BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER NO. PG/AK/AO-60-64/2012]

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

In respect of

Name of the Noticees	Permanent Account No.	Order Number
Ramkishore Maheshwari	AEBPM6856K	PG/AK/AO/60/2012
Renu Maheshwari	AAPPM7006B	PG/AK/AO/61/2012
Bhanwarlal Maheshwari	AJPPM2702D	PG/AK/AO/62/2012
Nimbaram D Prajapati	AOSPP8683A	PG/AK/AO/63/2012
Nilesh D Patel	ADTPP1781B	PG/AK/AO/64/2012

In the matter of Popular Estate Management Limited.

FACTS OF THE CASE IN BRIEF

1. Securities and Exchange Board of India (hereinafter referred to as **"SEBI"**) conducted investigation in respect of trading in the shares of Popular Estate Management Ltd. (hereafter referred to as **"PEML"/"Company"/"scrip"**), during the period from February 09, 2009 to February 24, 2009 (hereinafter referred to as **"Investigation Period"**).

2. It was observed that Renu Maheshwari (**RM**), Bhanwarlal Maheshwari (**BM**), Ramkishore Maheshwari (**RKM**), Nimbaram D Prajapati (**NP**) and Nilesh D Patel (**NDP**) {collectively referred to as **Noticees**} trading through sub-broker Crystal Finstock Pvt. Ltd. (**Crystal**) of broker Mehta Equities Ltd (**MEL**) } had executed trades among themselves in significant variation to the Last Traded Price (LTP) in the shares of PEML.

RELATIONSHIP AMONGST THE ENTITIES

3. It is observed that the Noticees were related to each other and to Crystal in the following manner:

   a. Bhanwarlal Maheshwari: Director of Crystal & father of RKM
   b. Renu Maheshwari: Director of Crystal & wife of RKM
   c. Ramkishore Maheshwari: (Ex-director, Crystal & son of Shri Bhanwarlal Maheswari, Director, Crystal); & husband of RM
   d. Nimbaram D Prajapati: (an employee of Crystal)
   e. Nilesh D Patel: (an employee of Crystal).
   f. All the aforesaid entities were having one common address at 193/1 New Cloth Market, Ahmedabad, Gujarat, 380002 which is the address of Crystal.

BACKGROUND

4. It was observed that prior to the period of examination, the scrip of PEML was under suspension and same was revoked w.e.f. February 04, 2009. On the day of revocation the scrip opened at ₹ 50/- and closed at ₹ 33.01 with a volume of 1303 shares.

FINANCIAL RESULTS ANALYSIS:

5. It was observed that PEML's total income and net profit after tax was ₹ 50 lakhs & ₹ 26.60 lakhs respectively for the quarter ended 31.12.2008. The respective figures for the Quarter ended 31.12.2007 stood at ₹ 2.70 Cr & ₹ 2.69 Cr.

SHAREHOLDING PATTERN ANALYSIS:

6. As per the shareholding pattern of PEML for the quarter ended September 2008, out of total share capital of 1,40,00,200 shares, 82,20,500 shares (58.72 % of the share capital) were held by promoters and 57,79,700 shares (41.28% of the share capital) were held by non-promoters, out of which 16,20,100 shares (11.57% of the share capital) were held in demat mode. During the quarter ended December 2008, no major changes in the shareholding pattern were observed.

PRICE - VOLUME DATA ANALYSIS:

7. On Bombay Stock Exchange the price of the scrip opened at ₹24.34 on February 06, 2009 and closed at ₹41.20 (overall 69.27 % rise 12 trading days) on February 25, 2009. A total of 69139 shares were traded during the entire investigation period on BSE. Further, it was observed that the total volume traded in the market was very low. Average trading volume per day was 6,177 shares during the examination period, which is 0.107 % {(6177/57,79,700)*100} of the total floating stock of the company and 0.381 % {(6177/16,20,100)*100} of the total dematerialized shares.

APPOINTMENT OF ADJUDICATING OFFICER

8. The undersigned was appointed as the Adjudicating Officer, vide order dated March 22, 2011 under section 15 (I) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as **"SEBI Act"**) and rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as **"Rules"**) to enquire into and adjudge under section 15HA of the Act for the alleged violations of regulations 4(2) (a), (b) & (g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 (hereinafter referred to as **"PFUTP Regulations")** by the Noticees.

SHOW CAUSE NOTICE, HEARING AND REPLY

9. Show Cause Notices dated June 21, 2011 (hereinafter referred to as "**SCNs**") were issued to the Noticees under rule 4(1) of the Rules to show cause as to why an inquiry should not be held against the Noticees and penalty be not imposed under section 15HA of SEBI Act for the alleged violations specified in the said SCN.

10. The Noticees vide their letters dated July 8, 2011 inter alia made the following submissions:

"…….

- *I sincerely express regret for transactions done by me on dated 11-02-2009 and thereafter 12-02-2009 &13-02-2009. I have done these transactions innocently and these transactions did not have any sort of manipulations as these transactions are done solely myself without guidance of any broker or outside person.*

- *I have done these transactions fist (sic) time in my life and assure you that will not repeat such mistake in future. I bag (sic) your leniency and condone my lapses.*

  ……..."

11. In the interest of natural justice and in order to conduct an inquiry as per rule 4(3) of the Rules, the Noticees were granted an opportunity of personal hearing on July 21, 2011 and July 22, 2011 at SEBI, Western Regional Office, Ahmedabad, vide Notices dated July 07, 2011. Mr. Ramkishore Maheshwari, Authorized Representative (AR) appeared for self and other Noticees and submitted as under:

> *"I have made my submissions vide letter dated July 8, 2011 and have no further submissions."*

12. Further, the Noticees vide letters July 25, 2011 informed the undersigned that they had filed consent application before SEBI.

13. The consent applications of the Noticees were rejected and the said rejection was communicated to the undersigned by SEBI vide communication dated September 10, 2012. In view of this and in the interest of natural justice and in order to conduct an inquiry in terms of rule 4(3) of the Rules, the Noticees were granted a final opportunity of personal hearing on October 09, 2012 at SEBI, Western Regional Office, Ahmedabad, vide Notices dated September 28, 2012. Mr. Ramkishore Maheshwari, Authorized Representative (AR) appeared for self and other Noticees and submitted as under:

"I reiterate the submissions made by Noticees vide letter dated July 8, 2011. I accept the violation of regulations 4(2)(a), 4(2)(b) & 4(2)(g) of SEBI (Prohibition of Fraudulent and unfair trade practices relating to Securities Market) Regulations, 2003 committed by the Noticees and have no further submissions. I request the Adjudicating officer to take lenient view in the matter".

CONSIDERATION OF ISSUES AND FINDINGS

14. The issues that arise for consideration in the present case are:

a. Whether the Noticee has violated regulations 4(2) (a), (b) & (g) of PFUTP Regulations?
b. Does violation, if any, attract monetary penalty under section 15HA of SEBI Act?
c. If so, what would be the monetary penalty that can be imposed taking into consideration the factors mentioned in section 15J of SEBI Act?

15. Before moving forward, it will be appropriate to refer to the relevant provisions of PFUTP Regulations, which read as under:

PFUTP REGULATIONS:

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

(1) …

(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 ;

(c) …
(d) …
(e) …
(f) …
(g) entering into a transaction in securities without intention of performing or without intention of change of ownership of such security;"

Findings

16. Upon perusal of the documents available on record, oral and written submissions made by the Noticees, I find the following:

17. It is observed that the Noticees had traded in the shares of PEML through Crystal who is sub broker of trading member MEL. It was alleged that all the aforesaid Noticees were connected entities and had executed synchronized reversal trades for 58,000 PEML shares accounting for 83.89% of the total traded volume during the period of examination (98.46% of the total traded volume on three trading days i.e. on February 11, 2009, February 12, 2009 and February 13, 2009). Further, it was observed that the aforesaid trades were also cross trades (buy & sell trading member is same) executed by Crystal, through its broker MEL on behalf of the aforesaid Noticees.

18. A comparison of the trading of Crystal with the total traded volume at the exchange in PEML shares is tabulated below:

Date	Open Price	High Price	Low Price	Close Price	Exchange Volume	Volume by Crystal	% to Exchange Volume
11-Feb-09	21	30.08	20.65	25.49	4002	4000	99.95%
12-Feb-09	*20.5*	26.55	20.5	25.3	4307	4000	92.87%
13-Feb-09	21	30.33	21	26.86	50597	50000	98.82%

19. Upon analysis of the trading details of the Noticees, it was observed that the Noticees had dealt on 3 trading days only i.e. on February 11, 2009, February 12, 2009 and February 13, 2009. Reversal of trades among Noticees was also observed on these three trading days. It was also observed that orders for these trades were structured (buy and sell order quantity and rate were identical and were placed within few seconds of each other).

20. The day wise analysis of trades of the Noticees is given below:

FEBRUARY 11, 2009:

21. Shri Nimbaram Prajapati sold 1000 shares of PEML @ ₹ 21.00 to Shri Bhanwarlal Maheshwari at 02:49:14 pm. The buy order was placed by Bhanwarlal Maheshwari at 02:49:12 pm and the sell order by Nimbaram Prajapati at 02:49:13 pm. Shri Nimbaram Prajapati again bought 1000 PEML shares back from Shri Bhanwarlal Maheshwari @ ₹ 30.00 at 02:50:45 pm, i.e. the trade was reversed within less than 2 minutes. In the reverse trade the sell order was placed by Bhanwarlal Maheshwari at 02:50:44 pm and the buy order by Nimbaram Prajapati at 02:50:45 pm.

22. On the same day , Shri Nimbaram Prajapati sold 1000 PEML shares @ ₹21.00 to Shri Bhanwarlal Maheshwari at 03:16:03 pm and bought back the same quantity of shares @ ₹30.00 from Shri Bhanwarlal Maheshwari at 03:16:52 pm i.e. within 1 minute. In the first trade, the sell order was placed by Bhanwarlal Maheshwari at 03:16:02 pm and the buy order by Nimbaram Prajapati at the same

time. In the reverse trade the sell order was placed by Bhanwarlal Maheshwari at 03:16:51 pm and the buy order by Nimbaram Prajapati at the same time.

23. From the above transactions (reversed trades) Shri Bhanwarlal Maheshwari made a profit of ₹18000 and Shri Nimbaram Prajapti incurred a loss of ₹18000. These transactions accounted for 99.95% of the day's total volume of 4002 shares.

FEBRUARY 12, 2009 :

24. Shri Nimbaram Prajapati sold 2000 PEML shares @ ₹20.5 to Shri Bhanwarlal Maheswari at 10:10:53 am. The buy order was placed by Bhanwarlal Maheshwari at 10:10:51 am and the sell order by Nimbaram Prajapati at 10:10:52 am. The same trade was reversed at 10:12:56 am (about 2 minutes) in which Shri Nimbaram Prajapati bought back 2000 PEML shares @ ₹26. In the reverse trade the sell order was placed by Bhanwarlal Maheshwari at 10:12:56 am and the buy order by Nimbaram Prajapati at the same time.

25. From the above-mentioned transactions Shri Bhanwarlal Maheshwari made a profit of ₹11000 and Shri Nimbaram Prajapati made a loss of ₹11000. These transactions accounted for 92.87% of the day's total volume of 4307 shares.

FEBRUARY 13, 2009 :

26. Shri Nilesh D Patel sold 5000 PEML shares @ ₹21 to Ms Renu Maheshwari at 10:00:32 am. The buy order was placed by Renu

Maheshwari at 10:00:32 am and the sell order by Nilesh Patel at the same time. A reverse trade took place within 30 seconds wherein Shri Nilesh Patel bought back 5000 shares @ ₹30 from Ms Renu Maheshwari at 10:00:50 am. In the reverse trade the buy order was placed by Nilesh Patel at 10:00:50 am and the sell order by Renu Maheshwari at 10:00:51 am.

27. From the above-mentioned transaction Ms. Renu Maheshwari made a profit of ₹45000 and Shri Nilesh Patel made a loss of the same amount.

28. On the same day, Shri Nimbaram Prajapati sold 10000 PEML shares @ ₹22 to Shri Ramkishore Maheshwari at 11:55:04 am and bought back the same at 11:55:07 am @ ₹28.90. The buy order was placed by Ramkishore Maheshwari at 11:55:03 am and the sell order by Nimbaram Prajapati at 11:55:04 am. In the reverse trade the sell order was placed by Ramkishore Maheshwari at 11:55:05 am and the buy order by Nimbaram Prajapati at 11:55:06 am.

29. Further, on the same day Shri Nimbaram Prajapati again sold 10000 PEML shares @ Rs 23.50 to Shri Ramkishore Maheshwari at 01:11:12 pm and bought back 10000 shares from Shri Ramkishore Maheshwari @ Rs 29.45. The trade reversal took place at 01:11:15 pm (within few seconds). The buy order was placed by Ramkishore Maheshwari at 01:11:11 pm and the sell order by Nimbaram Prajapati at 01:11:12 pm. In the reverse trade the sell order was placed by Ramkishore Maheshwari at 01:11:13 pm and the buy order by Nimbaram Prajapati at 01:11:14 pm.

30. From the above-mentioned transactions Shri Ramkishore Maheshwari altogether made a profit of ₹1,28,500.00 and Shri Nimbaram Prajapati made a loss of similar amount (₹1,28,500.00).

31. The detail of trades done by the Noticees is given below:

Date	Buy order time	Buyer	Sell order time	Seller	Qty	Rate	Trade time
11-02-2009	02:49:12pm	BM	02:50:45 pm	NP	1000	₹21	02:49:14 pm
11-02-2009	02:50:45pm	NP	02:50:44 pm	BM	1000	₹30	02:50:45 pm
11-02-2009	03:16:02 pm	BM	03:16:02 pm	NP	1000	₹21	03:16:03 pm
11-02-2009	03:16:51 pm	NP	03:16:51 pm	BM	1000	₹30	03:16:52 pm
12-02-2009	10:10:51 am	BM	10:10:52 am	NP	2000	₹20.5	10:10:53 am
12-02-2009	10:12:56 am	NP	10:12:56 am	BM	2000	₹26	10:12:56 am
13-02-2009	10:00:32 am	RM	10:00:32 am	NDP	5000	₹21	10:00:32 am
13-02-2009	10:00:50 am	NDP	10:00:51 am	RM	5000	₹30	10:00:51 am
13-02-2009	11:55:03 am	RKM	11:55:04 am	NP	10000	₹22	11:55:04 am
13-02-2009	11:55:06 am	NP	11:55:05 am	RKM	10000	₹28	11:55:07 am
13-02-2009	01:11:11 pm	RKM	01:11:12 pm	NP	10000	₹23.50	01:11:12 pm
13-02-2009	01:11:14 pm	NP	01:11:13 pm	RKM	10000	₹29.45	01:11:15 pm

32. The summary of profit/loss made by each entity of the Noticees is as follows:

Name	Profit (₹)	Loss (₹)
Ramkishore Maheshwari	1,28,500	
Renu Maheshwari	45,000	
Bhanwarlal Maheshwari	29,000	
Nimbaram D Prajapati		1,57,500
Nilesh D Patel		45,000

33. From all the above transactions it is observed that by entering into reversal trades, one entity incurred loss whereas the other earned same amount of profit, thus these transactions appear to be in the nature of profit and loss adjustment.

34. I find that the Noticees who were connected among themselves had executed synchronized reversal trades with each other for 58,000 shares which accounted for over 98% of the total traded volume on 3 trading days during the period of examination. Nilesh D Patel and Nimbaram D Prajapati had admitted in their respective statements dated June 22, 2010 that they had carried out the transactions in the scrip of PEML under the instruction of RKM who was operating their account and has also borne the loss incurred in these transactions. In their statement dated June 22, 2010, RKM & RM have admitted that they traded in the shares of PEML for the purpose of booking profit in their personal account. It is observed from the price and volume analysis of PEML that the days when the aforesaid entities traded, the average trading volume of the scrip had gone up significantly from meager 366 shares (from the day of revocation of suspension of trading in the scrip i.e. 4/2/2009 to 9/2/2009) to 19,635 shares (during 11/2/2009 to 13/2/2009). Further, after this

period the average traded volume again come down to 1,453 shares (from 16/2/2009 to 25/2/2009).

35. It is evident from the trading pattern of the Noticees that through reversal trades, they have manipulated the price of the scrip during the period under scrutiny. It is also observed that there was no transfer of ownership of shares.

36. The Noticees vide their letter dated July 8, 2011 have admitted that they have conducted the above irregular transactions. Further, during the course of hearings also, the Noticees have accepted that they had committed the violation of regulations 4(2)(a), 4(2)(b) & 4(2)(g) of PFUTP Regulations.

37. The pattern of synchronized order placement and reversal trading clearly points out that the transactions were carried out with the intention that the orders of particular entities should match and there was a prior arrangement with respect to these transactions. These transactions resulted in creation of artificial volume. The pattern of trading indicates several instances where the time difference between buy and sell orders was less than 2 seconds. The Noticees (RM, RKM, BM, NP & NDP) have transacted amongst themselves in the shares of PEML through synchronized order placement in a contrived pricing pattern for profit / loss adjustment and it led to creation of artificial volumes in the scrip as the trades were reversed in a very short time. The increase in the trading volume of PEML shares can be attributed to the trades done by the Noticees. Thus, these trades were fraudulent and manipulative in nature as Noticees have misused the trading

mechanism for transferring profit/loss among themselves and also created artificial trading volume.

38. Hon'ble Securities Appellate Tribunal (hereinafter referred as **"SAT"**), in Ketan Parekh *Vs.* Securities & Exchange Board of India (Appeal No. 2 of 2004), observed that, *"A synchronized transaction even on the trading screen between genuine parties who intend to transfer beneficial interest in the trading stock and who undertake the transaction only for that purpose and not for rigging the market is not illegal and cannot violate the regulations. As already observed 'synchronisation' or a negotiated deal ipso facto is not illegal. A synchronised transaction will, however, be illegal or violative of the Regulations if it is executed with a view to manipulate the market or if it results in circular trading or is dubious in nature and is executed with a view to avoid regulatory detection or does not involve change of beneficial ownership or is executed to create false volumes resulting in upsetting the market equilibrium. Any transaction executed with the intention to defeat the market mechanism whether negotiated or not would be illegal. Whether a transaction has been executed with the intention to manipulate the market or defeat its mechanism will depend upon the intention of the parties which could be inferred from the attending circumstances because direct evidence in such cases may not be available. The nature of the transaction executed, the frequency with which such transactions are undertaken, the value of the transactions, whether they involve circular trading and whether there is real change of beneficial ownership, the conditions then prevailing in the market are some of the factors which go to show the intention of the parties. This list of factors, in the very nature of things, cannot be exhaustive. Any one factor may or may not be decisive and it is from the cumulative effect of these that an inference will have to be drawn."*

39. In my view, the Noticees through the said artificial trades interfered with the market mechanism by manipulating the price and volume of the said scrip. The trades executed by the Noticees were not the real trades as there was no intention to change the beneficial ownership. When the trades were inherently non genuine, I do not feel that it is necessary to prove that investors had, in fact got induced and bought and/ or sold on the basis of these trades. Similar views were expressed by Hon'ble SAT in its order dated 14.7.2006 in Ketan Parekh Vs. SEBI wherein it had observed that *"When a person takes part in or enters into transactions in securities with the intention to artificially raise or depress the price he thereby automatically induces the innocent investors in the market to buy /sell their stocks. The buyer or the seller is invariably influenced by the price of the stocks and if that is being manipulated the person doing so is necessarily influencing the decision of the buyer / seller thereby inducing him to buy or sell depending upon how the market has been manipulated. We are therefore of the view that inducement to any person to buy or sell securities is the necessary consequence of manipulation and flows therefrom. In other words, if the factum of manipulation is established it will necessarily follow that the investors in the market had been induced to buy or sell and that no further proof in this regard is required. The market, as already observed, is so wide spread that it may not be humanly possible for the Board to track the persons who were actually induced to buy or sell securities as a result of manipulation and law can never impose on the Board a burden which is impossible to be discharged. This, in our view, clearly flows from the plain language of Regulation 4(a) of the Regulations."*

40. Keeping in mind the dicta of the SAT as reproduced above, I see no reason to take a different view in the present case.

41. As per regulation 2 (1) (c) of PFUTP Regulations, *"fraud" includes any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss…."*

42. Regulation 4 (2) (a) of PFUTP Regulations, prohibits a person from indulging in an act which creates false or misleading appearance of trading in the securities market. Regulation 4 (2) (b) of PFUTP Regulations, prohibits dealings in a security intended to operate as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gains. Regulation 4 (2) (g) of PFUTP Regulations, prohibits entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security. As detailed above, the acts of the Noticees clearly created misleading appearance of trading in the shares of PEML and they did not act in a bonafide manner.

43. In view of the foregoing, I am of the view that the facts of the present case viz. reversal trades through synchronized placement of orders between Noticees clearly bring out an element of fraud and unfair trade practices indulged in by the Noticees. Therefore, I hold that the charges leveled against the Noticees are proved and that the allegation of violation of provisions of regulations 4(2) (a), (b) and (g) of PFUTP Regulations by the Noticees stand established.

44. The aforesaid violations of PFUTP Regulations by the Noticees make them liable for penalty under Section 15HA of SEBI Act, 1992 which reads as follows:

"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."

45. While determining the quantum of penalty under Section 15HA of SEBI Act, it is important to consider the factors stipulated in section 15J of SEBI Act, which reads as under:-

"15J - Factors to be taken into account by the adjudicating officer

While adjudging quantum of penalty under section 15-I, the adjudicating officer shall have due regard to the following factors, namely:-

(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."

46. I have considered the volume of trading done by the Noticees in the scrip of PEML. Keeping in mind the practices indulged in by the Noticees, gains and losses per se were made by the Noticees as they traded in PEML shares in a manner meant to do profit and loss adjustment and to create artificial volumes. This kind of activity seriously affects the normal price discovery mechanism of the securities market. Entities who indulge in such manipulative, fraudulent and deceptive transactions, or abet the carrying out of such transactions, should be suitably penalized for said acts of

omissions and commissions. While NP & NDP have only incurred losses, they shall also be liable for penalty as they have participated in the scheme for profit and loss adjustment and creation of artificial trading volume.

ORDER

47. After taking into consideration all the facts and circumstances of the case, for the violation of provisions of regulations 4(2) (a), (b) and (g) of PFUTP Regulations, I hereby impose the following monetary penalty on the Noticees individually which will be commensurate with the violations committed by them:

NAME	**PENALTY UNDER SECTION**	**AMOUNT OF PENALTY**
Ramkishore Maheshwari	15 HA of SEBI Act	₹4,00,000/- (Rupees four lakh only)
Renu Maheshwari	15 HA of SEBI Act	₹1,50,000/- (Rupees one lakh fifty thousand only)
Bhanwarlal Maheshwari	15 HA of SEBI Act	₹1,00,000/- (Rupees one lakh only)
Nimbaram D Prajapati	15 HA of SEBI Act	₹1,00,000/- (Rupees one lakh only)
Nilesh D Patel	15 HA of SEBI Act	₹1,00,000/- (Rupees one lakh only)

48. The Noticees (RM, RKM, BM, NP & NDP) shall pay the said amount of penalty by way of demand draft 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 should be forwarded to The Regional Manager, Securities and Exchange Board of India, Eastern Regional Office, L&T Chambers, 3rd Floor, 16, Camac Street, Kolkata – 700 017.

49. In terms of rule 6 of the Rules, copies of this order are sent to the Noticees and also to SEBI.

Date: **October 25, 2012** **Piyoosh Gupta**

Place: **Mumbai** **Adjudicating Officer**