

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

WTM/KMA/66/04/2009

UNDER SECTIONS 11, 11B AND 11(4) OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992, AGAINST ANUGRAH STOCK & BROKING PVT. LTD. MEMBER, BSE (SEBI REG. NO. INB011185635 & INF011185635) AND MEMBER, NSE (SEBI REG. NO. INB231185639, INF231185639 & INE231185639)

On April 23, 2009 SEBI has passed an ad-interim ex-parte order directing certain entities including M/s Balaji Corporation and its proprietor Shri Shah Banty Dinesh (PAN No. BOMPS6427Q), not to buy, sell or deal in securities market in any manner either directly or indirectly till further orders in view of the serious irregularities alleged to have been committed by him which is under investigation. The said order was uploaded on SEBI website on April 23, 2009 and BSE Ltd. had also issued a notice dated April 23, 2009 communicating the same to all its members. Rule 67 of the Rules framed by the BSE provides that a notice to the general body of its members may be published by posting the same on the notice board and every member shall be deemed to be affected by such notice immediately after it is posted. In addition, BSE vide its letter dated May 04, 2009 specifically addressed to Anugrah Stock & Broking Pvt. Ltd. (hereinafter to referred as 'Broker') had advised them to strictly comply with the directions of SEBI with regard to their client Shri Banty Dinesh Shah.

Despite the aforesaid notice, it is observed that the broker had executed trades on May 21, 2009 on behalf of the aforesaid client, who was prohibited from trading as per the above order of SEBI. The broker prima facie, did not exercise due skill, care and diligence while executing trades as required in terms of clause A(2) of Schedule II of Code of Conduct for Stock Brokers under SEBI (Stock Broker and Sub-brokers) Regulations, 1992 and aided and abetted a restrained person to violate the SEBI order of restraint imposed on him. The details of these trades are as under:-

Client Name	Client Code	Script Name	No. of Shares Sold	Value (Rs.)
Banty Dinesh Shah	PBS51	RTS Power Co	13500	10,87,050.00
Banty Dinesh Shah	PBS51	Usher Agro	1000	40,050.00

The action of the broker in executing trades in respect of his client despite the aforesaid prohibitory order of SEBI is a serious irregularity calling for immediate action against the broker to prevent further damage to the safety and integrity of the market and to protect the interest of investors.

Now, therefore, in view of the emergency situation caused by the aforesaid conduct of the broker it is hereby ordered in exercise of powers conferred under Sections 11, 11B and 11(4) of the SEBI Act, 1992 that Anugrah Stock & Broking Pvt. Ltd., Member, BSE (SEBI Reg. No. INB011185635 & INF011185635) and Member, NSE, (SEBI Reg. No. INB231185639, INF231185639 & INE231185639), is prohibited from buying, selling or dealing in securities in any manner whatsoever with immediate effect until further orders.

The broker may file his reply, if any, within 10 days from the date of this order and, if he so desires, avail of an opportunity of personal hearing before the undersigned on June 5, 2009 at 5.00 p.m. at the Securities and Exchange Board of India, Head Office, SEBI Bhavan, C-4A, G Block, Bandra-kurla Complex, Bandra (East), Mumbai:- 400 051.

This order shall come into force with immediate effect.

DR.K.M. ABRAHAM

PLACE : MUMBAI

WHOLE TIME MEMBER

DATE : MAY 22, 2009

SECURITIES AND EXCHANGE BOARD OF INDIA