

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: DR. K.M. ABRAHAM, WHOLE TIME MEMBER**

ORDER

**DIRECTIONS UNDER SECTIONS 11, 11(4) AND 11B OF THE SECURITIES
AND EXCHANGE BOARD OF INDIA ACT, 1992**

**IN COMPLIANCE WITH THE ORDERS DATED SEPTEMBER 16, 2008 AND
MAY 13, 2010 PASSED BY THE HON'BLE SECURITIES APPELLATE
TRIBUNAL IN APPEAL NO. 45 OF 2008– IN THE MATTER OF MR. YOGESH
BABULAL MEHTA VS. SECURITIES AND EXCHANGE BOARD OF INDIA
AND OTHERS**

1. The Hon'ble Securities Appellate Tribunal (hereinafter referred to as the Hon'ble SAT) issued certain directions with the following observation in its order dated September 16, 2008 in Appeal No.45 of 2008 (Mr. Yogesh Babulal Mehta vs. Securities and Exchange Board of India and others):

“2. We have heard the learned counsel for the parties and perused the two orders dated 16.5.1998 and 15.6.1999. When the order dated 16.5.1998 was passed, the appellant was not heard and since the two are contradictory, we set aside both of them insofar as they relate to the appellant and respondents 3 to 6. The case is remanded to the Board to pass a fresh order in accordance with law after affording an opportunity of hearing to all the parties. Since the order dated 16.5.1998 insofar as it relates to respondents 3 to 6 has been set aside, the necessary consequences is that these respondents must deposit with BSE, the money received by them under the order and the Board will then decide the rights of the parties by passing a fresh order in accordance with law. The appellant and respondents 3 to 6 are both claiming to be entitled to the said amount. It is needless to mention that it shall be open to the Board to call for such additional records and information from the parties as it may deem necessary for deciding the dispute between them.”

2. Pursuant to the aforesaid order, Securities and Exchange Board of India (hereinafter referred to as SEBI) initiated a limited purpose investigation in the matter and sought information from the Bombay Stock Exchange Limited (hereinafter referred to as BSE), Mr. Yogesh Babulal Mehta and his clients namely, Mr. Atul J. Patira, Mrs. Rita Atul Patira, Dr. Deepak Sheth and Ms. Smita Nagda (Respondent Nos. 3 to 6 in Appeal No. 45 of 2008). Mr. Atul J. Patira, Mrs. Rita Atul Patira, Dr. Deepak Sheth and Ms. Smita Nagda shall henceforth be referred to as the clients. The letter sent to Dr. Deepak Sheth returned undelivered. Though, Mr. Atul J. Patira, Mrs. Rita Atul Patira and Ms. Smita Nagda acknowledged the letters of SEBI seeking various information/documents, from them, they had failed to furnish the information. Thereafter, summons dated December 31, 2008 were issued to the aforesaid three clients. Summons sent to Mr. Atul J. Patira and Mrs. Rita Atul Patira returned undelivered. Summons were then sent to the Ahmedabad Stock Exchange Limited for service on the said clients, which attempt also went futile. Ms. Smita Nagda received the summons dated December 31, 2008 and January 16, 2009 issued to her in the matter, but failed to respond to them. In view of the failure of Ms. Smita Nagda to comply with the summons, SEBI initiated adjudication proceedings against her. The Adjudicating Officer so appointed, vide order dated November 19, 2009 had found Ms. Smita Nagda liable for a penalty under Section 15A(a) of the Securities and Exchange Board of India Act, 1992 (the SEBI Act) and accordingly imposed a penalty of Rs.10,00,000/- against her. As Ms. Smita Nagda failed to pay the said penalty imposed, SEBI has taken steps to initiate prosecution proceedings under Section 24 of the SEBI Act.

3. The findings of the investigation conducted pursuant to the order of the Hon'ble SAT dated September 16, 2008 were communicated to Mr. Yogesh Babulal Mehta (hereinafter referred to as the Claimant for the purposes of this

Order) on April 1, 2009. The stock exchanges were advised to monitor that none of the clients (Mr. Atul J. Patira, Mrs. Rita Atul Patira, Dr. Deepak Sheth and Ms. Smita Nagda) of the Claimant are trading on their stock exchange. As the Hon'ble SAT in its aforesaid order directed the said clients to deposit the money received by them, with BSE, SEBI advised BSE to take appropriate steps to recover the money from the said clients. Though, the aforesaid communication dated April 1, 2009 was challenged by the Claimant in Appeal No. 103 of 2009 before the Hon'ble SAT, the same was disposed of vide Order dated August 31, 2009, as premature. Thereafter, SEBI had also sent letters dated September 30, 2009 to Mr. Atul Patira, Mrs. Rita Atul Patira and Dr. Deepak Sheth. The letters sent to Mr. Atul Patira and Mrs. Rita Atul Patira were returned undelivered with the remark "refused". Though, Dr. Deepak Sheth acknowledged the delivery of the said letter, no response was received from him in that regard. SEBI, had subsequently issued paper advertisements in the newspapers Jai Hind & Sandesh (regional newspapers in vernacular language on November 20, 2009) and in Daily News and Analysis (DNA) on December 16, 2009. Despite acknowledging SEBI letters and the publication of advertisement in the newspapers, the said clients failed to furnish information to SEBI.

4. Subsequently, vide Order dated May 13, 2010, the Hon'ble SAT directed SEBI to take a final decision in compliance with its Order dated September 16, 2008 and pass an appropriate Order in accordance with law expeditiously but not later than June 30, 2010. Thereafter, SEBI granted opportunities of hearing to the Claimant on May 18, 2010, when Ms. Sonal, Advocate represented him and made submissions in the matter. The Claimant was also present during the hearing. An opportunity of hearing was also provided to BSE on June 3, 2010, when Mr. Pesi Modi, Advocate appeared on its behalf and made elaborate submissions. Mr. Atul J. Patira, Ms. Rita Atul Patira, Dr. Deepak Sheth and Ms.

Smita Nagda (Respondent Nos. 3 to 6 in the aforesaid Appeal No.45 of 2008) were also afforded an opportunity of hearing on June 3, 2010. Though, Ms. Smita Nagda and Dr. Deepak Sheth acknowledged the letter intimating the date of hearing, no appearance was made by them. The letters sent to Mr. Atul J. Patira and Ms. Rita Atul Patira returned delivered. In view of the above, I proceed to decide the matter on the basis of the available material on record including the submissions made on behalf of the Claimant and BSE.

5. Before proceeding to consider the issues that arise in the present case, it would be necessary to note certain essential facts of the matter. On receipt of information about the unusual price movement in the shares of Amit International Limited (hereinafter referred to as the company) from Rs. 25/- on December 18, 1995 to Rs.280/- on February 14, 1996, SEBI had conducted an investigation in respect of the buying, selling and dealing in the shares of the said company. The said investigation had concluded that the abnormal volumes and the false market in the shares of the company were created by a group of persons acting in concert, in violation of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995. Pursuant to an inquiry, certain persons/entities were debarred from dealing in the securities market for a period of five years. I note that pending investigation in the matter, SEBI on February 12, 1996 permitted the indefinite suspension in the trading of the scrip (the company) to check on the unusual price rise. Subsequently, SEBI, vide letter dated February 23, 1996 had advised the stock exchanges to retain the monies payable to the parties offering shares in the auction held for settlement no. 21 as well as share certificates. On March 27, 1996, SEBI had directed the stock exchanges to withhold the auction proceeds in a separate account in order to ensure that if there was any market manipulation, the manipulators should not be in a position to receive the ill-gotten profits arising out of such

manipulation. SEBI, vide letter dated April 4, 1996, further advised the stock exchanges that the pending quantities (shares) which could not be auctioned and the quantities which were offered in the auction but the shares were not delivered to the clearing house will be closed out at highest traded price in the respective settlement and upto the date of auction and the close out proceeds should be withheld in a separate account with the exchange. The investigation revealed that in September 1995, the public issue of the company for 15,39,000 shares was oversubscribed by 9.64 times due to eleven stockinvest applications. The top eleven applicants were allotted 14,11,000 shares and the remaining 1,26,000 shares were allotted to 500 shareholders (approximately). It was found that the said eleven applicants were connected with the persons who had manipulated the shares of the company during the relevant period. During the relevant period, 83,69,000 shares of the company were traded at BSE and that the trading was in excess of the shares available with the public (floating stock of the company available with the public was only 1,26,000 shares) resulting in a short position i.e. there were trades for sale of securities by persons who did not have possession of the same. It was also found that some persons dealing in the shares of the company were found to be connected, directly or indirectly, with one another and acted in collusion to manipulate the share price of the company. The investigation further observed that some of the transactions were in the names of fictitious, non-existent clients. Further, persons who knew that there were no stocks available on the stock exchanges had entered into purchase transactions in order to artificially raise the price of the securities. The persons who did not have securities in their possession entered into the sale transactions. Some buyers who were aware of the low floating stock had sought delivery from the short sellers. Pursuant to the investigation, SEBI, vide order dated July 4, 1996, directed that, in respect of the auction proceeds which had been withheld by the BSE, difference between the auction price and the standard rate, and the difference

between the close-out price and the standard rate should not be given to the auction offerors in case of auction process and the receiving members (stock brokers) in the case of close-out process and instead, those amounts were to be impounded. The said Order further directed BSE to credit the impounded money to its Investor Protection Fund. SEBI further mentioned that opportunities of hearing would be granted to those who were affected by the impounding of the auction proceeds to the extent of the difference of the auction price and the standard rate, and the close-out proceeds representing the difference between the close-out price and the standard rate. The said Order also advised that any aggrieved person may make a written representation to SEBI and that the said representations would be dealt by a Committee constituted by SEBI. Subsequent to the said order, BSE issued a notice on July 8, 1996 inviting written representations. On the basis of representations from aggrieved persons and after hearing them, the Committee made its recommendations on December 29, 1997. Based on those recommendations, SEBI passed an order dated May 16, 1998 (hereinafter referred to as the 1998 Order). The relevant portion of the said order in so far as it relates to Mr. Atul J. Patira, is reproduced herein below:

“18. Shri Atul Patira, Rajkot

The claimant has received standard rate and now claiming difference of standard price and close out/auction rate. The close out/auction rate was not the real price but based on artificial market conditions and therefore same cannot be directed to be released. If cost of acquisition of these shares is more than the standard rate then further amount equivalent to this actual difference if any, may be released to the claimant. This direction is subject to the following conditions, as may be applicable to this case:

A. The offer has acquired these shares offered through stock exchange price matching mechanism or through allotment in primary offering.

B. If the offeror has acquired shares more than what has been offered and accepted in auction then cost of purchase will be worked on FIFO principle.”

The aforesaid Order had also issued similar directions with respect to Mrs. Rita Atul Patira, Dr. Deepak Sheth and Ms. Smita Nagda.

6. Subsequent to the aforesaid order, the Claimant made written representation dated August 20, 1998 before SEBI and BSE, stating that he had traded in settlement nos. 22/96 and 23/96 and had requested that the payments made by him towards the close-out in the said settlements should be refunded/adjusted. Considering the facts of the case, the recommendations of Committee in similar cases and the representation of the Claimant, SEBI, vide Order dated June 15, 1999 (hereinafter referred to as the 1999 Order) directed BSE to release the money amounting to Rs.13,64,000/- (the difference between the purchase price (Rs. 268.48) and standard rate (Rs.217) multiplied by 26,500 shares) to the Claimant. The relevant portion of the said Order is reproduced hereinbelow:

“ In the case of Shri Yogesh Mehta with regard to his purchase position of 24,700 shares in Settlement No.23/95-96 for which the purchase price is greater than the standard rate, the Stock Exchange, Mumbai is directed to release the money amounting to the difference between the purchase price and standard rate to Shri Yogesh Mehta. The amount representing the difference between the close out rate and purchase price may be impounded.”

It was these two orders of SEBI which were set aside by the Hon'ble SAT, insofar as they related to the Claimant and the clients, vide its order dated September 16, 2008.

7. I have considered the written submissions made by BSE and the Claimant and the oral submissions made by the learned counsels on their behalf during the hearing. This is a case where two orders were passed in respect of the same issue. In the 1998 Order, BSE was directed to release the payment (the difference between the transaction rate and the standard rate) to the clients, whereas in the 1999 Order, the payment was directed to be

released to the Claimant. Both the aforesaid Orders of SEBI have been set aside insofar as they related to the Claimant and the clients, and the matter has been remanded back to SEBI for a fresh consideration. Therefore the issue for my determination in this Order is to decide as to who is entitled to the said payment. As the Orders have been set aside, any consequence of the said Orders or acts done pursuant to the said Orders, insofar as they relate to the Claimant and the clients, have to be perforce ignored and the matter decided on merits as to which of the parties the payment by BSE should have accrued.

8. It is not in dispute that the Claimant had executed trades in the shares of the company during the settlement nos. 22 and 23 at BSE. Further, his transactions in the shares of the company on behalf of the clients, who were the clients of his sub-broker, M/s. Abhishi Investments, in settlement no. 23 remained undisputed before me. The Claimant had purchased 27,500 shares of the company in settlement no. 23 (B2/23/95-96) on behalf of the clients and the same was a "delivery type transaction". According to the Claimant, he had made a payment of Rs.13,64,000/-, being the difference between the purchase price and the standard rate. He further stated that he had a sale position of 1,000 shares in settlement no. B2/23/95-96 and that he had received 1,800 shares from the market, which were delivered to M/s. Abhishi Investments. However, according to him, he had neither received the delivery of 24,700 shares $[27,500 - (1,000 + 1,800) = 24,700]$ nor the refund of Rs.13,64,000/- from BSE. This is the grievance of the Claimant.

9. I note that for the settlement no. 23, BSE had declared a close-out rate at Rs.280/- per share when the standard rate was Rs.217/- per share. It is not in dispute that the Claimant had received the payment at the standard rate. The grievance of the Claimant is only with respect to the difference of the transaction rate and the standard rate in respect of the 24,700 shares of the

company. The Claimant submits that the payment should have been released to him. Since the dispute pertained to settlement no. 23, I would confine myself to examine and consider the claims of the Claimant with respect to the said settlement, as mentioned above and arrive at a conclusion as to who is entitled to the disputed payment. Admittedly, BSE had made the payment to the clients of the Claimant, as per the details given below:

Name of the person	Category	Cheque Nos. (all drawn on State Bank of Mysore)	Date	Amount (Rs.)
Mr. Atul J. Patira	Client	227686	26.7.2000	5,51,200
Mrs. Rita Atul Patira	Client	227687	26.7.2000	5,56,500
Dr. Deepak Shah	Client	227688	26.7.2000	74,200
Ms. Smita Nagda	Client	563847	01.01.2001	5,77,300

10. According to BSE, the said payments were made for the following reasons:

- i. Pursuant to the receipt of the 1998 Order, BSE, vide letter dated May 28, 1998 requested SEBI to provide the names of the concerned stock brokers so that it could obtain requisite details to implement the aforesaid order of SEBI. It had further reminded SEBI, vide letter dated August 3, 1998.
- ii. Upon receipt of the 1999 Order, BSE, vide letter dated June 22, 1999 had requested the Claimant to furnish the necessary details and undertaking as per the standard format so as to enable it to comply with the said order and credit the appropriate amount to his account with the Defaulters Committee. It was the contention of BSE that the Claimant had not only failed to co-operate with it but also raised various incorrect allegations and contentions.
- iii. Though, BSE had reminded (vide letter dated July 7, 1999) the Claimant to furnish the necessary information, he had refused to do so.

iv. BSE, vide letter dated September 4, 1999 had again requested the Claimant to provide the information, but did not receive any response from him and that the same was informed to SEBI. It had also informed SEBI that there had been a delay in the matter of releasing the requisite amounts to the Defaulters Account of the Claimant.

v. According to BSE, upon an oral advice from SEBI, it had issued a Notice No. 38414/2000 dated January 19, 2000, in respect of the 1998 Order. Pursuant to the same, the clients of the Claimant had approached BSE for the release of the impounded amount. The said clients had provided the required details/documents (including the Contract Notes/Bills issued by the Claimant to the said clients) which enabled it to calculate and release the amount in their favour, in terms of the 1998 Order.

11. It is the case of BSE that the Claimant had never denied the fact that he had carried out the underlying trades on behalf of the clients and that he had never disputed the entitlement of the said clients to receive the said amounts. BSE also stated that the Claimant had never disputed or challenged the 1998 Order. BSE contended that, the Claimant had, for the first time, stated before the Hon'ble SAT (that too orally) that he had not received monies from his clients for the purchase of the shares of the company. It was submitted by BSE that the Claimant had subsequently filed an affidavit before the Hon'ble SAT affirming that he had carried out the trades for the said clients and that they had not made any payments to him for the said purchase. The contention of BSE that it had released the payments to the clients in terms of the 1998 Order upon oral advice from SEBI and after collecting documents from the clients, according to me, is not relevant for the purpose of this order, as the Hon'ble SAT had set aside the 1998 Order and the 1999 Order insofar as they related to the Claimant and the clients and directed SEBI to pass a fresh order deciding

the rights of the parties. Therefore, any examination as to whether BSE was correct or not in releasing the payments to the clients in terms of the 1998 Order would only lead to a discussion which, at this stage of fresh consideration of the matter would be merely academic in nature. Even if, the contentions of BSE as regards its correctness in releasing the payments to the clients are taken up for consideration, the findings arrived thereon would not help in this de-novo proceedings consequent to the setting aside of the 1998 Order and the 1999 Order. However, I am constrained to observe that the second Order (1999) though did not expressly mentioned that it modifies the previous Order (1998), had in effect modified the previous Order. Therefore, BSE should have given effect only to the second order, which would prevail, as it was passed on the same issue and much after the 1998 Order. As the Hon'ble SAT has set aside the said Orders in so far as they related to the Claimant and the clients, my role, at present, is to consider and dispose off the present proceedings as if SEBI had not passed such Orders insofar as they related to the aforesaid parties and treating the entire matter afresh.

12. The following facts are noted for arriving at a conclusion as to who is entitled to the disputed payment:

- a. The Claimant had traded in the shares of the company on behalf of his clients during settlement 23. He was supposed to receive 24,700 shares in the said settlement from BSE.
- b. According to the Claimant, he had not received any money from the said clients or from M/s. Abhishi Investments towards the 24,700 shares.
- c. As the balance of 24,700 shares was not received from BSE, the Claimant could not deliver the said shares to M/s. Abhishi Investments or to the clients.

d. As there was an allegation of manipulation in the shares of the company, SEBI/BSE had suspended the trading in the shares of the company during the relevant period.

e. In view of the same, BSE had declared a close-out rate of Rs.280/- per share and had required the Claimant to deposit the difference between the purchase rate and the standard rate. Accordingly, he had paid the difference between the standard rate (of Rs.217/-) in settlement no. 23 and the average purchase rate (of Rs.268.48/ per share) totalling Rs.13,64,000/- to BSE on March 1, 1996.

13. During the present proceeding, it was considered appropriate to find the real beneficiaries of the payments made by BSE. SEBI, after considering the request of BSE in this regard, had vide an order dated June 4, 2010, directed BSE to obtain a certificate of remittance from its bank (State Bank of Mysore) in respect of the payments made by it. Subsequently, BSE had forwarded a copy of the letter from the State Bank of Mysore dated June 23, 2010 informing that the payment made to Mrs. Smita Nagda was credited to her account maintained with Veerashaiva Co-op Bank Limited, Andheri (East), Mumbai. Subsequently, BSE, vide letter dated June 29, 2010 (received by SEBI on June 30, 2010 through electronic mail) forwarded a scanned copy of the letter of the State Bank of Mysore dated June 24, 2010 informing the details of the remittance made to Mr. Atul J. Patira, Mrs. Rita Atul Patira and Dr. Deepak Sheth.

14. It was the submission of the Claimant that Dr. Deepak Sheth (one of his clients) had informed him that he had not received the sum of Rs.74,200/- or any other sum from BSE or the Investors Protection Fund in respect of the shares of the company and that Dr. Deepak Sheth had also said that the signature on the receipt no. 32 dated July 26, 2000 was not his. If Dr. Deepak

Sheth had any such grievance or submissions to make in this matter, he could have appeared before SEBI, on the date of hearing. Though, Dr. Deepak Sheth acknowledged the letter intimating the hearing, he failed to appear. In the absence of any representation from Dr. Deepak Sheth in this regard, I am unable to consider the submission of the Claimant. Further, as stated earlier, State Bank of Mysore has informed (through BSE) that the payment made by BSE in the matter has been credited in the account of Dr. Deepak Sheth maintained with Western Co-Operative Bank, Andheri (East), Mumbai.

15. It is a fact that in settlement no. 23/1996, the Claimant had a net purchase obligation of 26,500 shares. He had received 1,800 shares and therefore, 24,700 shares were pending for delivery. According to him, towards the net purchase position, he had paid Rs.13,64,000/- (for 26,500 shares at the rate of Rs. 51.48 per share) on March 1,1996 to BSE. His case is that he had neither received the delivery of 24,700 shares nor the refund of the said amount. This has not been disputed by BSE. In a general market transaction for purchase of shares, the client gives money (margin/deposit) to the stock broker for buying shares on their behalf and the stock broker accordingly places the order. Once the trade is executed, the stock broker receives the shares from the stock exchange and passes it on to the client. A stock broker acts as an interface between the stock exchange and his clients in respect of the clients' transactions at the stock exchange. For the settlement of trades in the stock exchange, the pay-in of money/securities would be passed on the Clearing House of the stock exchange through the stock broker. A stock exchange normally does not deal with the client unless it is for disputes resolution/arbitration. In this case, the Claimant stated that, he had purchased shares for his clients without receiving money from them and made payment to the stock exchange in order to save himself from being declared a defaulter. Since he did not receive shares from the stock exchange, he in turn could not

deliver it to the clients. BSE contends that payment in the matter of the company were released to the clients through their stock brokers only and in the case of defaulter/inactive/suspended stock brokers, the payments were made directly to the clients by issuing a cheque in the clients' favour. This stand of BSE is in total contradiction to its letter dated June 22, 1999 addressed to the Claimant wherein it was stated *"..... we have to inform you that the proceeds to be refunded, shall be credited to your Defaulter Account in the Clearing House."* Further, BSE also could not cite any instance other than the case of the Claimant where the payments were made directly to the clients. Therefore, in the normal market system, money should have been given to the clients through the Claimant. Going by the same analogy the difference between the standard rate and the purchase price in respect of the 24,700 shares of the company, should have been given to the clients through the Claimant. Needless to say, it was the Claimant who had made the payment (Rs.13,64,000/-) to BSE and thus, eligible for the refund of the same.

16. While arriving at the amount to be released to the Claimant, I note that the difference between the standard rate and purchase price is Rs.51.48/- per share and thus, the claim for 24,700 shares, becomes Rs. 12,71,556 only (24,700 x Rs.51.48/-) and not Rs. 13,64,000/- as claimed by the Claimant. The submission of the Claimant that BSE had illegally declared him a defaulter is the subject matter in the Civil Suit (No. 7044 of 1999) filed by the Claimant before the Hon'ble High Court at Bombay. Since the said issue is sub judice, I shall not make any remarks on the subject matter therein. Further, the claim in respect of settlement no. 22 made by the Claimant is not entertained as the issue in the present proceedings is only to determine the persons who are entitled to the payments in respect of settlement no. 23. Therefore, on a consideration of the facts and circumstances and also the material on record, I hereby come to a conclusion that Mr. Yogesh Babulal Mehta is entitled to

Rs.12,71,556/-, being the difference in the transaction rate and the standard rate in respect of the 24,700 shares.

17. I am not making any remarks on the payment made by BSE to the clients. Moreover, this was a payment that was made on the basis of an earlier Order (the 1998 Order) of SEBI, ignoring the later Order (the 1999 Order) which in effect had modified the previous one (even though SEBI explicitly failed to record that the second Order was in fact a modification of the previous one). I can only treat this as a wrong payment on the part of BSE and consequentially it shall be open to BSE for recovering the amount from the original recipients as envisaged in the Order of the Hon'ble SAT.

18. In view of the foregoing, I, in exercise of powers conferred upon me under Section 19 of the Securities and Exchange Board of India Act, 1992 read with Sections 11, 11(4) and 11B thereof, hereby issue the following directions:

a. Mr. Yogesh Babulal Mehta is entitled to receive Rs.12,71,556/- together with interest (as paid by the State Bank of India on fixed deposits of equivalent size and long term tenure during the relevant period) from June 15, 1999 till the date of payment, from the Bombay Stock Exchange Limited. The Bombay Stock Exchange Limited is directed to release the said amount to Mr. Yogesh Babulal Mehta in accordance with its Rules, Regulations and Bye-laws within two weeks of the receipt of this order.

b. The clients, Mr. Atul J. Patira (Permanent Account Number-ADJPP9973F), Mrs. Rita Atul Patira, Dr. Deepak Sheth (Permanent Account Number-AFYPS6658F) and Ms. Smita Nagda are restrained from accessing the securities market and further prohibited from buying, selling or dealing in securities, in any manner, directly or indirectly, till such time they deposit the

money paid to them by the Bombay Stock Exchange Limited, as directed by the Hon'ble Securities Appellate Tribunal, vide Order dated September 16, 2008.

c. The Bombay Stock Exchange Limited may initiate appropriate steps, as it deems fit, in accordance with law to recover the payments made by it to Mr. Atul J. Patira, Mrs. Rita Atul Patira, Dr. Deepak Sheth and Ms. Smita Nagda.

19. Copies of this Order shall be forwarded to the National Stock Exchange of India Limited, Bombay Stock Exchange Limited, Central Depository Services (India) Limited and the National Securities Depository Limited, for necessary action.

20. This Order shall come into force with immediate effect.

**DR. K.M. ABRAHAM
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA**

**PLACE: MUMBAI
DATE: JUNE 30, 2010**