

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: PRASHANT SARAN, WHOLE TIME MEMBER**

IN THE MATTER OF G.G. AUTOMOTIVE GEARS LIMITED

In respect of Shreehari Hira Stock Broking Private Limited

(earlier known as Shiv Kumar H. Bissa)

(SEBI Registration No. INB 011233336)

ORDER

**Under Regulation 28(2) of Securities and Exchange Board of India
(Intermediaries) Regulations, 2008**

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') conducted investigation into the buying, selling and dealings in the scrip of G.G. Automotive Gears Ltd. (hereinafter referred to as 'GGAGL') for the period of August 01, 2002 to October 16, 2002 (hereinafter referred to as the 'investigation period').
2. The trading details of the persons who had traded in the scrip were collected and analyzed along with the data of the volumes contributed. During the period, the price of the scrip increased from ₹23 as on August 01, 2002 to ₹115.30 as on October 16, 2002. Volatility in volume was also observed in the scrip i.e. from 16,847 shares as on August 01, 2002 to 1,05,776 shares as on September 17, 2002 and from 77,041 shares as on September 18, 2002 to 19,962 shares as on October 16, 2002 and. The total volume traded during the investigation period was 22,75,804 shares.
3. The investigation *prima facie* revealed that circular trading by two groups of certain brokers and a few clients contributed to an unusual spurt in the traded volumes of the scrip. Out of these two groups, the group consisting of six brokers namely Shreehari Hira Stock Broking Private Limited (earlier known as Shiv Kumar H. Bissa) (hereinafter referred to as the 'noticee'), Adolph Pinto, Inventure Growth and Securities Limited (hereinafter referred to as Inventure), NCJ Share and Stock Brokers Limited (hereinafter referred to as

NCJ), Ramaben Samani Finance Private Limited (hereinafter referred to as Ramaben), G.R. Pandya Share Broking Limited (hereinafter referred to as Pandya) and their clients were found trading intra-day for 24 days in circular manner during the period of investigation in the scrip. The total volume generated by way of such circular trades was 3,30,105 shares i.e., about 15% of the total quantity of the shares traded during the period under investigation. The investigation revealed that the brokers and their clients have indulged in circular and synchronized trading through collusion and transacted in the shares of GGAGL thus creating artificial volumes in the market, and leading to the significant price movement in the scrip.

4. Based on the findings of investigation, the SEBI initiated enquiry proceedings against the noticee in terms of the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 (hereinafter referred to as 'Enquiry Regulations'), by appointing an Enquiry Officer under Regulation 5(1) of the Enquiry Regulations vide order dated January 09, 2006, read with subsequent order dated November 19, 2007. SEBI appointed the Enquiry Officer to enquire into the alleged violation of the provisions of the SEBI (Prohibition of Fraudulent and Unfair Trade Practice Relating to Securities Markets) Regulations, 1995 (hereinafter referred to as 'PFUTP Regulations') and the Code of Conduct specified under Schedule II of the SEBI (Stock Brokers and Sub-Broker) Regulations, 1992 (hereinafter referred to as the 'Broker Regulations'). As the Enquiry Regulations were repealed with effect from the notification of the SEBI (Intermediaries) Regulations, 2008, the Enquiry Officer/ Designated Authority (hereinafter referred to as the 'Enquiry Officer') submitted his Report dated February 05, 2009, in terms of Regulation 27 of the SEBI (Intermediaries) Regulations, 2008, recommending thereby a penalty of suspension for a period of one month to the noticee for violating the provisions of Regulation 4(a), (b), (c) and (d) of PFUTP Regulations and Clauses A (1), (2), (3), (4) and (5) of the Code of Conduct prescribed for the Stock Brokers in Schedule II under Regulation 7 of the Broker Regulations.

5. Subsequently, a show cause notice dated March 16, 2009 (hereinafter referred as SCN') under Regulation 13(2) of the Enquiry Regulations read with Regulations 28(1) and 38(2) of the SEBI (Intermediaries) Regulations, 2008, was issued by SEBI to the noticee, asking it to show cause as to why the appropriate penalty including penalty as recommended by the Enquiry Officer should not be imposed. The noticee was advised to reply to the SCN, within twenty one days from the date of receipt thereof. It was also informed that in case of failure to reply, it would be presumed that it had no explanation to offer and SEBI shall be free to take such action in the manner as it deemed fit. A copy of the Enquiry Report was also forwarded to the noticee along with the SCN.
6. The noticee vide its letter dated April 08, 2009 requested for an extension of 15 days' time for replying to the SCN. However, no reply was received from it. Before proceeding further in the matter, an opportunity of personal hearing was granted to the noticee on May 14, 2010. On the date fixed, the noticee appeared through Mr. Shivkumar H. Bissa, the director and the authorized representative of the noticee, requested for fifteen days' time to file the written submissions. In the course of proceedings, it was noted that certain details of the trade log relevant to the instant case have not been provided to the noticee. In compliance with the principles of the natural justice, these details were also forwarded to the noticee vide letter dated May 19, 2010 and a further opportunity of personal hearing was granted to the noticee on June 14, 2010. However, the noticee failed to appear for the personal hearing on that day. Subsequently, the noticee vide its letter dated June 16, 2010 requested for fifteen days' time to file its reply. However, no further reply was received from the noticee till date. I note that sufficient opportunities have been given to the noticee to explain its case. Considering this, I am compelled to proceed with the matter *ex-parte*, on the basis of the material available on record, having complied with the principles of natural justice.
7. I have carefully considered the Enquiry Report, the SCN issued to the noticee and the material available on record. Thus, the issue that arises for my

consideration is: Whether the noticee in collusion with other brokers created artificial liquidity/ false market in the scrip of GGAGL?

8. Whether the noticee in collusion with other brokers created artificial liquidity/ false market in the scrip of GGAGL?

- a. I note that during the investigation period, the noticee had traded on behalf of its client Subhash Chaturvedi (client code no. 4959) in the scrip of GGAGL. It is observed from the Enquiry Report that the noticee along with Adolf Pinto, NCJ, Inventure, Ramaben and Pandya, traded within the group, thereby contributing to a volume of about 15% of the total quantity traded during the investigation period in the scrip of GGAGL. As already noted above, during the investigation period, the above group of brokers had traded in the scrip of GGAGL on 24 days. Details of the these trades are given hereunder:-

Table – A

S.No.	Broker Name and Code	Client Name and code	Shares bought	Shares sold
1	Adolf Pinto (Clg. No. 13)	Kenneth A. Pinto (J1)	66,450	71,200
2	NCJ (Clg. No. 519)	Proprietary Account (YT02)	52,450	54,650
3	Inventure (Clg. No. 275)	Mangiram Sharma (6482)	61,050	71,905
4	G R Pandya Share Broking Limited (Clg. No. 222)	Office trading account (T001, T006)	47,300	46,700
5	Ramaben (Clg. No. 101)	A.R. Shukla (4133)	70,955	51,950
6	Shreehari (Clg. No. 267)	Subhash Chaturvedi (4959)	31,900	33,700
		Total	3,30,105	3,30,105

- b. I note that as per the table-A above, the volume contributed by the group of six brokers named above is 3,30,105 shares. However, it is seen from the trade log, which was annexed to the letter addressed to the noticee dated May 19, 2010, that the total quantity of shares traded among the group of six brokers is 3,81,005. Thus, there is discrepancy in the figures calculated as the total volume contributed by the group consisting of the noticee and others named above. In order to proceed further, I take the lowest figure as given in the Enquiry Report i.e. of 3,30,105 shares. However, I note that this also constitutes a substantial portion of the total trading volume during the relevant period.

- c. From the table A, I find that the total number of shares on the buy and sell side of the group as a whole has remained the same i.e. 3,30,105 shares. Out of this, the noticee had purchased 31,900 shares and sold 33,700 shares while trading for its client, Subhash Chaturvedi in the scrip of GGAGL. It is seen that the Enquiry Report has brought out the analysis of order/ trade log in the scrip of GGAGL which reveals the transaction of the noticee for its client as under:

Table – B

Trades of noticee	Trading period		Counterparty		No. of shares	% to trades synchronized
	From	To	Member	Client		
Buy side	16-Sep-02	27-Sep-02	Adolf	Kenneth A. Pinto	24,500	76.80
	18-Sep-02	23-Sep-02	NCJ	Prop. Account	7,400	23.20
	Total				31,900	100.00
Sell side	23-Sep-02	26-Sep-02	Inventure	Mangiram Sharma	5,500	16.32
	24-Sep-02	25-Sep-02	Pandya	Office Trading Account	8,000	23.74
	18-Sep-02	-	Pandya	Office Trading Account	3,400	10.09
	16-Sep-02	27-Sep-02	NCJ	Prop. Account	16,800	49.85
	Total				33,700	100.00

From a perusal of the table B above, I note that 100% of the purchases of the noticee were with the brokers, Adolf and NCJ whereas 100% of the sales of the noticee were with the brokers, Inventure, Pandya and NCJ. The total purchase and sale by the noticee in the shares of GGAGL were made only from four brokers as detailed in the table above.

- d. I have seen the pattern of circular trading that was being followed by the noticee and other brokers in the group, while trading in the scrip of GGAGL. The instances thereof as also brought out in the Enquiry Report are being reproduced below:

Table – C

Date	Seller	Buyer/ seller	Buyer/ seller	Buyer/ seller	Buyer/ seller	Buyer/ seller	Buyer	Qty.
26-Aug-02	Inventure	Ramaben	Adolf	Pandya	NCJ		Inventure	1,000
27-Aug-02	Inventure	Ramaben	Adolf	Pandya	NCJ		Inventure	1,700
28-Aug-02	Inventure	Ramaben	Adolf	Noticee	Pandya	NCJ	Inventure	1,700
30-Aug-02	Inventure	Ramaben	Adolf	Pandya	Noticee	NCJ	Inventure	1,050
2-Sep-02	Inventure	Ramaben	Adolf	Pandya			NCJ	1,000

3-Sep-02	Inventure	Ramaben				NCJ	Inventure	2,000
4-Sep-02	Inventure	Ramaben	Adolf	Pandya			NCJ	2,500
5-Sep-02	Inventure	Ramaben	Adolf	Pandya	Noticee	NCJ	Inventure	2,500
6-Sep-02	Inventure	Ramaben				Pandya	Adolf	2,500
9-Sep-02	Inventure	Ramaben	Adolf	Pandya			NCJ	2,455
11-Sep-02	Inventure	Ramaben	Adolf	Pandya	Noticee	NCJ	Inventure	2,500
12-Sep-02	Inventure	Ramaben	Adolf	Pandya	Noticee	NCJ	Inventure	2,500
13-Sep-02	Inventure	Ramaben	Adolf	Noticee			NCJ	2,500
16-Sep-02	Inventure	Ramaben	Adolf	Noticee	NCJ		Inventure	1,000
17-Sep-02	Inventure	Ramaben	Adolf	Noticee			NCJ	3,000
18-Sep-02	Inventure	Ramaben					Adolf	3,400
19-Sep-02	Inventure	Ramaben	Adolf	Pandya	Noticee	NCJ	Inventure	2,800
20-Sep-02	Inventure	Ramaben	Adolf	Noticee	NCJ		Inventure	1,000
23-Sep-02	Inventure	Ramaben				Pandya	Adolf	4,000
24-Sep-02	Inventure	Ramaben	Adolf	Noticee	Pandya	NCJ	Inventure	3,000
25-Sep-02	Inventure	Ramaben	Adolf	Noticee	Pandya	NCJ	Inventure	3,000
26-Sep-02	Inventure	Ramaben	Adolf				Noticee	3,500
27-Sep-02	Inventure	Ramaben	Adolf		Noticee	NCJ	Inventure	3,000
30-Sep-02	Inventure	Ramaben				NCJ	Inventure	3,000

From the above, I note that all the six brokers had followed the common pattern of circular trading. It is seen that on any given day, when one broker started selling a particular quantity of shares, the second broker bought it, who in turn sold it to the third broker and the last broker finally sold it back to the first broker and completed the circle. As on August 28, 2002, it is seen that Inventure sold 1,700 shares to Ramaben, who further sold the same quantity to Adolf, who sold it to noticee, then to Pandya and then the shares were sold to NCJ, who finally sold it back to Inventure.

- e. From Table C, I note that the shares were being rotated in a circular manner among the group of brokers on a daily basis. It is seen that the trades were so well organized within this group as the same number of shares went back to the original seller at the end of the day on most occasions. It is observed that similar pattern of circular trading was observed on 24 trading days during the investigation period. I note that the noticee had indulged in circular trading on 14 days out of the said 24 trading days.
- f. Considering the facts and circumstances described in previous paragraphs, I am of the view that matching of the trades entered by the entities was not accidental. Rather, it shows concerted efforts to get the orders matched with each other. The total contribution of the noticee and the other brokers of the group towards the circular trades is as under:

Table – D

Name of broker	Adolf Pinto	N CJ	Inventure	G.R. Pandya	Ramaben	Noticee
No. of Trades	805	981	675	821	530	718

g. I note from the trade log provided to the noticee vide letter dated May 19, 2010, that the orders in respect of most of the trades entered by the noticee were entered with a startling proximity in the timing, price and quantity thus resulting into matching of the orders. A few instances of the same have been reproduced below:

Table – E

Date	Buy				Sell				Qty.	Price	Time	Time diff.
	Order No.	Member Code	Client Code	Time	Order No.	Member Code	Client Code	Time				
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	300	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	200	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	100	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	300	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	100	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	200	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	300	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	300	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	200	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	100	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	300	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	200	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	300	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	200	72.4	12:39:08	0:00:00
17-Sep-02	26700700010055241	D0267	4959	12:39:08	1300100010004737	D0013	J1	12:39:08	300	72.4	12:39:08	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055247	D0267	4959	13:23:17	51900700010063317	D0519	YT02	13:23:17	200	74.5	1:23:17	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
18-Sep-02	26700700010055248	D0267	4959	13:23:32	51900700010063318	D0519	YT02	13:23:32	140	74.6	1:23:33	0:00:00
20-Sep-02	26700700010055267	D0267	4959	12:43:28	1300100010004821	D0013	J1	12:43:29	300	84.15	12:43:29	0:00:01
20-Sep-02	26700700010055267	D0267	4959	12:43:28	1300100010004821	D0013	J1	12:43:29	200	84.15	12:43:29	0:00:01
20-Sep-02	26700700010055267	D0267	4959	12:43:28	1300100010004821	D0013	J1	12:43:29	100	84.15	12:43:29	0:00:01
20-Sep-02	26700700010055267	D0267	4959	12:43:28	1300100010004821	D0013	J1	12:43:29	300	84.15	12:43:29	0:00:01
20-Sep-02	26700700010055267	D0267	4959	12:43:28	1300100010004821	D0013	J1	12:43:29	200	84.15	12:43:29	0:00:01
20-Sep-02	26700700010055267	D0267	4959	12:43:28	1300100010004821	D0013	J1	12:43:29	300	84.15	12:43:29	0:00:01
20-Sep-02	26700700010055267	D0267	4959	12:43:28	1300100010004821	D0013	J1	12:43:29	300	84.15	12:43:29	0:00:01

20-Sep-02	26700700010055267	D0267	4959	12:43:28	1300100010004821	D0013	J1	12:43:29	200	84.15	12:43:29	0:00:01
20-Sep-02	26700700010055268	D0267	4959	12:43:48	1300100010004822	D0013	J1	12:43:48	300	84.25	12:43:49	0:00:00
20-Sep-02	26700700010055268	D0267	4959	12:43:48	1300100010004822	D0013	J1	12:43:48	200	84.25	12:43:49	0:00:00
20-Sep-02	26700700010055268	D0267	4959	12:43:48	1300100010004822	D0013	J1	12:43:48	100	84.25	12:43:49	0:00:00
20-Sep-02	26700700010055268	D0267	4959	12:43:48	1300100010004822	D0013	J1	12:43:48	300	84.25	12:43:49	0:00:00
20-Sep-02	26700700010055268	D0267	4959	12:43:48	1300100010004822	D0013	J1	12:43:48	100	84.25	12:43:49	0:00:00
20-Sep-02	26700700010055268	D0267	4959	12:43:48	1300100010004822	D0013	J1	12:43:48	200	84.25	12:43:49	0:00:00
20-Sep-02	26700700010055268	D0267	4959	12:43:48	1300100010004822	D0013	J1	12:43:48	300	84.25	12:43:49	0:00:00

The above details clearly indicate synchronization in the placing of the orders, as these appear to have been punched with preconceived motive and prior arrangement that the orders would be picked up by a particular entity of the group on the opposite side. Therefore, the total purchase of 31,900 shares and the sale of 33,700 shares of GGAGL by the noticee for its client, was synchronized with the same set of entities. I note that large number of trades got matched regularly. These trades were carried out for many days and the timing of the orders so placed also matched at most instances within 0-60 seconds. The occurrence of such structured and synchronized deals in a circular manner persistently cannot be a co-incidence because the shares were rotated intra-day within a closed group of clients and there was no change in the beneficial ownership of the shares. The execution of circular trading in a synchronized manner repeatedly for several days by the noticee and the group reveals that they were having nexus with each other and were acting in tandem as a group.

h. I observe from the Enquiry Report that the circular trading in the scrip by the group started on August 26, 2002, with a quantity of 1,000 shares. It is seen that the noticee joined the group on August 28, 2002. Gradually, the total quantity increased to 4,000 shares as on September 23, 2002. I note that the price of the scrip also increased from ₹46.90 per share as on August 26, 2002 to ₹100.20 per share as on September 30, 2002, along with such circular trading. I also note the following facts:

- A total of 4,530 trades were executed among the group of brokers for volume of 3,30,105 shares, accounting for 15% of the total trading volume.
- Time difference between buy orders and sell orders ranged from 0-60 seconds at most instances.

- The total intra-day volume contributed by the group ranged from 7.13% to 22.68%.
- i. All these facts point to the active connivance of the noticee with its counterparty brokers. I note that even though the screen based trading system is faceless in nature and maintain anonymity of the counterparty broker/ client, it is also an established fact that two parties with prior intent can match their trades with each other by placing orders simultaneously at the same price. I observe that the trading pattern followed by the noticee and the group is clearly in the nature of circular trades since they were the main entities who traded amongst themselves by executing synchronized trades with the intention that the orders of a particular entity get matched with the other. I note that it is absolutely most unlikely that persons unknown to each other could trade continuously by placing orders in a circular manner and contribute significantly to the total volumes in the market. In the instant case, the circular trading on so many days clearly reveals manipulative intent. These transactions, apart from creating artificial volume of trading, also influenced the prices, by giving an impression to others that the scrip is being actively traded at prevailing prices.
- j. The above discussed role of the noticee shows that it played a vital role in the game plan of the manipulation of the trading in the scrip of GGAGL. The noticee by carrying out synchronized transactions and circular trading, created artificial liquidity in the scrip of GGAGL and rigged the price upwards. Thus, I am of the view that the charge of the violation of the provisions of Regulation 4(a),(b),(c) and (d) of the PFUTP Regulation stands established as against it.
9. From the above discussion and considering the nature of the trades, I note that the noticee indulged in the pattern of trades which were not genuine, but manipulative as discussed above for its client. Thus, I find that the noticee has failed to perform its statutory duties, which are expected from a prudent stock broker who has a duty not only towards its client but also towards

maintaining the integrity of the securities market. A registered intermediary is expected to follow due compliance of the rules/ regulations and the directives issued by SEBI.

10. In view of the foregoing, I find that the noticee is guilty of the violation of Regulation 4(a), (b), (c) and (d) of PFUTP Regulations and Clauses A (1), (2), (3), (4) and (5) of the Code of Conduct prescribed for the stock brokers in Schedule II under Regulation 7 of the Broker Regulations.
11. I note that pursuant to the notification of the SEBI (Intermediaries) Regulations, 2008, the Enquiry Regulations have been repealed and in terms of Regulation 38(2) of the SEBI (Intermediaries) Regulations, 2008, notwithstanding such repeal, any enquiry commenced under the Enquiry Regulations, shall be deemed to have been commenced under the corresponding provisions of SEBI (Intermediaries) Regulations, 2008.
12. I, therefore, in the exercise of power conferred upon me by Section 19 of the Securities and Exchange Board of India Act, 1992 read with Regulation 28(2) Securities and Exchange Board of India (Intermediaries) Regulations, 2008, hereby suspend the certificate of registration of the stock broker, Shreehari Hira Stock Broking Private Limited (earlier known as Shiv Kumar H. Bissa) (SEBI Registration no. INB 011233336 [PAN: AAJCS 0518D] for a period of one month.
13. This order shall come into force on expiry of twenty one days from the date of this order.

DATE : 31/MARCH/2011
PLACE: MUMBAI

PRASHANT SARAN
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA