established between the noticee and the other members of the group mentioned in the SCN or between the noticee and the company or its promoters. Moreover, the ARs submitted that no significant influence of the noticees' trades was observed on the price of the scrip. The ARs further submitted that although the noticee and Ms. Gillian Pinto are related to the stock broker, however, proper due diligence had been done by the stock broker before carrying out trades on their behalf and proper KYC had been done. The ARs underrtook to submit copies of the KYC forms of the noticee and Ms. Gillian Pinto on or before April 15, 2011. The ARs further submitted that the volume of trades of the noticee was also very low and the trades had been carried out at the prevailing market price.

10. A letter dated April 07, 2011 was received form the noticee wherein the noticee stated that during the investigation period the stock broker Shri Adolf Pinto had traded on behalf of three clients: the noticee, Ms. Gillian Pinot and Shri Mangeram Sharma. The noticee submitted that if the SCN had alleged that the trades on behalf of the first two clients were synchronised/ circular in nature then on what basis the trades undertaken by the noticee on behalf of the client Shri Mangeram Sharma were not alleged to be synchronised/ circular. The noticee further stated that the following details were not available in the data provided to the noticee along with the SCN:

a. Order time
b. Order buy quantity
c. Order buy rate
d. Order sale quantity

e. Order sale rate

11. A letter dated April 21, 2011 was served on the noticee stating that , it was already clarified during the personal hearing that the above details are available in the CD. However, in view of the noticee's latest letter dated April 07, 2011, the CD provided to the noticee was perused again and it was noted that the above-mentioned details are available in the Order Log (file name: "Order Log K Sera Sera Sorted 1"- pertaining to the month of June, July and August and "Order Log K Sera Sera Sorted 2"- pertaining to the month of August, September and October, refer to Column F, M and R). The Order Log and the corresponding Trade Log together establish the instances of synchronised/ circular trades in the scrip of KSERA during the investigation period.

12. The above letter further stated that since the details sought by the noticee were already provided to him in CD format along with the SCN dated November 16, 2010, therefore, if he had any further reply to submit, the same should reach the Adjudication Officer within 7 days from the date of receipt of this letter, failing which the matter shall be proceeded on the basis of the material available on record. The aforesaid letter sent by RPAD and e-mail was delivered and the proofs of delivery for both are on record. In spite of service of the same no reply was received from the noticee.

CONSIDERATION OF EVIDENCE AND FINDINGS

13. I have taken into consideration the facts and circumstances of the case, the submissions made by the noticee and the material made available on record.

14. The allegations against the noticee is that the noticee, along with the group, had executed synchronized/ circular trades and indulged in non-genuine transactions in the scrip of KSERA and manipulated the price of the scrip of KSERA in BSE during the period from June 01, 2004 to October 31, 2004.

15. The Investigation Report has provided the following trade details regarding the trading amongst the group:

Broker Name	**Client Name**	**Total Buy Quantity**	**Buy among these clients**	**Buy among group of clients % of market volume**	**Total Sell Quantity**	**Sell among these clients**	**Sell among group of clients % of market volume**
Adolf Pinto	**Kenneth Pinto**	**1,36,515**	**1,03,600**	**0.57**	**1,36,515**	**89,221**	**0.49**
	Gillian Pinto	**93,800**	**78,506**	**0.43**	**93,777**	**93,151**	**0.51**
Vijay Bhagwandas & company	Sunil Purohit	6,13,358	3,26,050	1.81	6,13,093	1,92,966	1.07
	Tejesh Ghelani	13,30,975	11,65,557	6.48	13,21,952	11,23,038	6.24
Sanchay Fincom Ltd	Sunil Purohit	6,91,512	5,89,758	3.28	6,91,512	6,28,036	3.49
M M Upadhyay	Amit Pandya	13,35,649	1,43,175	0.79	13,28,066	3,45,959	1.92
Galaxy Broking Ltd	Kapil Bhuptani	4,49,317	3,03,279	1.68	4,34,940	2,74,674	1.52
SPJ Stock Brokers Pvt. Ltd	OWN	26,84,209	16,15,507	8.98	26,45,592	16,55,882	9.21
Uttam Financial Services Ltd	Own	11,88,289	7,27,902	4.04	11,85,830	9,95,073	5.33
Harkishan Hiralal	Victory Trading Corporation	8,05,720	7,41,573	4.12	8,08,197	7,69,615	4.28
Grand Total		**93,29,344**	**57,94,907**	**32.18**	**92,59,474**	**61,67,615**	**34.06**

16. The Investigation Report alleged that the stock broker Adolf Pinto trading for his related clients, i.e. the noticee, his son and Gillian Pinto, his daughter, purchased 2,30,315 shares and sold 2,30,292 shares, constituting 1.28% of total volume traded during the period under investigation. Within the group the noticee purchased 1,03,600 shares and the buy quantity among group of clients was 0.57% of the market volume. Similarly the noticee’s sell quantity among the group is shown as 89,221 shares (0.49%).

17. The pattern of trading indicated in the Investigation Report revealed that it was usually amongst a group of stock brokers/ clients following the pattern A→B→C→D→A and same number of shares were rotated in a circular manner amongst stock brokers in the group on a daily basis so that the

same number of shares go back to the original seller at the end of the day and net position of each stock broker remains nil. The Investigation Report alleged that the group had entered into circular trading over a period of 5 months and contributed to the major volume in the market.

18. Details of the trades amongst the whole group on the basis of time difference between entering of the buy and sell orders is provided in the following table.

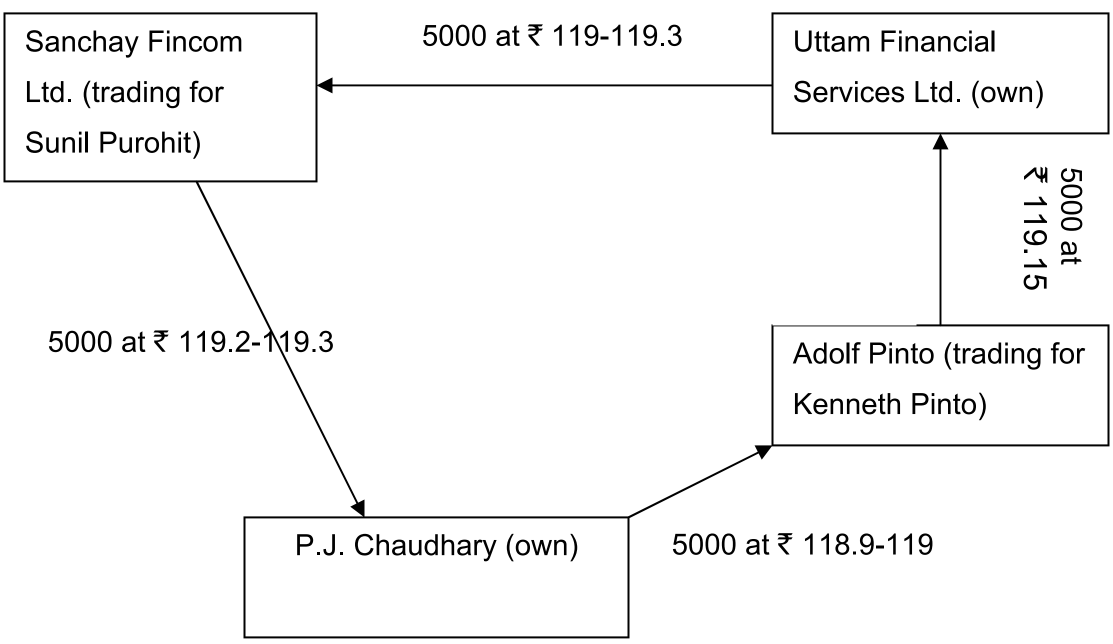
Time Difference	**No of Buy Orders**	**No of Sell Orders**	**No of Trades**	**Quantity**	**% contribution to Cir trades**
0:00:00	831	803	11457	2057642	30.94
0:00:01	499	465	6610	1187243	17.85
0:00:02	305	289	3929	715235	10.75
0:00:03	211	201	2338	436367	6.56
0:00:04	139	139	1506	288749	4.34
0:00:05	115	107	1061	205431	3.08
0:00:06	69	63	654	129297	1.94
0:00:07	64	63	591	118530	1.78
0:00:08	53	51	356	62445	0.93
0:00:09	41	38	323	52639	0.79
0:00:10	31	28	238	40515	0.60
11 -- 30	268	249	2234	326954	4.91
More than 30 seconds				1029203	15.47
Total among group clients				6650250	

19. From the above table, it may be observed that for 29,063 trades amounting to a volume of 52,94,093 shares accounting for about 79.56% of volume of trades amongst the group, the time difference between the buy orders and the sell orders was less then or equal to 10 seconds. There were 2,358 buy orders and 2,247 sell orders for 25,99,468 shares, which accounted for 39.08% of the trading amongst the group, the buy and sell order quantities and rates were similar and the time difference between buy and sell order entered was less than or equal to 30 seconds.

20. From the trade log of the noticee, the synchronized/ circular nature of the trades executed by him during the Investigation Period is further revealed. This is similar to the pattern of trading of the group described in the Investigation Report as stated in the previous paras. In all the transactions it is observed that there is a time difference of only a few seconds between the placing of the buy order and the sell order. In some cases the

buy and the sell orders are placed at exactly the same time. The buy order quantity as well as the sell order quantity is identical. Further, the prices at which the buy orders and the sell orders have been placed are also identical. Thus, within a few seconds of the buy/ sell order being placed on the terminal by the noticee, the order got exactly matched in both price and quantity. In some instances, it got instantly matched. This did not happen on one or two occasions but on several occasions and on almost each and every trading day of June and July.

21. For example, on July 14, 2004 between 1:23:27 P.M and 1:51:54 P.M. a pattern of circular trading was observed amongst the following entities in the manner represented in the diagram below.



22. Thus, it can be seen that the noticee was part of the group which executed synchronized/ circular trades as discussed in the previous paragraphs.

23. The noticee, in its reply has submitted that if the noticee was involved in circular or synchronized trades, all his trades on buy and sell side should have been circular/ synchronized trades and not some quantity of the total buy and sell quantity. This contention cannot be accepted since the majority of the noticee's trades were synchronised/ circular in nature (around 70% of the total trades of the noticee).

24. Moreover, the noticee has also submitted that during the investigation period the stock broker Adolf Pinto had traded on behalf of three clients: the noticee, Ms. Gillian Pinto and Shri Mangeram Sharma. The noticee submitted that if the SCN had alleged that the trades on behalf of the first two clients were synchronised/ circular in nature then on what basis the trades undertaken by the noticee on behalf of the client Shri Mangeram Sharma were not alleged to be synchronised/ circular. In this regard it may be stated that the Investigation Report deals with the stock broker's trades on behalf of the noticee and Gillian Pinto.

25. With respect to the contention of the noticee that the quantity as stated in the IR being different from the actual quantity, it may be added that this contention of the noticee is vague since the noticee has not specified any further details regarding the same.

26. Further, with respect to the contention of the noticee that certain details were not available in the data provided to the noticee it may be mentioned that vide letter dated April 21, 2011 it was clarified that the same had been provided to the noticee along with the SCN as has been mentioned in para 11 and 12.

27. I have taken into consideration the facts and circumstances of the case, the submissions advanced by the noticee, and the material made available on record. The allegations against the noticee in the SCN were that the noticee had executed synchronized / circular trades and indulged in non-genuine transactions in the scrip of KSERA along with certain other clients and stock-brokers during the Investigation Period. I have noted that there were numerous trades in the scrip with only a few counter parties on a daily basis for a period of two months and the traded quantities were also high. The fact that such transactions took place repeatedly over a period of time reinstates the non- genuine nature of such trades.

28. In this case, it becomes necessary to quote the judgment of the Hon'ble SAT, in the case of *Grishma Securities Pvt. Ltd v SEBI*, (Appeal No 117 of 2010), dated 4th August, 2010, wherein the Hon'ble SAT observed that :

"We have perused the details of the structured / synchronized trades executed by the two appellants and find that the order put by them in the trading system which eventually resulted in trades not only matched to the second but even the price and quantity of the traded scrip was the same. Synchronized trades per se are not illegal and they have been sanctified by the respondent Board as per its circular dated September 14, 1999 provided the trades are executed in the manner specified therein. Synchronized trades, however can be executed with a view to manipulate the price or the volumes of the traded scrip or both or with some other ulterior purpose and whether a synchronized trade has been executed with a manipulative intent or not will have to be gathered from the intention of the parties for which there would seldom be any direct evidence. Their intention will have to be gathered from the surrounding circumstances including the pattern of trading, the frequency of the trades and their volumes, the explanation furnished by the parties and the brokers. Even the day traders cannot have the same counter party every time."

29. Further, the Hon'ble SAT in the case of *Mansukh Stock Brokers Ltd. Vs. SEBI (Appeal No. 194 of 2010, dated 10.01.2011)* in the same scrip has observed that:

"The anonymous trading system does not permit trades to be executed in circles and whenever such trades are executed, it could only be the result of manipulation which implies prior understanding between the brokers and the clients. Such circular trades are artificial in nature as they do not transfer the beneficial ownership in the shares traded and are meant only to create volumes on the screen of the trading system which, in turn, lures the lay investors to jump into the fray and start trading."

30. Thus, it can be concluded that the noticee was part of the group which executed synchronized / circular trades and indulged in non-genuine transactions in the scrip of KSERA.

31. It had been alleged in the SCN that the noticee has violated Regulations 4(1) and 4(2) (a), (b), (e) and (g) of the PFUTP Regulations. The text of the said provisions is as follows:

"4. Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of Regulation 3[1], no person shall indulge in a fraudulent or an unfair trade practice in securities.

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[1] Regulation 3: Prohibition of certain dealings in securities:
No person shall directly or indirectly-
(a) buy, sell or otherwise deal in securities in a fraudulent manner;

(2) Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely:-

(a) indulging in an act which creates false or misleading appearance of trading in the securities market;

……………

(b) dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;

…………

(e) any act or omission amounting to manipulation of the price of a security;

……….

(g) entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security"

32. In view of the observations of the Hon'ble SAT and as discussed in previous paras, it can be concluded that the noticee has failed to comply with Regulations 4(1) and 4(2) (a), (b) and (g) of the PFUTP Regulations.

33. Regarding the allegation of price manipulation against the noticee it may be observed that the IR mentions the finding of the BSE Report that no significant influence of the impugned trades on the price of the scrip was observed.

34. The said violations attract penalty under section 15HA of the SEBI Act which provides that:

"15HA. Penalty for fraudulent and unfair trade practices- If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty of twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher."

35. In this regard, the provisions of Section 15J of the SEBI Act and Rule 5 of the Rules require that while adjudging the quantum of penalty, the adjudicating officer shall have due regard to the following factors namely;

(b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;
(c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
(d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

a. the amount of disproportionate gain or unfair advantage wherever quantifiable, made as a result of the default

b. the amount of loss caused to an investor or group of investors as a result of the default

c. the repetitive nature of the default

36. It is noted from the facts made available on record that the noticee had executed synchronized /circular trades in the scrip of KSERA and indulged in non-genuine/ fraudulent transactions during the investigation period and failed to comply with the PFUTP Regulations. It is also to be noted that the Investigation Report has not quantified the profit/ loss for the nature of violations / transactions carried out by the noticee and no quantifiable figures are made available on record to assess the disproportionate gain or unfair advantage and amount of loss caused to an investor or group of investors as a result of the fraudulent trade practices and non-genuine transactions.

37. I would like to quote the order of the Hon'ble SAT dated 10.01.2011 in the case of *Mansukh Stock Brokers Ltd. Vs. SEBI (Appeal No. 194 of 2010)* in the same scrip wherein the Hon'ble SAT has observed that:

> *"The appellant as well as S. P. J. Stock Brokers Pvt. Ltd. were a part of the same manipulative trading and there being no difference in their conduct, they cannot be treated differently in the matter of imposition of penalty.*
> *….*
> *In these circumstances we cannot but reduce the penalty to ₹ 75,000/- on the appellant as was imposed on S.P. J. Stock Brokers Pvt. Ltd."*

Further, it is a well settled principle of law that judicial discipline requires that orders of the higher appellate authority should be followed unreservedly by the sub-ordinate authorities. The above-mentioned judgment of the Hon'ble SAT as well as the requirement of judicial discipline have been complied with while arriving at the quantum of penalty in the present matter.

38. In view of the above, I hereby impose a penalty of ₹ 75,000/- (Rupees Seventy Five Thousand Only) on the noticee under Section 15 HA of the Securities and Exchange Board of India Act, 1992.

ORDER

39. In exercise of the powers conferred under Section 15 I of the Securities and Exchange Board of India Act, 1992, and Rule 5 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, I hereby impose a penalty of ₹ 75,000/- (Rupees Seventy Five Thousand Only) on the noticee Shri Kenneth Pinto (PAN No. AHUPP6300K, Residing at Flat 2801, Celeste, Planet Godrej Tower 5, K.K. Marg, Mahalaxmi (E), Mumbai-400011) in terms of the provisions of Section 15HA of the Securities and Exchange Board of India Act,1992 for his failure to abide by the provisions of Regulation 4(1) and 4(2) (a), (b) and (g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.

40. The penalty shall be paid by way of demand draft drawn in favour of "SEBI – Penalties Remittable to Government of India" payable at Mumbai within 45 days of receipt of this order. The said demand draft shall be forwarded to, Deputy General Manager, Investigation Department, ID-3, Securities and Exchange Board of India, Plot No. C4-A, 'G' Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

41. In terms of the provisions of Rule 6 of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules 1995, copies of this order are being sent to Shri Kenneth Pinto and also to the Securities and Exchange Board of India, Mumbai.

Place: Mumbai
Date: June 17, 2011

D. RAVI KUMAR
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER