BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

ADJUDICATION ORDER NO. PG/AO–19/2013

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:

Rose Valley Real Estates and Constructions Limited

(PAN – AABCR8068D)

BACKGROUND

1. Securities and Exchange Board of India (**SEBI**) had received a reference from the Office of the Registrar of Companies, West Bengal [**RoC (WB)**], containing certain findings in the matter of Rose Valley Real Estates and Constructions Limited (**RVRECL/Noticee**). It was stated in the said reference that RVRECL had repetitively issued debentures in the years 2001–02, 2004–05, 2005–06 and 2007–08 to more than 49 persons in each financial year without filing offer documents with either the Registrar of the Companies or SEBI. The reference received from

the RoC (WB) suggested that RVRECL had raised total sum of ₹ 1282.225 Lakhs by issuing secured debentures to the general public without complying with the norms related to IPO of securities. In light of the aforesaid reference and documents received from the RoC (WB) regarding public issue of debentures on six instances during 2001-2002 to 2007-2008 without complying with the legal provisions, SEBI initiated an investigation in the matter.

2. In order to conduct a thorough investigation in the instant matter, summons dated July 14, 2011 was issued to the Noticee under Section 11C(3) of the SEBI Act, 1992 by the SEBI Investigating Authority (**IA**), requiring the Noticee to submit the information mentioned in the enclosed Annexure to the summons by July 29, 2011. It was observed that vide letter dated July 29, 2011 the Noticee replied to summons dated July 14, 2011. On perusal of submitted details, it was observed that the reply of the Noticee was partial and incomplete. Details such as filing of prospectus, opening & closing dates of subscription, number of applications received, number of allottees, etc. in respect of different series of Non-Convertible Debentures issued during the period 2001 to 2008 were not provided.

3. Thereafter, another letter dated November 17, 2011 was issued by the IA asking the Noticee to furnish complete information as sought by summons dated July 14, 2011. It was observed that vide letter dated November 30, 2011 the Noticee replied to IA's letter

dated November 17, 2011. However, the Noticee failed to submit all the required information to the IA.

4. In view of the aforesaid, it was alleged that the Noticee failed to comply with summons dated July 14, 2011 and subsequent letter dated November 17, 2011 since it did not submit any specific details regarding issues of secured redeemable non-convertible debentures during the year 2001 to 2006 and provided incomplete information for the debenture issue in 2007-2008. It was also alleged that the Noticee did not submit details in respect of every series of debentures issued since 2001-02 such as number of application received, number of allottees for each issue of debentures, list of allottees along with their addresses and contact nos, number of debentures allotted and value of such allotment against each allottees name, etc. It was further alleged that such non submission of information had severely hampered the investigation process.

5. Subsequently, Adjudication Proceedings under Chapter VI A of the SEBI Act, 1992 were initiated, *inter alia,* in respect of Noticee and the undersigned was appointed as the Adjudicating Officer vide order dated December 04, 2012 and the said appointment was conveyed vide proceedings of the Whole Time Member dated December 28, 2012 to inquire and adjudge under Section 15A(a) of the SEBI Act, 1992 alleged violations of provisions of Section 11C(2), 11C(3) & 11C(6) of SEBI Act, 1992 committed by the Noticee.

SHOW CAUSE NOTICE, HEARING & REPLY

6. A Show Cause Notice (**SCN**) in terms of the provisions of Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (**Adjudication Rules**) was issued to the Noticee on February 06, 2013, seeking reply as to why an inquiry should not be held against the Noticee in respect of the violations alleged to have been committed by the Noticee. The said SCN was duly delivered to the Noticee by Speed Post on February 11, 2013. Thereafter, vide letter dated February 25, 2013, the Noticee acknowledged the receipt of the SCN and requested for further time of 15 days to submit its reply.

7. Subsequently, an opportunity of personal hearing was granted to the Noticee vide Notice of Inquiry dated March 04, 2013 and the Noticee was advised to attend the hearing on March 12, 2013. The Noticee was also advised to submit its reply, if any, on or before March 12, 2013. Mr. Sanjay Kumar Rai, Jt. Company Secretary and Authorised Representative of the Noticee appeared for personal hearing on the scheduled date and submitted reply to the SCN vide letter dated March 11, 2013.

CONSIDERATION OF ISSUES

8. After a careful examination of the documents available on record, I have the following issues for consideration, viz.,

A. Whether the Noticee has violated the provisions of Section 11C(2), 11C(3) & 11C(6) of the Act arising out of non-compliance with summons issued by SEBI and failure to furnish information and documents to SEBI ?
B. Whether the Noticee is liable for monetary penalty under Section 15A(a) of the SEBI Act, 1992?
C. What quantum of monetary penalty should be imposed on the Noticee, taking into consideration the factors mentioned in Section 15J of the SEBI Act, 1992?

FINDINGS

9. On perusal of the material available on record and giving regard to the facts and circumstances of the case, I record my findings hereunder.

ISSUE 1: Whether the Noticee has violated provisions of Section 11C(2), 11C(3) & 11C(6) of the SEBI Act, 1992 arising out of non-compliance with summons issued by SEBI and failure to furnish information and documents to SEBI?

10. Before proceeding further, it will be appropriate to refer to the provisions of Section 11C(2), 11C(3) & 11C(6) of the SEBI Act, 1992 which read as under:

Section 11C(2): *Without prejudice to the provisions of sections 235 to 241 of the Companies Act, 1956 (1 of 1956), it shall be the duty of every manager, managing director, officer and other employee of the company and every*

intermediary referred to in section 12 or every person associated with the securities market to preserve and to produce to the Investigating Authority or any person authorised by it in this behalf, all the books, registers, other documents and record of, or relating to, the company or, as the case may be, of or relating to, the intermediary or such person, which are in their custody or power.

Section 11C(3): *The Investigating Authority may require any intermediary or any person associated with securities market in any manner to furnish such information to, or produce such books, or registers, or other documents, or record before him or any person authorised by it in this behalf as it may consider necessary if the furnishing of such information or the production of such books, or registers, or other documents, or record is relevant or necessary for the purposes of its investigation.*

Section 11C(6): *If any person fails without reasonable cause or refuses –*

(a) to produce to the Investigating Authority or any person authorised by it in this behalf any book, register, other document and record which is his duty under sub-section (2) or sub-section (3) to produce; or

(b) to furnish any information which is his duty under sub-section (3) to furnish; or

(c) to appear before the Investigating Authority personally when required to do so under sub-section (5) or to answer any question which is put to him by the Investigating Authority in pursuance of that sub-section; or

(d) to sign the notes of any examination referred to in sub-section (7),

he shall be punishable with imprisonment for a term which may extend to one year, or with fine, which may extend to one crore rupees, or with both, and also with a further fine which may extend to five lakh rupees for every day after the first during which the failure or refusal continues.

11. From the material available on record I find that Summons dated July 14, 2011 was duly delivered to the Noticee requiring it to submit information mentioned in the enclosed Annexure to the

Summons on or before July 29, 2011. The details/information sought by the IA through the Summons dated July 14, 2011 were as follows :-

i. Certified copies of the Memorandum of Association and Articles of Association of Rose Valley Real Estates & Constructions Ltd.

ii. Audited Balance Sheet and Profit & Loss account for the last three financial years (2008-09, 2009-10, 2010-11) of Rose Valley Real Estates & Constructions Ltd.

iii. Name, addresses and occupation of all the promoters and directors of Rose Valley Real Estates & Constructions Ltd.

iv. A statement of mobilization of funds (since 2001-02 onwards) through issue of debentures duly certified by the Statutory Auditors.

v. Names and details of the Key Managerial Personnel of Rose Valley Real Estates & Constructions Ltd.

vi. Information in respect of <u>each and every series</u> of debentures issued (since 2001-02 onwards) as given below:

a. Details regarding the filing of Prospectus/Red Herring Prospectus with RoC for issuance of debentures.
b. Date of opening and closing of the subscription list for the said debentures.
c. List of agents along with their addresses who have been appointed by the company.
d. Details regarding the number of application forms circulated inviting subscription for debentures.
e. Details regarding the number of applications received.
f. Details regarding the number of allottees for each debenture issue.
g. List of such allottees along with their addresses and contact nos.
h. Number of debentures allotted and value of such allotment against each allottees name.

i. Details regarding subscription amount raised.
j. Date of allotment of the debenture.
k. Copies of the minutes of Board/committee meeting in which the resolution has been passed for allotment of debentures.
l. Date of dispatch of debenture certificates.
m. Copies of application forms, RHP, pamphlets, advertisements and other promotional material circulated for issuance of debentures.
n. Terms and conditions of the issue of debentures.

12. I note that vide letter dated July 29, 2011, the Noticee replied to the Summons dated July 14, 2011 and *inter alia*, stated that it had mobilized funds through issue of secured debentures from its business associates, friends, relatives and customers and that the employees of Rose Valley group of companies personally interact with their friends and associates and as such the debentures were issued to employees and their relatives/associates. On perusal of the details submitted by the Noticee vide letter dated July 29, 2011, it was observed that the reply of the Noticee was partial and incomplete. Details such as filing of prospectus, opening & closing dates of subscription, number of applications received, number of allottees, etc. in respect of different series of Non-Convertible Debentures issued during the period 2001 to 2008 were not provided.

13. Since the Noticee had not submitted complete details/information, another letter dated November 17, 2011 (Annexure – III of SCN) was issued by the IA asking the Noticee to furnish complete

information as sought by Summons dated July 14, 2011. I note that the said letter dated November 17, 2011 had clearly mentioned that "*Specific reply to queries raised at Serial No. 6 of Annexure – I of SEBI Summons dated July 14, 2011 have not been submitted by you till date*". I also note that in the letter dated November 17, 2011 the Noticee was advised by the IA to submit the necessary details by November 30, 2011 failing which it would be considered as non-compliance of SEBI Summons.

14. In reply to the letter dated November 17, 2011, the Noticee vide letter dated November 30, 2011 submitted partial information and *inter alia*, stated that it had not mobilized any fund from the public through public issue of Debentures and that all issue of Debentures were on private placement basis. Vide the said letter dated November 30, 2011, the Noticee also submitted that since Debentures were issued to employees and their relatives/associates on Private Placement basis only, there were no such opening/closing dates for the said debentures and no such circulation of the application.

15. At this juncture it is pertinent to note that despite receiving the Summons dated July 14, 2011 and letter dated November 17, 2011 the Noticee did not furnish the information as sought by the aforementioned Summons. The Noticee had, *inter alia*, submitted certified copies of memorandum and Articles of Association, audited balance sheet of 2008-2009 and 2009-2010, name and address of promoters/directors/key managerial personnel, etc. The

Noticee did not submit any specific details regarding Debentures issued during the year 2001 to 2006 and provided incomplete information for the debenture issue in 2007-2008. The Noticee did not submit details in respect of every series of debentures issued since 2001-02 such as number of applications received, number of allottees for each issue of debentures, list of allottees along with their addresses and contact nos, number of debentures allotted and value of such allotment against each allottees name, date of allotment of the debenture, date of dispatch of debenture certificates, copies of application forms, etc. I note that the Noticee was asked to submit statement of mobilization of funds (since 2001-02 onwards) through issue of debentures duly certified by the Statutory Auditors, in response to which the Noticee stated that mobilization of funds through secured Debentures were already reflected in the Audited Balance sheet and drew reference to the Audited Balance Sheet of 2009-2010.

16. I note that the Summons issued by the IA clearly stated that if the Noticee failed to comply with the Summons, SEBI may initiate Adjudication proceedings under Section 15A of SEBI Act, 1992 and criminal prosecution may also be launched against the Noticee under Section 11C(6) of the SEBI Act, 1992. I also note that in its reply to the SCN vide letter dated March 11, 2013, the Noticee submitted that it had submitted most of the information/documents vide its earlier letters and that it had already refunded all the monies collected by way of Debentures and as on date there were no debenture-holders. However, the

Noticee in its submissions has not given any reasons for not complying with the SEBI Summons.

17. In regard to the Summons issued to the Noticee, I note that the information sought would have enabled the IA to draw precise conclusions in the matter. I now proceed to discuss, as to how essential and important the information was in the instant matter which was not provided by the Noticee. In view of the reference and documents received from RoC (WB) indicating that the Noticee had repetitively issued debentures between years 2001–02 to 2007–08 to more than 49 persons without filing offer documents with SEBI and that the Noticee had raised huge sums of money by issuing secured debentures to the general public without complying with the norms related to Initial Public Offering of securities, the IA was conducting detailed investigation in respect of dealings of the Noticee in issuing Debentures and raising money from public without following provisions of securities laws. Further, the contents of the Annexure to the Summons dated July 14, 2011 clearly show how relevant the information was, given the allegation involved. Had the information with regard to details in respect of every series of debentures issued since 2001-02 such as number of applications received, number of allottees for each issue, list of allottees alongwith addresses and contact nos., number of debentures allotted, copies of application forms, etc. been provided, then the IA would have been in a better position to ascertain the exact role played by the Noticee while issuing Debentures and raising money from investors, thereby reaching a firm and clear

factual conclusion. In view of the ample time provided to the Noticee by the IA (from July 14, 2011 to November 30, 2011), it was imperative that the Noticee provided all the details/information as required vide the Summons.

18. I note that in its reply to the SCN made vide letter dated March 11, 2013, the Noticee has attempted to submit certain information for the first time such as statement of mobilization of funds (since 2001-02 onwards) through issue of debentures duly certified by the Statutory Auditors, details regarding number of applications received, number of allottees for each issue of debentures, list of allottees, number of debentures allotted and value of such allotment against each allottees, date of allotment of debentures, copies of application forms circulated during years 2001-02, 2004-05, 2005-06, 2007-08, etc. However, I am of the considered opinion that the Noticee ought to have submitted the information during the stage of the investigation in compliance with the Summons dated July 14, 2011 and subsequent letter dated November 17. This also shows that the Noticee did not submit the required information despite having the same thereby reflecting the non co-operative attitude of the Noticee to the whole investigation process of SEBI.

19. I note that in its reply to the SCN, the Noticee has, *inter alia*, stated that "*All debentures were issued under Private Placement basis through the employees, their friends and relatives*". From a prima facie scrutiny of annexures enclosed with the reply, I note that the Noticee has

enclosed copies of letters of offer which it had circulated amongst investors, inviting subscriptions in its Secured Redeemable Non-Convertible Debentures, wherein value of such issues ranged from Rupees 50 Lakhs (e.g. for the issue which opened on July 25, 2001) to Rupees 5 Crores (e.g. for the issue which opened on August 16, 2007). From the list of allottees of Debentures, as submitted by the Noticee in Annexure – D of its reply, I note that the allottees are very widespread geographically, i.e., the allottees of Debentures issued by the Noticee are from different districts of West Bengal and Tripura.

20. From the reply of the Noticee dated March 11, 2013, I note that Noticee had also made one issue of its Secured Redeemable Non-Convertible Debentures for Rupees 1 Crore which opened on December 15, 2005 and closed on March 14, 2006. I also note that the said offer document mentioned that "*The Company will accept not more than 49 applications on first come first basis*". However, from a prima facie scrutiny of the list of allottees for the said issue, as submitted by the Noticee in Annexure – D of its reply, I note that the Noticee had made allotment to as many as 893 allottees, i.e., the number of allottees were much more than 49. At this juncture, it is pertinent to mention the observation of the Hon'ble Supreme Court of India in the matter of Sahara India Real Estate Corporation Limited & Ors. versus Securities and Exchange Board of India & Anr. (CIVIL APPEAL NO. 9813 OF 2011) wherein it was, *inter alia*, held that "*.....if an offer of securities is made to fifty or more persons, it would be deemed to be a public issue, even if it is of domestic concern or*

proved that the shares or debentures are not available for subscription or purchase by persons other than those received the offer or invitation.....Unlisted companies like Saharas when made an offer of shares or debentures to fifty or more persons, it was mandatory to follow the legal requirements of listing their securities. Once the number forty nine is crossed, the proviso to Section 67(3) kicks in and it is an issue to the public, which attracts Section 73(1) and Unlisted companies like Saharas when made an offer of shares or debentures to fifty or more persons, it was mandatory to follow the legal requirements of listing their securities. Once the number forty nine is crossed, the proviso to Section 67(3) kicks in and it is an issue to the public, which attracts Section 73(1) and an application for listing becomes mandatory which fall under the administration of SEBI under Section 55A(1)(b) of the Companies Act". Hence, I do not accept the submission of the Noticee that the Debentures were issued on Private Placement basis. Also, in view of the huge number of allottees and their geographical spread, it is difficult for me to believe that Debentures were issued by the Noticee to its employees and their relatives/associates on Private Placement basis only and that there was no circulation of application. Further, from Annexure – D of the reply, I note that the Noticee has not provided addresses of all the allottees of its Debentures properly. For instance, in respect of the specific issue of Debentures by the Noticee discussed in this paragraph, the address of one of the allottees, Satyajit Saha (mentioned at serial no. 74) is mentioned as "*VILL-TOWN SONAMURA*" only.

21. From the documents submitted by the Noticee in its reply, I find that the same is also true for other issues of Redeemable Non-Convertible Debentures of the Noticee, i.e., the Noticee had made allotments to more than 49 persons. From Annexure – G of the reply, I note that the Noticee had made one issue of its Secured Redeemable Non-Convertible Debentures for Rupees 5 Crore which opened on August 16, 2007 and closed on November 15, 2007 and from Annexure – D of the reply I note that the Noticee had made allotment to more than 300 investors in this issue of its Debentures.

22. From the above paragraphs, it is now clear that the Noticee did not submit the information to the IA in compliance with Summons dated July 14, 2011 and letter dated November 17, 2011. It was not so that the Noticee had raised such huge amounts by issuing debentures to public without keeping a record of documents in respect of each and every issue of Debentures including details of investors, details of allotment, copies of applications, etc. From the Noticee's reply to the SCN it is also apparent that the required details/information were in its possession and readily available with it. But the Noticee concealed the information as sought vide SEBI Summons which was nothing but a calculated and deliberate attempt by the Noticee to derail the whole investigation process of SEBI. At this juncture, I refer to the observations made by the Securities Appellate Tribunal in Appeal No. 106/2006 (DKG Buildcon Private Limited v. The Adjudicating & Enquiry Officer, Securities and Exchange Board of India, decided on 07-01-2009) -

".....It is of utmost importance that every person from whom information is sought should fully co-operate with the investigating officer and promptly produce all documents, records, information as may be necessary for the investigations. If persons are allowed to flout the summons issued to them during the course of the investigations, the Board as the watchdog of the securities market will not be able to perform its duties in protecting the interests of the investors and safeguarding the integrity of the securities market.....".

23. I note that the Noticee in its reply dated March 11, 2013 has not given any reasons for not complying with the SEBI Summons. Despite receiving the Summons and the reminder letter the Noticee did not bother to furnish detailed information as required by the IA which hampered the investigation process to a great extent, as discussed above. Also, keeping in mind the ample time given to the Noticee by the IA, information as required vide the Summons could have been easily submitted by the Noticee. Hence, I find that the Noticee has failed to comply with Summons dated July 14, 2011 thereby violating the provisions of Section 11C(2) and 11C(3) of the SEBI Act, 1992.

24. I note that in the SCN, the Noticee has also been alleged to have violated Section 11C(6) of the SEBI Act, 1992. As already established, the Noticee has failed to submit the required details/information in response to SEBI Summons. However, Section 11C(6) of the SEBI Act is a special provision under which prosecution can be launched by SEBI against a person who fails to

comply with SEBI Summons and hence, the violation of Section 11C(6) of the SEBI Act, 1992 cannot be adjudicated under Chapter VIA of the SEBI Act, 1992.

25. From the forgoing paragraphs it is clear that despite duly receiving the Summons dated July 14, 2011 and subsequent letter dated November 17, 2011, the Noticee failed to provide all the information to the IA. The said information which was sought vide the Summons was very relevant and important in the whole investigating process and non-furnishing of the same has severely hampered the investigation process. I further note that the Noticee had been given sufficient opportunity to collate and submit the necessary information. However, the Noticee failed to cooperate with the IA and submit the required information even though the same was available with the Noticee. Thereby, it is established that the Noticee failed to comply with the summons dated July 14, 2011 violating Section 11C(2) and 11C(3) of the SEBI Act, 1992.

ISSUE 2: Whether the Noticee is liable for monetary penalty under section 15A(a) of the SEBI Act, 1992?

26. Section 15A(a) of SEBI Act,1992 prescribes the penalty for failure to furnish information and documents to SEBI and the same reads as follows:

*"**Penalty for failure to furnish information, return, etc.***
***15A.** If any person, who is required under this Act or any rules or regulations made thereunder, –*

(a) *to furnish any document, return or report to the Board, fails to furnish the same, he shall be liable to a penalty of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less;"*

27. As already observed, the Noticee failed to comply with the Summons dated July 14, 2011. Further, as stated above, the Noticee had the desired information but did not submit the same to the IA. Thus the non submission of information was deliberate. Therefore, I hold that the Noticee is liable for monetary penalty under Section 15A(a) of the SEBI Act, 1992.

ISSUE 3: What quantum of monetary penalty should be imposed on the Noticee, taking into consideration the factors mentioned in Section 15J of the SEBI Act, 1992?

28. While imposing monetary penalty 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."*

29. In the absence of material on record, the amount of disproportionate gain or unfair advantage made as a result of the default and the amount of loss caused to the investors due to the said default cannot be quantified. I note that not submitting complete details to the summons despite having the same appears to be a deliberate action/strategy on the part of the Noticee to not cooperate with the regulatory mechanism. I also note that such non cooperation and default definitely compromises the regulatory framework and acts as an impediment to the functioning of the investigation process of SEBI. Further, any delay or hurdle in investigation due to non cooperation by any entity is detrimental to the interest of investors in securities market. Not only did the Noticee not supply all the required information to the IA in response to Summons dated July 14, 2011 but also did not submit all the information in response to subsequent letter dated November 17, 2011. In this regard, I also refer to the observations made by the Securities Appellate Tribunal in Appeal No. 41 of 2010 (Brijlaxmi Leasing & Finance Ltd. vs. SEBI, decided on 07-06-2010) - *"……..if the required information had been furnished, it is possible that many more things could have been revealed. Since the information was withheld, we are satisfied that the appellants did not co-operate with the investigating officer and hampered the investigations. This is, indeed, a serious matter and cannot be viewed lightly. How can the market regulator carry out its functions if market players like the appellants were to withhold the information from it?....."*

30. SEBI under the provisions of the SEBI Act, 1992 has a mandate to shoulder extremely serious and onerous responsibilities. These responsibilities include the task of protecting the interest of investors in securities, and the development and regulation of the securities market. In order to protect the interest of investors and function effectively as a regulator, it is of utmost importance that summons issued by IA under provisions of the SEBI Act, 1992 are complied with by persons to whom such summons are issued. However, from the forgoing paragraphs it is now established that the Noticee failed to provide the necessary information/details to the IA in response to the Summons despite the same being available with it. It is now also established that the information sought by the said Summons was very relevant and important in the whole investigation process and non compliance with the Summons hampered the investigation process. Considering the facts and circumstances of the case and the gravity of the subject matter of investigation, the violation committed by the Noticee needs to be viewed very seriously. Accordingly, I find that imposing a penalty of ₹ 1,00,00,000/- (Rupees One Crore only) on Rose Valley Real Estates and Constructions Limited would be commensurate with the violation of Section 11C(2) and Section 11C(3) of the SEBI Act, 1992 committed by the Noticee.

ORDER

31. In terms of the provisions of the SEBI Act, 1992 and Rule 5(1) of the Adjudication Rules, I hereby impose a penalty of ₹ 1,00,00,000/- (Rupees One Crore only) under Section 15A(a) of the SEBI Act, 1992 for violation of Section 11C(2) and 11C(3) of the SEBI Act, 1992 on Rose Valley Real Estates and Constructions Limited.

32. The penalty shall be paid by way of demand draft drawn 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, Eastern Regional Office, SEBI, L&T Chambers, 3rd Floor, 16, Camac Street, Kolkata – 700017..

33. In terms of the provisions of Rule 6 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules 1995, copies of this Order are being sent to the Noticee and also to Securities and Exchange Board of India.

Date: March 26, 2013 **Piyoosh Gupta**
Place: Mumbai **Adjudicating Officer**