

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: M.S. SAHOO, WHOLE TIME MEMBER**

**IN THE MATTER OF UNREGISTERED SUB-BROKING ACTIVITIES OF MRS.
REENA BANSAL, WIFE OF MR. RAJEEV BANSAL, SUB-BROKER AFFILIATED
TO ICICI SECURITIES LIMITED**

ORDER

**UNDER SECTION 11(4) READ WITH SECTION 11B OF THE SECURITIES AND
EXCHANGE BOARD OF INDIA ACT, 1992 AND REGULATION 35 OF SEBI
(INTERMEDIARIES) REGULATIONS, 2008**

1. SEBI came across media reports on March 30, 2011 that Mr. Rajeev Bansal, a sub-broker having SEBI Registration No. INS2329101112 and INS012923012, affiliated to M/s. ICICI Securities Limited (I-Sec), stock broker of National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) and his wife Mrs. Reena Bansal have allegedly defrauded some investors. In view of the said reports, SEBI sought and obtained details of transactions by Mr. Bansal and Mrs. Bansal, from NSE, BSE, National Securities Depository Ltd. (NSDL), Central Depository Services (India) Ltd. (CDSL) and I-Sec.
2. From the analysis of the said information, SEBI formed a *prima facie* view that Mrs. Bansal was acting as an unregistered sub-broker. The following evidences led to the aforesaid view:
 - (a) The shares purchased in her trading account were subsequently transferred to the demat accounts of various clients through off-market transfers. The details of off-market transfer of shares from Mrs. Bansal's accounts to the accounts of clients are as under:

Date	Transferred to	Client ID	Security Name	Quantity
30-10-2006	MAHADEVAIAH. N. CHETNA	42997786	INFOSYS TECHNOLOGIES LIMITED	100
26-04-2007	NANJAMMA	40631375	HINDUSTAN UNILEVER LIMITED	90
26-04-2007	NANJAMMA	40631375	SUZLON ENERGY LIMITED	14
26-04-2007	NANJAMMA	40631375	STATE BANK OF INDIA	50
26-04-2007	NANJAMMA	40631375	DENA BANK	200
26-04-2007	NANJAMMA	40631375	SUN TV NETWORK LIMITED	14
26-04-2007	NANJAMMA	40631375	ULTRATECH CEMENT LIMITED	80
7/5/2007	KAMBI .S. DINAKAR	51427609	MOHAN MEAKIN LIMITED	399
27-08-2009	P V SRIDHARAN	42656483	RELIANCE PETROLEUM LIMITED	500
24-09-2009	KUMAR IYER K	50276692	UNITECH LIMITED	500
08-12-2009	P V SRIDHARAN	42656483	RELIANCE INDUSTRIES LIMITED	70
14-12-2009	GULBANOO KHAN	30166991	SATYAM COMPUTER SERVICES LTD.	700
14-12-2009	GULBANOO KHAN	30166991	RELIANCE NATURAL RESOURCES LTD.	600
14-12-2009	S AMALRAJ	50380775	RELIANCE POWER LIMITED	400
14-12-2009	S AMALRAJ	50380775	UNITECH LIMITED	1,000
21-12-2009	KUMAR IYER K	50276692	UNITECH LIMITED	500

Date	Transferred to	Client ID	Security Name	Quantity
05-01-2010	GULBANO KHAN	30166991	SATYAM COMPUTER SERVICES LTD.	800
01-02-2010	SRINIVASAMURTHY DEVARAJ	53658778	RELIANCE POWER LIMITED	570
03-02-2010	GULBANO KHAN	30166991	SATYAM COMPUTER SERVICES LTD.	100
03-02-2010	GULBANO KHAN	30166991	RELIANCE NATURAL RESOURCES LTD.	500
11-02-2010	BANGARUNaidu VENU	33860305	PURAVANKARA PROJECTS LIMITED	300
24-02-2010	JAYANT GUPTA	40757865	IL&FS ENGINEERING AND CONSTRUCTION COMP. LTD.	1,000
02-03-2010	GANJIGUNTE.R. VIJAYAKUMAR	53240525	UNITECH LIMITED	250
17-03-2010	GULBANO KHAN	30166991	SHREE RENUKA SUGARS LIMITED	400
17-03-2010	GULBANO KHAN	30166991	RELIANCE NATURAL RESOURCES LTD.	200
13-04-2010	KUMAR IYER K	50276692	UNITECH LIMITED	500
18-05-2010	GULBANO KHAN	30166991	SHREE RENUKA SUGARS LIMITED	400
18-05-2010	GULBANO KHAN	30166991	RELIANCE NATURAL RESOURCES LTD.	400
19-05-2010	H SRINIVASA	31058988	PURAVANKARA PROJECTS LIMITED	300
19-05-2010	GANJIGUNTE RAMAIYER VIJAYAKUMAR	53240525	PURAVANKARA PROJECTS LIMITED	788
19-05-2010	KARTHIK T V	50350208	RELIANCE POWER LIMITED	387
19-05-2010	GANJIGUNTE.R. VIJAYAKUMAR	53240525	RELIANCE POWER LIMITED	387
31-05-2010	H SRINIVASA	31058988	PURAVANKARA PROJECTS LIMITED	1,245
09-06-2010	GULBANO KHAN	30166991	SHREE RENUKA SUGARS LIMITED	450
09-06-2010	GULBANO KHAN	30166991	RELIANCE NATURAL RESOURCES LTD.	400
18-08-2010	GULBANO KHAN	30166991	SHREE RENUKA SUGARS LIMITED	200
18-08-2010	GULBANO KHAN	30166991	RELIANCE NATURAL RESOURCES LTD.	1,100
13-12-2010	GULBANO KHAN	30166991	SHREE RENUKA SUGARS LIMITED	400

- (b) Mrs. Bansal received shares on transfer in off-market from accounts of various clients and sold the same in the market. The details of off-market transfer of shares from the accounts of various clients to Mrs. Bansal's accounts are as under:

Date	Transferred from	Client ID	Security Name	Quantity
18-05-2006	K S DINAKAR	10113131	SIEMENS	40
18-05-2006	K S DINAKAR	10113131	RANBAXY LABORATORIES LIMITED	2,000
18-05-2006	K S DINAKAR	10113131	LARSEN AND TOUBRO LIMITED	30
18-05-2006	K S DINAKAR	10113131	HINDALCO INDUSTRIES LIMITED	50
18-05-2006	K S DINAKAR	10113131	HDFC BANK LIMITED	10
18-05-2006	K S DINAKAR	10113131	SUN PHARMA	50
18-05-2006	K S DINAKAR	10113131	HIMAT SEIDE	1,000
18-05-2006	K S DINAKAR	10113131	TATA STEEL LIMITED	84
18-05-2006	K S DINAKAR	10113131	STERLITE TECHNOLOGIES LTD.	50
18-05-2006	K S DINAKAR	10113131	ICICI BANK LIMITED	10
18-05-2006	K S DINAKAR	10113131	GUJARAT NRE COKE LIMITED	100
18-05-2006	K S DINAKAR	10113131	PAUSHAK LIMITED	400
18-05-2006	K S DINAKAR	10113131	MOHAN MEAKIN LIMITED	399
18-05-2006	K S DINAKAR	10113131	NALCO	5
18-05-2006	K S DINAKAR	10113123	PIRAMAL HEALTHCARE LTD.	21
18-05-2006	K S DINAKAR	10113131	PIRAMAL HEALTHCARE LTD.	39
18-05-2006	K S DINAKAR	10113123	CRESCENT FINST	116
18-05-2006	K S DINAKAR	10113131	ITC LIMITED	1,265
18-05-2006	K S DINAKAR	10113131	TATA MOTORS LIMITED	100

Date	Transferred from	Client ID	Security Name	Quantity
18-05-2006	K S DINAKAR	10113131	PIONEER EMBROID	12
18-05-2006	K S DINAKAR	10113131	PUNJAB NATIONAL BANK	20
18-05-2006	K S DINAKAR	10113131	PFIZER	102
18-05-2006	K S DINAKAR	10113131	GUJARAT ALKALIES AND CHEMICALS	82
18-05-2006	K S DINAKAR	10113131	WELSPUN CORP LIMITED	70
18-05-2006	K S DINAKAR	10113131	WELSPUN INDIA	79
18-05-2006	K S DINAKAR	10113131	CAROL INFO SERVICES	100
18-05-2006	K S DINAKAR	10113131	SESA GOA	10
18-05-2006	K S DINAKAR	10113131	SHREYANS INDUSTRIES LIMITED	50
18-05-2006	K S DINAKAR	10113131	KOTAK MAH BANK	50
18-05-2006	K S DINAKAR	10113131	NESTLE	50
18-05-2006	K S DINAKAR	10113123	SPEL SEMICON	300
18-05-2006	K S DINAKAR	10113131	RELIANCE NATURAL RESOURCES LIMITED	150
18-05-2006	K S DINAKAR	10113131	RELIANCE ENERGY VENTURES LIMITED	150
18-05-2006	K S DINAKAR	10113131	RELIANCE COMMUNICATIONS LIMITED	150
18-05-2006	K S DINAKAR	10113131	RELIANCE CAPITAL VENTURES LIMITED	150
18-05-2006	K S DINAKAR	10113131	KOJAM FININVEST LIMITED	1
18-05-2006	K S DINAKAR	10113131	INDIA CEMENTS LIMITED	100
18-05-2006	K S DINAKAR	10113131	FUTURISTIC OFFSHORE SERV. AND CHEMICAL LTD	100
18-05-2006	K S DINAKAR	10113131	ALEMBIC LTD.	87
18-05-2006	K S DINAKAR	10113131	TATA CONSULTANCY SERVICES	10
18-05-2006	K S DINAKAR	10113131	TATA COFFEE	200
18-05-2006	K S DINAKAR	10113123	DCW LTD	250
18-05-2006	K S DINAKAR	10113123	TATA TELESERV (MAH)	100
18-05-2006	K S DINAKAR	10113131	GOOD VALUE MARKETING COMPANY LTD.	250
18-05-2006	K S DINAKAR	10113123	SOLVAY PHARMA	100
18-05-2006	K S DINAKAR	10113123	UNITED BREW.	37
18-05-2006	K S DINAKAR	10113123	UNION BANK OF INDIA	100
18-05-2006	K S DINAKAR	10113123	UNITED BREWERIES (HOLDINGS) LIMITED	56
18-05-2006	K S DINAKAR	10113131	VST INDUSTRIES LIMITED	50
18-05-2006	K S DINAKAR	10113131	WINTAC LIMITED	100
19-05-2006	HEMAVATHI DINAKAR	10465996	RANBAXY LABORATORIES LTD.	416
19-05-2006	HEMAVATHI DINAKAR	10465996	RELIANCE INFRASTRUCTURE LTD.	100
19-05-2006	HEMAVATHI DINAKAR	10465996	INDUSIND BANK LIMITED	100
19-05-2006	HEMAVATHI DINAKAR	10465996	NTPC LTD.	161
19-05-2006	HEMAVATHI DINAKAR	10465996	ISPAT PROFILES	89
08-07-2006	K S DINAKAR	10113131	RANBAXY LABORATORIES LTD.	1,796
30-10-2006	RAJEEV BANSAL	31002044	INFOSYS TECHNOLOGIES LTD.	100
30-10-2006	HELEN PERIES	41573188	UNITECH LIMITED	4,000
02-11-2006	K S DINAKAR	10113131	EXIDE INDS	4,080
02-11-2006	K S DINAKAR	10113131	SUNDRAM FASTENERS LIMITED	1,000
02-11-2006	K S DINAKAR	10113131	CENTURION BANK OF PUNJAB LTD.	100
07-11-2006	HELEN PERIES	41573188	GMR INFRASTRUCT	3,000
15-11-2006	HELEN PERIES	41573188	IVRCL INFR & PR	2,000
30-07-2007	A TARACHAND	13246837	IFCI	1,000
30-07-2007	A TARACHAND	13246837	TATA STEEL LIMITED	150
30-07-2007	A TARACHAND	13246837	INDUSIND BANK LIMITED	300
30-07-2007	A TARACHAND	13246837	ISPAT INDUSTRIES LIMITED	660

Date	Transferred from	Client ID	Security Name	Quantity
30-07-2007	A TARACHAND	13246837	ISPAT INDUSTRIES LIMITED	440
30-07-2007	A TARACHAND	13246837	TATA COMMUNICATIONS LTD.	100
30-07-2007	A TARACHAND	13246837	HINDUSTAN MOTORS LIMITED	500
30-07-2007	A TARACHAND	13246837	TATA TELESERV (MAH)	1,000
30-07-2007	A TARACHAND	13246837	SYNDICATE BANK	142
30-07-2007	A TARACHAND	13246837	MOSER BAER	100
07-11-2007	D R SRINATH	30752215	INFOSYS TECHNOLOGIES LTD.	30
07-11-2007	D R SRINATH	30752215	BAL PHARMA LTD	100
07-11-2007	D R SRINATH	30752215	BEML LIMITED	50
07-11-2007	D R SRINATH	30752215	DLF LIMITED	10
07-11-2007	D R SRINATH	30752215	SATYAM COMPUTER SERVICES LIMITED	30
07-11-2007	D R SRINATH	30752215	RELIANCE NATURAL RESOURCES LIMITED	50
07-11-2007	D R SRINATH	30752215	RELIANCE PETROLEUM LTD.	100
07-11-2007	D R SRINATH	30752215	SPICE COMMUNICATIONS LTD.	135

- (c) Mrs. Bansal received/paid money from/to various clients. The client-wise details of payments/receipts in her ICICI Bank account linked to her trading account are as under:

Sl. No	Client Name	Client Code	Payments (Rs.)	Receipts (Rs.)
1	TARA JAYADEVAPPA	8500461291	4,008,140.00	190,000.00
2	SHIVAMMA	8500662572	2,613,725.00	2,969,500.00
3	GULBANOO	8500504147	1,916,600.00	-
4	A V BASAVARAJ	8500723167	1,001,000.00	-
5	SUSHMA BEHL	8501828248	708,000.00	-
6	DHARMENDRA SAXENA	8501854024	690,000.00	6,188,000.00
7	REENA PANDEY	8501898579	648,000.00	480,000.00
8	SHANTHA SURESH	8501960067	500,000.00	-
9	SUSHILA ANITHA NAYAR	8502003999	448,000.00	400,000.00
10	SRIDHAR P PAMADI	8500778531	347,000.00	-
11	AYVAIYENGAR PARTHASARATHY	8500851349	315,000.00	-
12	SUBRAMANIAN NARAYANAN	8501956298	300,000.00	300,000.00
13	PRAMOD MURARI RAMAKRISHNA	8501965560	300,000.00	-
14	KAMBI SHADAKSHARAPPA DINAKAR	8500858540	275,000.00	-
15	HOSURKAR S M	8500762956	244,000.00	-
16	LINGAPPA .S. SHESHADRI	8500836907	187,000.00	-
17	IREDDY SIDDALINGAPPA	8500763615	171,000.00	120,000.00
18	SABAPATHY SUNDARRAJ	8500836351	138,000.00	-
19	S VISWANATHAN	8500655652	130,000.00	-
20	VEERANNA A	8500624859	129,000.00	-
21	ANIL MALHOTRA	8500983497	101,000.00	100,000.00
22	JAYARAJ MICHAEL	8501261875	100,000.00	-
23	ARUN B S	8501475001	100,000.00	-
24	NARAYAN GANAPATI NAIK	8501705901	100,000.00	-
25	S AMALRAJ	8500763616	95,000.00	-
26	SASTRY J B G	8500628998	85,600.00	-
27	KASHI LAKSHMANASETY SURYANARAYANASETTY	8501142023	75,000.00	500,000.00
28	DEEPTHI JAIN	8501223240	65,000.00	-
29	USHA DINAKARAN	8500561960	62,000.00	-
30	NAGENDRAKUMAR B N	8500776099	53,500.00	-
31	RAMANJANEYULU Y V	8500760597	50,000.00	-
32	RAMPRASAD KALKUNTE L N	8500762947	50,000.00	-
33	ANAND TARACHAND	8501215303	41,000.00	-
34	Y V SRIVAS	8501393275	40,300.00	-
35	C A HUMAYUN	8500722434	36,000.00	105,000.00
36	JAGANNATHA B.C. ANANDATEERTHA	8500836906	30,000.00	-

Sl. No	Client Name	Client Code	Payments (Rs.)	Receipts (Rs.)
37	SAI RAGHU	8501112147	30,000.00	-
38	GAYATHRI	8501020737	28,000.00	-
39	KAMLESH KATOCH	8500524811	25,000.00	-
40	UMESH M GOHIL	8500721816	20,000.00	-
41	NIKETA BHARATSINH JETHWA	8500771817	20,000.00	-
42	ASHOK RANTHIDEVAN VENKATARAMAN	8500858570	18,640.00	-
43	MUNIREDDY CHANNAREDDY	8501268536	17,000.00	-
44	C A BABURAVINDRANATH P	8500671332	16,000.00	-
45	SOMARAYAPPA B NAVALGUND	8500656783	12,000.00	185,000.00
46	KUMAR IYER K	8500754553	12,000.00	-
47	BHANU S NAVALGUND	8501022756	12,000.00	-
48	TEJASWINI J T	8500659003	-	950,000.00
49	GANJIGUNTE RAMA IYER VIJAYAKUMAR	8501036372	-	850,000.00
50	YATHIRAJ AGARWAL	8501121886	-	350,000.00
51	SRINIVAS	8501131923	-	577,500.00
52	PARAS MAL JAIN	8501233661	-	600,000.00
53	LOUIS JOSEPH STANLEY	8501351544	-	495,000.00
54	K VENUREDDY	8501397214	-	281,400.00
Grand Total			16,364,505.00	15,641,400.00

3. It is clear from the above that Mrs. Bansal dealt in the securities on behalf of clients without obtaining registration from SEBI and thus acted as an unregistered sub-broker. This is in violation of Section 12 (1) of SEBI Act, 1992 and Regulation 11 (1) of SEBI (Stock Brokers and Sub-brokers) Regulations, 1992.

4. I am of the view that the activities of Mrs. Bansal are detrimental to the safety and integrity of the securities market and interests of investors. I am also of the view that pending detailed investigation into her dealings in securities with other stock brokers, in order to prevent further harm to the investors and the securities market, it is necessary to issue appropriate preventive ex-parte directions immediately against Mrs. Bansal, who has been acting as unregistered sub-broker.

5. I, therefore, in exercise of the powers conferred upon me under Section 19 read with Sections 11(4) and 11B of the SEBI Act, 1992 and Regulation 35 of the SEBI (Intermediaries) Regulations, 2008, pending investigation and final order, do hereby, by way of an ad interim ex-parte order:

(a) Restrain Mrs. Reena Bansal (PAN: AHRPB9035G) from buying, selling or dealing in the securities market in any manner whatsoever or accessing the securities market, directly or indirectly, either for herself or for her clients or clients of Mr. Rajeev Bansal, and

(b) Direct the depositories, NSDL and CDSL not to give effect to any debit instruction in demat accounts of Mrs. Reena Bansal or in the demat accounts of any beneficial owner on the authority of power of attorney obtained by her or Mr. Rajeev Bansal.

6. This order shall be treated as the show cause notice. Mrs. Reena Bansal may show cause, within 15 days from the date of this Order, as to why the directions passed in this Order should not be continued. Further, if Mrs. Reena Bansal so desires, she can avail of the opportunity of personal hearing on a mutually convenient date and time within 15 days from the date of this Order. She may also inspect the relevant documents, if so desires, on any working day prior to the personal hearing during office hours at SEBI office at SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051.
7. A copy of this Order shall be served on NSE, BSE, NSDL, CDSL and I-sec to ensure that the directions given in Para 5 above are strictly complied with.
8. This Order shall come into force with immediate effect and shall remain in force until further orders.

Date: April 21, 2011
Place: Mumbai

M. S. SAHOO
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA