INVESTIGATIONS DEPARTMENT

IVD/ID7//SG/KM/ 142792 /2008

October 29, 2008

To,

Shri Aushim Khetrapal,

Managing Director,

M/s Orient Trade Link Ltd,

S-12/13, Siris Road,

DLF Phase III, Gurgoan,

Haryana

Dear Sir,

Sub: Show Cause Notice under Section 11B of the Securities and Exchange Board of India Act, 1992 read with Regulation 11 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations.

1. The scrip of M/s Orient Trade Link Ltd *(for short 'Orient')* formerly known as M/s Marine Integrated Finance Ltd. is listed at Bombay Stock Exchange (for short 'BSE') and Ahmedabad Stock Exchange. The registered office of the company is situated at 2, Moonlight Complex, Opp. Gurukul, Drive-in Road, Memnagar, Ahmedabad.

2. The trading pattern of the scrip of Orient for the period from July 1, 2002 to October 28, 2002, showed that the price of the scrip at BSE fell from Rs. 13.00 on July 1, 2002 to Rs. 3.45 on October 28, 2002. Large volumes were

noticed in the scrip from August 30, 2002 to September 26, 2002 and October 16, 2002 to October 28, 2002. The unusual rise in volume was found to have been not accompanied by any corporate announcement or development made by the company.

3. A formal investigation was conducted by SEBI into the dealings in the scrip of Orient during the abovementioned period. During the course of investigations, it was observed that there was large scale trading carried out in the scrip of orient by Shri Aushim Khetrapal (*hereinafter referred to as "noticee")* who happened to be Managing Director of Orient and also Managing Director of another company, namely, M/s Denim Enterprises Ltd *(now known as "M/s Divine Entertainment Ltd")* on his own account as well as on behalf of his front company M/s Vincomp Marketing Pvt. Ltd (for short "Vincomp").

4. It is further observed that during the investigation period, the noticee/Vincomp bought 28,19,959 and sold 4,13,593 shares of Orient through different sub brokers namely M/s Kansal Brothers, sub broker of M/s IKM Investor Services Ltd. (for short "IKM"), M/s Shree Balaji Stocks, sub broker of M/s TCP Stock Brokers Ltd (for short "TCP"), M/s Deep Jyoti Securities, sub broker of M/s Bonanza Stock Brokers Ltd. It is also observed that the noticee /Vincomp had dealt in the scrip through M/s GKK Capital Markets Pvt. Ltd (for short "GKK"), an unregistered sub broker wherein they bought 500100 and sold 439400 shares of Orient. Thus, the total quantity of shares of Orient bought and sold by noticee/Vincomp *(including the dealings through GKK)* was 33,20,059 and 8,52,993 shares respectively during the period under investigation.

5. From the perusal of the trading details submitted by Vincomp with the various sub brokers, it was observed that the address of Vincomp which was the front

company of the noticee was the same as that of the Head Office of the company M/s Divine Entertainment Ltd in which the noticee was the Managing Director. Further, it was observed from the account opening form of Vincomp, that this account was introduced by Anita Khetrapal (*wife of the noticee)* in her capacity as one of the directors of M/s Divine Entertainment Ltd. It was also observed that Shri C. S. Dhyani and Shri E. Krishna Rao who were appointed as directors of Vincomp on July 10, 2001, were earlier working as office assistant and peon respectively in the noticee's office. As stated above, the noticee and Vincomp were registered as clients with the sub broker M/s Kansal Brothers. Shri Subash Kansal, Authorized Representative of the sub broker M/s Kansal Brothers in his statement recorded on November 19, 2004 stated about the real status or position of the directors of Vincomp that C. S. Dhyani (who is one of the directors in Vincomp) was seen at the noticee's office. There Shri Raj Chawla (Chartered Accountant of the Noticee) introduced Shri C. S. Dhyani to Shri Subash Kansal as a peon/office boy in the noticee's office. He also stated that during the course of recovery of payments he has noticed that one of the directors of Vincomp,. Mr. Krishna Rao was working in the noticee's office as an assistant.

6. From the bank statement of Vincomp, it was observed that almost all the payments for the shares bought were made by it to M/s Deep Jyoti Securities either in cash or out of funds received from M/s Radiant Tennis Academy and M/s Radiant Entertainment which are the proprietorship concerns of the noticee. This also clearly shows that the funds for purchasing shares of Orient by Vincomp were provided by the noticee.

7. It was also found that the noticee also acted as the guarantor for the payments due to IKM etc. from Vincomp against its purchases. On the basis of above observations, it is alleged that Vincomp was the front company used by the noticee for trading in the shares of Orient in which the noticee was the Managing Director.

8. It was also found during the course of investigations that the noticee had raised huge loans from various persons namely Sh. Gajendra Pal Dhody *(unspecified amount)*, Sh. Ved Prakash Narula *(Rs.60 lakhs),* etc. and also owed money to GKK*,* which had purchased 5, 00,100 shares for the noticee /his front company Vincomp during the period August 30 - September 26, 2002. As the noticee/Vincomp was not able to make payments for these purchases, the noticee had asked GKK to sell these shares so as to recover its dues. Likewise, the noticee was observed to have transferred or arranged transfer of huge quantities of shares of Orient to his creditors i.e. Sh. Gajendra Pal Dhody/his company, namely, M/s Pramukh Securities Pvt. Ltd (for short "Pramukh") and Sh. Ved Prakash Narula in September/ October, 2002 in lieu of the money owed to them as shown in table below:

S. No.	**Transferred from**	**Transferred to**	**No. of shares**
1	M/s Vincomp Marketing Pvt. Ltd. DP A/c No. 10014717	M/s Pramukh Securities Pvt. Ltd. DP A/c No.10020804	527500
2	M/s Vincomp Marketing Pvt. Ltd. DP A/c No. 10014717	Sh. Ved Prakash Narula DP A/c No. 10010203	521400
		GRAND TOTAL	**1048900**

9. It was observed that while creditors of the noticee were selling shares in the market in order to recover their money, the noticee was only placing huge buy

orders for the same. It was found that when the noticee was selling shares through M/s Shree Balaji Stocks and M/s Deep Jyoti Securities, he was simultaneously buying those shares through GKK and when the noticee was selling through GKK towards the end of the investigation period, he was buying through IKM. The noticee arranged transfer of large quantities of shares to the accounts of his financiers/creditors which were sold by those parties and invariably bought by the noticee/ Vincomp. The noticee was apparently doing this to retain his holding in Orient. It is observed that on most of the occasions the sell orders were placed first by one or the other creditor and then buy orders of huge quantities were entered by the noticee. At times, the noticee entered bulk buy orders first and sell orders were placed afterward by one or more of the other parties. It is thus alleged that the noticee was engaged in circular trading through constant shifting of his trades from one broker/sub-broker to another.

10. Further, from the trade and order log analysis, several instances of self and matched trades were also observed between the noticee and related entities. The details of such trades between the noticee and Pramukh (one of the noticee's creditor), are mentioned in the table below:

Date	**No. of shares**	**Broker**	**Clients**
16.10.2002	34,000	IKM Investor Services	Aushim Khetrapal/Pramukh Securities
17.10.2002	38,100	-do-	-do-
18.10.2002	45,000	-do-	-do-
22.10.2002	59,200	-do-	-do-
23.10.2002	1,66,400	-do-	-do-
24.10.2002	2,91,000	-do-	-do-
25.10.2002	**3,00,000**	**-do-**	**-do-**

The details of the matched trades between the noticee and his front company Vincomp are shown below:

Date	**No. of shares**	**Buying Member**	**Selling Member**
16.10.2002	24,500	IKM Investor Services Ltd. (Aushim Khetarpal)	TCP Stock Brokers Ltd. (Vincomp Marketing Pvt. Ltd.)
17.10.2002	23,500	-do-	-do-
18.10.2002	17,700	-do-	-do-
21.10.2002	63,500	-do-	-do-
22.10.2002	37,000	-do-	-do-
23.10.2002	28,500	-do-	-do-
24.10.2002	11,200	-do-	-do-
25.10.2002	3,00,000	-do-	-do-

11. In this background, it can be inferred that the dealings carried out by the noticee and other related clients were not genuine trade transactions but were only mirroring the financing transactions which had taken place outside the exchange between the concerned parties.

12. It was further observed that there was huge inflow of shares of Orient from certain Ahmedabad-based persons/entities to demat accounts of the noticee and that of Shri Than Singh, Vincomp, Pramukh, Shri Prem Kumar Sharma, MLD and Keynote from early August, 2002 till the end of October, 2002 as shown in table below:

S. No	Name of the transferor	Name of the transferee	Demat A/c No. of transferee	No. of shares
1.	Rajesh Kumar Patel(Demat A/c No. 100000047)	M/s Pramukh	10020804	900700
2.	Rajesh Kumar Patel	M/s Vincomp	10014717	388000
3.	Rajesh Kumar Patel	Aushim	10495575	160000
4.	Rajesh Kumar Patel	M/s Keynote	1202430000000096	100000
5.	Rajesh Kumar Patel	E Krishna Rao	1202430000001511	12,160
6.	Kirti R. Patel (Demat A/c no. 10001989)	M/s Roopshri	10913359	500000
7.	Subhash Patel (Demat A/c No. 10007605)	Prem Kumar Sharma	10446961	600000
8.	Subhash Patel	E Krishna Rao	1202430000001511	1,00,000
9.	Subhash Patel	M/s MLD	10001997	73700
10.	Hema Rajesh Kumar Patel (Demat A/c No. 10000142)	E Krishna Rao	1202430000001511	200000
11.	Mahendra K. Sutharia (Demat A/c No. 10004977)	Than Singh	1202430000001524	200000
12.	Paresh Kumar Rasik Patel(Demat A/c No. 10000133)	Aushim	10495575	140000
13.	Kirtiben Rajeshkumar Patel (Demat A/c 10000080)	Aushim	1202430000001505	1200000
14.	Kirtiben Rajesh Kumar Patel & others (10005629)	E Krishna Rao	1202430000001511	1,87,840
	GRAND TOTAL			**4762400**

This table shows the movement of 4762400 shares from the demat accounts of various Ahmedabad based entities having address similar to that of Orient.

13. It is thus observed that the noticee has misused the mechanism of the Exchange and the entities like Pramukh and GKK have aided and abetted the noticee /Vincomp in creating artificial volumes. The noticee has used the mechanism of the Exchange to settle his debts owed to Pramukh, G. P. Dhody and Ved Prakash Narula and the transactions with these entities were largely reflection of financing transactions/arrangements between the parties concerned. Thus, it is noted that all these parties including the noticee were misusing the stock exchange mechanism to settle their private contracts, thereby taking shelter under the Settlement/ Trade Guarantee Fund of the exchange and exposing the exchange system to grave risk.

14. The noticee has either directly transferred shares or arranged transfer of shares from several demat accounts to the said entities so as to repay his debt/loans. These entities/persons had then sold these shares in the market using various sub brokers. In this process, when all these entities were selling the shares, the noticee was extensively buying from the other side, thereby creating false and misleading appearance of trading in the market.

15. In light of the above, it is alleged that the noticee has indulged in acts aimed at market manipulation and creation of artificial volumes in the scrip of Orient in violation of the provisions of Regulations 4(b), 4(c), 4(d) and 4(e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995 read with Regulation 13(2) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.

16. In view of the above, you are called upon to show cause as to why action in terms of Section 11 and 11B of SEBI Act, 1992 read with SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations should not be taken against you for violations specified above, which may include restraining you from accessing the securities market and prohibiting you from buying, selling or otherwise dealing in securities for an appropriate period of time. This shall be without prejudice to the right of SEBI to initiate prosecution proceedings under section 24 of SEBI Act, 1992 or any other action as it may deem fit in terms of the said Act or the rules and Regulations framed there under.

17. Your written submissions, if any, should reach the undersigned within a period of 15 days failing which it shall be construed that you have no comments to offer and SEBI would be free to take action against you in terms of the Regulations and the Act. You shall be provided with an opportunity of personal hearing before the appropriate authority if you so desire.

18. Vide Circular no. EFD/ED/Cir-1/2007 dated April 20, 2007 (available at www.sebi.gov.in), SEBI has come out with guidelines for passing of consent orders. If you wish to avail the consent process, you may apply in the prescribed form given in the said Circular. Your application should be forwarded to the address mentioned in the said Circular under intimation to the undersigned.

Yours Faithfully,

Authorized Signatory