WTM/RKA/OIAE/58/ 2012

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: RAJEEV KUMAR AGARWAL, WHOLE TIME MEMBER

ORDER

UNDER SECTION 11(4)(b) AND 11B OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992

In respect of Kaleidoscope Films Ltd. (Earlier Known as Gujarat Investment Castings Ltd.) and its Directors Mr. Prakash B. Dhebar, Ms. Smita Mahendra Pandya and Mr. Sarju Jayantilal Parikh.

1. The Securities and Exchange Board of India ('SEBI'), had passed an Adjudication Order dated March 23, 2011 against Kaleidoscope Films Limited ('Company') and imposed a penalty of Rs.17 lacs for non-redressal of investor grievances and failure to respond to SEBI notices. Subsequently, vide another order dated May 26, 2011 ('impugned order'), SEBI had restrained the Company and its directors, Mr. Prakash B. Dhebar, Ms. Smita Mahendra Pandya and Mr. Sarju Jayantilal Parikh from accessing the securities market and prohibited them from buying, selling or otherwise dealing in securities, directly or indirectly, till all pending investor grievances against the said Company are resolved and the same is reported to and confirmed by SEBI.

2. Subsequently, the Company had filed an Appeal No. 12/2012 before the Securities Appellate Tribunal ('SAT') in January 2012 against the orders mentioned above. The Hon'ble SAT vide its order dated October 22, 2012, disposed of the appeal with regard to the AO order and upheld the findings of the Adjudicating Officer. However, the penalty was reduced from Rs. 17 lacs to Rs. 7 lacs based on the submissions made by the Company. With regard to the appeal against the 11B order dated May 26, 2011, Hon'ble SAT disposed of the appeal based on the submission that all the complaints mentioned in the SCN were redressed and directed the Company to file an application before SEBI for revocation of the impugned order and directed the Board to pass necessary orders within two weeks, of filing the application for revocation by the Company.

3. Based on the order of the Tribunal, the Company and its directors filed a letter dated October 30, 2012 mentioning that the Company had redressed all the pending complaints and also attached a copy of an earlier email dated August 24, 2011 received from SEBI confirming the redressal of all pending investor grievances. Since the Company approached SEBI for revocation of the impugned

order only on November 2, 2012, the email dated August 24, 2011 forwarding the NIL report could not be accepted and since some investor grievances were still pending in SEBI Complaints Redress System ('SCORES'), the Company was advised to redress all the pending complaints.

4. After the follow up by SEBI, the Company, vide email dated November 19, 2012 *inter alia* stated that it had resolved all the pending investor grievances and the same was reported to SEBI. Thereafter, SEBI confirmed in SCORES that no investor complaints were pending against the Company. The Company further in its email dated November 19, 2012 had also requested to revoke the directions issued vide the impugned order against itself and its directors.

5. SEBI had examined the submissions of the Company and was satisfied that it has redressed all the pending complaints. In view of the above, it would be in the interest of justice to revoke the directions issued against the Company and its directors. Accordingly, I dispose of the present proceedings, as ordered hereinbelow.

6. In view of the foregoing, I, in exercise of the powers conferred upon me under Section 19 read with Sections 11(4)(b) and 11B of the Securities and Exchange Board of India Act, 1992, hereby revoke the directions issued against Kaleidoscope Films Limited (having its registered office at 101, 1st Floor, Panarama, R.C. Dutt Road, Alkapuri, Vadodara, Gujarat-390005) and its directors, Mr. Prakash B. Dhebar (Permanent Account No. ABQPD6028A & AAJHP0056J), Ms. Smita Mahendra Pandya (Permanent Account No. AAGPP4787P) and Mr. Sarju Jayantilal Parikh (Permanent Account No. APNPP0158C), vide Order dated May 26, 2011.

7. Show Cause Notices dated November 6, 2009 issued to the Company and November 10, 2009 issued to the Directors are accordingly disposed of.

8. A copy of this order shall be served on all recognized stock exchanges and depositories to ensure that the direction given in para 6 of this Order are complied with.

9. This Order shall come into force with immediate effect.

RAJEEV KUMAR AGARWAL
DATE: November 29, 2012 **WHOLE TIME MEMBER**
PLACE: MUMBAI **SECURITIES AND EXCHANGE BOARD OF INDIA**