

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTION 11 AND 11B OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 IN THE MATTER OF MISHKA FINANCE AND TRADING LIMITED IN RESPECT OF MR. SHRENIK NALIN ZAVERI

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Appearance for Mr. Shrenik Nalin Zaveri:

Mr. Ravi Ramaiya

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1. Pursuant to detection of a huge rise in the traded volume and price of the shares of *Mishka* Finance and Trading Limited {formerly known as Pyramid Finance and Trading Limited and hereinafter referred to as "*Mishka*"} on Bombay Stock Exchange Limited ("BSE") during the period from February 14, 2013 to December 31, 2014 (hereinafter referred to as "Examination Period"), Securities and Exchange Board of India ("SEBI") undertook a preliminary inquiry in the dealings in the said scrip.
2. Upon preliminary examination, it was *prima facie* observed that *Mishka* and persons in charge of its affairs created a facade of preferential issue of equity shares of around ₹6.74 crore in order to provide fictitious long term capital gains ("LTTCG") to *Mishka's* preferential allottees and *promoter related entities* (i.e. entities to whom *Mishka's* promoters transferred their shares in physical form) so as to convert their unaccounted income into accounted one. It was observed that after the release of compulsory lock-in period, the preferential allottees and the *promoter related entities* were provided exit at a high price by the entities related/connected amongst themselves and with *Mishka* (hereinafter referred to as "Exit Providers"). In the process Exit Providers and allottees artificially increased the volume of the scrip and misused securities market system for making illegal gains and to convert ill-gotten gains into genuine one to avail fictitious long term capital gains. The *modus operandi* used by these entities is as under:
  - a) As on September 30, 2011, *Mishka* had only 7 shareholders (5 under promoters and 2 under public category).
  - b) Thereafter, the aforesaid 7 shareholders transferred a total of 4,96,000 shares to 452 entities i.e. the promoter related entities directly/indirectly during 2011-2013.
  - c) In the meantime, *Mishka* allotted 7,93,700 shares under preferential allotment to 46 related/associated entities including 1 promoter, *viz.* Pearl Arcade Trading Private

Limited, (i.e. the preferential allottees), at an exorbitant premium of ₹75/- per share on September 24, 2012.

- d) Then, on February 06, 2013, *Mishka* announced bonus shares in the ratio of 7:1. As a result, the share capital of *Mishka* increased to 1,03,33,600 shares.
  - e) Thereafter, suddenly trading started in the scrip of *Mishka* from February 14, 2013. In Patch 1, i.e. from February 14, 2013 to February 14, 2014, the price of the scrip gradually increased from ₹5.50/- to ₹499/- (unadjusted) and ₹49.90/- (adjusted) with very low volume.
  - f) Prior to February 14, 2013, the entire share capital of *Mishka* was with Promoters, *Promoter related entities* and Preferential allottees.
  - g) Once the price of the scrip increased exponentially, *Mishka* announced a stock-split in the ratio of 1:10 on January 16, 2014 to make a passage for preferential allottees to exit since the stock split would reduce the per share price and increase liquidity.
  - h) One month after the stock split, i.e. from February 17, 2014 59 entities, connected / related, directly or indirectly, to *Mishka*, started providing hugely profitable exit to the preferential allottees and *promoter related entities*.
  - i) The said price movement was not backed by fundamentals of *Mishka* and its financials.
3. In this backdrop, SEBI, vide an *ad interim ex-parte* order dated April 17, 2015 (hereinafter referred to as “interim order”), restrained *Mishka* along with other 128 entities, from accessing the securities market and further prohibited them from buying, selling or dealing in securities in any manner whatsoever, till further directions.
  4. Pursuant to the *interim order*, certain entities filed their replies after seeking inspection of documents or otherwise and availed opportunities of personal hearings on several dates. Some of these entities also filed additional written submissions after personal hearings. Certain entities also sought additional documents which are being provided to them.
  5. While the proceedings pursuant to *interim order* were going on an appeal was filed before the Hon'ble Securities Appellate Tribunal ("the Hon'ble SAT") by Mr. Shrenik Nalin Zaveri (hereinafter referred to as the “Noticee”) challenging the *interim order*. Hon'ble SAT, vide its order dated July 2, 2015, disposed of the said appeal after taking note of SEBI's statement that a confirmatory order in respect of the Noticee in accordance with law will be passed by SEBI within two months from August 12, 2015. In terms of said order of the Hon'ble SAT, I deem it necessary to conclude these proceedings in respect of the Noticee. The proceedings against remaining entities shall be concluded separately.
  6. An opportunity of hearing was granted on August 12, 2015 to the Noticee when his authorized representative appeared and made submissions on his behalf. Pursuant to the

hearing, the Noticee also filed his written submissions. The replies / written submissions of the Noticee are, *inter alia*, as under:

- 1) The said Order is passed in defiance of principles of natural justice as an opportunity of personal hearing was not provided before passing the order and there was no emergent situation for passing the said order in exercise of powers under section 11(1), 11(4) and 11(B) of the SEBI Act.
- 2) He does not have any link/connection/nexus with *Mishka* or its promoter/directors or the entities of *Mishka* group.
- 3) Investment in preferential shares of *Mishka* and subsequent sale of shares so allotted was purely an investment decision and done in normal course. Legitimate funds have been used to invest in the preferential allotment of equity shares of *Mishka*. The allegation pertaining to LTCG is highly misplaced, baseless, unsubstantiated and highly imaginary.
- 4) Section 11(4)(e) of SEBI Act mandates an approval from Judicial Magistrate for attachment of accounts, which is not obtained before attaching his accounts.
- 5) He submitted that one Mr. Sharma from *Mishka* approached him at his jewellery shop and offered a proposal to invest in *Mishka* to help it in raising capital for its business. So as a token he invested ₹10 lakhs in *Mishka* and applied for 12,500 shares. At this time of investment his total portfolio was in excess of 11 crore. Hence his investments in *Mishka* was less than 1% of his investment portfolio. He also submitted that his investment in *Mishka* was well within his risk appetite as he has investments in Art Funds and Paintings, which are more risky asset class than stock market.
- 6) SEBI has restrained only 29 out of the 46 preferential allottees even when the relationship / connection with *Mishka* has been established for the sole reason of being a preferential allottee. Further, the stand of SEBI to ban only those preferential allottees who have sold their shareholding is highly objectionable.
- 7) Investment in the shares of *Mishka* and sales of these shares at the prevailing market price pursuant to lock in period in exchange platform is in compliance with all the rules, regulations & bylaws of SEBI / BSE. The allegation of acting in nexus/concert or part of any group and involvement in any alleged scheme, plan, device, artifice, money laundering and tax evasion are wrong.
- 8) He does not have any role at all in the alleged 'manipulation' of the price or volume of the scrip of *Mishka*. All transactions executed in the scrip of *Mishka* were genuine and were backed by actual delivery.
- 9) He has not acted or conducted their affairs, in a manner detrimental to the interest of the investors or securities market.
- 10) *Ex-parte* Order fails to adduce even an iota of evidence to show any transfer of funds between the Noticee and any other *Mishka* Group entity named in the *Ex-parte Ad-interim*

*order* or any connection / commonality between the Noticee and any other entity named in the *Ex-parte* Order as alleged in the *Ex -Parte* order.

- 11) He has prayed that the *Ex-parte* Order be revoked and set aside forthwith and all proceedings be dropped without any further directions.
  - 12) Without prejudice to the above prayer, the Noticee has sought the following interim reliefs:
    - a) to allow him to sell the shares and the units of Mutual Funds lying in the beneficiary accounts and to keep the such proceeds in an interest bearing escrow account;
    - b) to allow the credit of shares based on any corporate actions and credit of units of growth schemes of Mutual Funds in his demat account;
    - c) to allow the Portfolio Manager to actively manage his portfolio in line with PMS Regulation of SEBI as he is not directly involved in the management thereof.
7. I have considered the allegations and the submissions of the Noticee and have perused the documents available on record. I note that in the instant case, the directions issued against the Noticee are *interim* in nature and have been issued on the basis of *prima facie* findings. SEBI had issued directions vide the *interim order* in the matter in order to protect the interests of investors in the securities market. Detailed investigation in the matter is still in progress. Thus, the issue for consideration at this stage is whether the *interim* directions, issued against the Noticee vide the *interim order*, need to be confirmed, vacated or modified in any manner, during pendency of investigation in the matter.
8. The Noticee has contended that the *interim order* has been passed in disregard of the principles of natural justice in as much as no opportunity of hearing was provided to him by SEBI before passing the *interim order*. In this regard, I note that the *interim order* has been passed on the basis of *prima facie* findings observed during the preliminary examination/inquiry undertaken by SEBI. The facts, circumstances and the reasons necessitating issuance of directions by the *interim order* have been examined and dealt with in the said *interim order*. The *interim order* has also been issued in the nature of a show cause notice affording the Noticee a post decisional opportunity of hearing. I also note that the power of SEBI to pass interim orders flows from sections 11 and 11B of the SEBI Act which empower SEBI to pass appropriate directions in the interests of investors or securities market, pending investigation or inquiry or on completion of such investigation or inquiry. While passing such directions, it is not always necessary for SEBI to provide the entity with an opportunity of pre-decisional hearing. The law with regard to doing away with the requirement of pre-decisional hearing in certain situations is also well settled. The following findings of the Hon'ble Supreme Court of India in the matter of *Liberty Oil Mills & Others Vs Union Of India & Other* (1984) 3 SCC 465 are noteworthy:-

*"It may not even be necessary in some situations to issue such notices but it would be sufficient but obligatory to consider any representation that may be made by the aggrieved person and that would satisfy the requirements of procedural fairness and natural justice. There can be no tape-measure of the extent of natural justice. It may and indeed it must vary from statute to statute, situation to situation and case to case. Again, it is necessary to say that pre-decisional natural justice is not usually contemplated when the decisions taken are of an interim nature pending investigation or enquiry. Ad-interim orders may always be made ex-parte and such orders may themselves provide for an opportunity to the aggrieved party to be heard at a later stage. Even if the interim orders do not make provision for such an opportunity, an aggrieved party has, nevertheless, always the right to make appropriate representation seeking a review of the order and asking the authority to rescind or modify the order. The principles of natural justice would be satisfied if the aggrieved party is given an opportunity at the request. "*

9. Thus, considering the facts and circumstances of a particular case, an *ad-interim ex-parte* order may be passed by SEBI in the interests of investors or the securities market. It is pertinent to note that the *interim order* in the present case was passed under the provisions of sections 11(1), 11(4) and 11B of the SEBI Act. The second proviso to section 11(4) clearly provides that *"Provided further that the Board shall, either before or after passing such orders, give an opportunity of hearing to such intermediaries or persons concerned"*. Further, various Courts, while considering the aforesaid sections of the SEBI Act have also held that principles of natural justice will not be violated if an *interim order* is passed and a post-decisional hearing is provided to the affected entity. In this regard, the Hon'ble Bombay High Court in the matter of *AnandRathi & Others Vs. SEBI* (2002) 2 Bom CR 403, has held as under:

*"It is thus clearly seen that pre decisional natural justice is not always necessary when ad-interim orders are made pending investigation or enquiry, unless so provided by the statute and rules of natural justice would be satisfied if the affected party is given post decisional hearing. It is not that natural justice is not attracted when the orders of suspension or like orders of interim nature are made. The distinction is that it is not always necessary to grant prior opportunity of hearing when ad-interim orders are made and principles of natural justice will be satisfied if post decisional hearing is given if demanded. Thus, it is a settled position that while ex parte interim orders may always be made without a pre decisional opportunity or without the order itself providing for a post decisional opportunity, the principles of natural justice which are never excluded will be satisfied if a post decisional opportunity is given, if demanded."*

10. Further, the Hon'ble High Court of Judicature of Rajasthan at Jaipur in the matter of *M/s. Avon Realcon Pvt. Ltd. & Ors Vs. Union of India & Ors* (D.B. Civil WP No. 5135/2010 Raj HC) has held that:

*"...Perusal of the provisions of Sections 11(4) & 11(B) shows that the Board is given powers to take few measures either pending investigation or enquiry or on its completion. The Second Proviso to Section 11, however, makes it clear that either before or after passing of the orders, intermediaries or persons concerned*

would be given opportunity of hearing. In the light of aforesaid, it cannot be said that there is absolute elimination of the principles of natural justice. Even if, the facts of this case are looked into, after passing the impugned order, petitioners were called upon to submit their objections within a period of 21 days. This is to provide opportunity of hearing to the petitioners before final decision is taken. Hence, in this case itself absolute elimination of principles of natural justice does not exist. The fact, however, remains as to whether post-decisional hearing can be a substitute for pre-decisional hearing. It is a settled law that unless a statutory provision either specifically or by necessary implication excludes the application of principles of natural justice, the requirement of giving reasonable opportunity exists before an order is made. The case herein is that by statutory provision, principles of natural justice are adhered to after orders are passed. This is to achieve the object of SEBI Act. Interim orders are passed by the Court, Tribunal and Quasi Judicial Authority in given facts and circumstances of the case showing urgency or emergent situation. This cannot be said to be elimination of the principles of natural justice or if ex-parte orders are passed, then to say that objections thereupon would amount to post-decisional hearing. Second Proviso to Section 11 of the SEBI Act provides adequate safeguards for adhering to the principles of natural justice, which otherwise is a case herein also..."

11. In view of the above, I find that the *interim order* passed by SEBI was not in disregard of the principles of natural justice since, reasons for passing the *interim order* have been clearly stated in the *interim order* and, in accordance with the settled law, the Noticee was afforded a post-decisional opportunity to file his reply and avail the opportunity of personal hearing. I, therefore, reject the contention of the Noticee in this regard.
12. The Noticee has further contended that there was no urgency for SEBI to pass the *interim order* without providing him an opportunity of personal hearing. In this regard, I note that the time taken to arrive at a decision/action, as in this case, is dependent on the complexity of the matter, its scale and *modus operandi* involved and other attendant circumstances. The power under sections 11 and 11B of the SEBI Act can be invoked at any stage i.e. either during pendency or on completion of inquiry or investigation. In the present case, the *modus operandi* where suspected entities were misusing the stock exchange mechanism came to light only in April 2015. The *interim order* clearly brings out the reasons and circumstances for issuance of *ex-parte ad- interim* directions. I, therefore, do not find any merit in the contention of the Noticee in this regard.
13. The Noticee has contended that he is a regular investor and has invested in the scrip of *Mishka* from his own funds considering a good investment opportunity with the sole intention of earning profit. He has also denied having any nexus/ connection/ linkage with *Mishka* or its promoters or directors as alleged in the *interim order*. He further submitted that one Mr. Sharma from *Mishka* approached him at his jewellery shop and offered a proposal to invest in *Mishka* to help it in raising capital for its business and as a token he invested ₹10

lakhs in *Mishka* and applied for 12,500 shares. In this regard, I note that it is a common understanding that preferential allotment of shares is an issue of shares by a company to only a selected person or group of persons on a private placement basis unlike a public issue where funds are raised from public in general. It is also a matter of common knowledge that a preferential allotment is made on a one to one basis to those persons/entities who are acquainted/familiar with the company and its promoters/directors. A preferential allotment is not an “open to all” type of investment opportunity as sought to be contended by the Noticee. A company will, in no case, make a preferential allotment to a stranger who just approaches it for allotment of its shares. A preferential allotment is always for the purposes of meeting fund requirements of the concerned company and involves a covert and manifested action on one part of the company to issue its shares on preferential basis to select persons/ group of persons who are known to it or its promoters/directors and on the other part of the preferential allottees to finance the fund requirements of the company and subscribe to its shares.

14. In the instant case, it is undisputed that trading in the scrip of *Mishka* was suspended from January 07, 2002 to May 09, 2012 on account of non-payment of listing fees and during the financial year 2011-12, *Mishka* had incurred a loss of ₹12 Lakh. It does not appeal to reason that the Noticee, who claims to be a regular investor in the securities market, invested his hard-earned money in a company like *Mishka* with such poor fundamentals and background without having any connection / relation with the promoters/directors of *Mishka*. When asked during personal hearing, the Noticee’s authorized representative failed to give any plausible explanation as to how the company could make allotment to the Noticee if he was not known to it or its promoters/directors and if he had no nexus/connection with them. I am unable to accept the explanation of the Noticee that he invested in *Mishka* to help one Mr. Sharma whose first name is also not known to him. I note that the Noticee has been able to furnish any satisfactory documentary evidence to support his contention that he was approached by *Mishka* for the preferential allotment, or in providing the details of the offer made by *Mishka* to him and other details of communication between him and *Mishka* in that regard. It is important to note that financing of a company by way of preferential allotment, as found in this case, pre-supposes a nexus and prior understanding amongst the issuer, its promoters/directors and the allottee.

15. The above facts and circumstances indicate that *Mishka* and the Noticee were acting in concert towards a common objective that has been brought out in the *interim order*. Considering the background of *Mishka*, the investment made by the Noticee cannot be termed as a rational investment behavior and such investment, as in this case, could be possible only if the preferential allottee had nexus with *Mishka* and its promoter /directors and the issue of such shares was under a prior arrangement between them for an objective

other than providing equity capital to the company. This is further substantiated by the fact that funds received as proceeds of preferential allotment were immediately transferred by *Mishka* to various entities on the same day or next day and were never retained in the company for expansion of its business or for execution of its plans as envisaged in the special resolution in respect of the aforesaid preferential allotment. The trading data also reveals that most of the shares sold by the preferential allottees were bought by the entities of *Mishka Group*. In my view, this cannot be termed as coincidence especially when sellers have nexus with the company and buyers i.e. entities of *Mishka* group are either connected among themselves or connected to the company directly or indirectly as mentioned in the *interim order*. As brought out in the *interim order*, in ultimate beneficiaries of the whole scheme in question are the preferential allottees (including the Noticee). It is beyond reason to hold that the company and other entities mentioned in the *interim order*, except the preferential allottees, would devise the impugned plan/scheme for the benefit of the entities who are neither party to the plan/scheme nor have any complicity in the plan with others. Since, the Noticee amongst other preferential allottees is the ultimate beneficiary, he cannot pretend to be oblivious to the scheme/plan. The facts and circumstances of this case, in my view, strongly indicate *that* the issue of these shares was under a prior arrangement between them for the ulterior motive or the end objective of the scheme that has been brought out explicitly in the *interim order*. In view of the foregoing, I reject the contentions of Noticee in this regard.

16. The Noticee has further contended that SEBI has attached his demat accounts and the demat accounts of his family members where he is a second or joint holder without making a mention of it in the *interim order*. According to him, such an act of SEBI is beyond the powers conferred on it, as section 11(4)(e) of the SEBI Act requires an approval from the Judicial Magistrate which has not been obtained before attaching the said accounts. In this regard, it is pertinent to mention that section 11(4) (e) of the SEBI Act requires an approval of the Judicial Magistrate of the first class only for the purpose of attachment of “bank account(s)”. It is important to mention that section 11(4)(e) does not apply to demat accounts. I note that vide the *interim order*, the Noticee has been “*restrained from accessing the securities market and buying, selling or dealing in securities, either directly or indirectly, in any manner, till further directions*”. Towards implementation of the said direction, the demat accounts of the Noticee (single and joint) have been consequentially suspended for credit and debit. Thus, neither any direction of attachment of the Noticee’s accounts has been issued vide the *interim order* nor have any of the accounts been attached pursuant to SEBI’s order. Therefore, the requirement of prior permission of Judicial Magistrate under section 11(4)(e) of the SEBI Act does not arise. In view of the above, I do not find any merit in the contention of the Noticee in this regard.
17. The Noticee has also submitted that SEBI has adopted a discriminatory approach in respect of preferential allottees including him since the only basis of connection / relation with

*Mishka* is being a preferential allottee, and certain preferential allottees have been left out of the *interim order* because they had not sold their shareholding in *Mishka*. In this regard, I find it important to mention that the *interim order* clearly mentions that detailed investigation in the matter is in progress. The fact that certain preferential allottees have been left out of the *interim order* does not signify that they are outside the scope of SEBI's investigation or have been exonerated. At the stage of the *interim order*, directions were issued against entities whose role / involvement in the entire scheme was *prima facie* observed in light of the facts and circumstances at that stage. It is pertinent to clarify that appropriate action in accordance with the provisions of law will be initiated against every entity (including the preferential allottees) who has a role in the plan, scheme, design employed in this case. In view of the above, I do not find any merit in the contention of the Noticee that SEBI has adopted a discriminatory approach in the matter.

18. The Noticee has raised another contention that he did not have any role in the manipulation of the price of the scrip of *Mishka* or in the entire plan described in the *interim order*. He has further contended that there is no material to prove that his acts were “fraudulent” and that he violated the provisions mentioned in the *interim order*. In this regard, I note that the facts and circumstances of the instant case discussed hereinabove and in the *interim order* indicate beyond doubt that preferential allotment was an essential and important act in the whole scheme of things and the need to make such preferential allotment to achieve the end objective of the scheme has been amply brought out in the *interim order*. The *interim order* has reasonably highlighted the *modus operandi* wherein the company in nexus with the preferential allottees made a facade of preferential allotment ostensibly to raise money and thereafter the preferential allottees with the aid of the entities of *Mishka Group* misused the stock exchange mechanism to exit at a high price in order to book illegitimate gains with no payment of taxes as LTCG is tax exempt. Further, para 14 to 16 of the *interim order* especially discuss the manner in which preferential allottees (including the Noticee) sold their shares pursuant to abnormal increase in price in a manipulative way and made huge illegitimate profit in the whole process. In view of this background and facts and circumstances, I find that the acts of the Noticee discussed in the *interim order* are *prima facie* fraudulent and in contravention of the provisions of securities laws mentioned therein. I, therefore, reject the contentions of the Noticee in this regard.
19. I note that the Noticee, at this stage, has failed to give any plausible reason/explanation for the charges as described in the *interim order* and for complete removal of restraint. I, therefore, in this case, reject the prayer for setting aside the *interim order* or for complete removal of restraint imposed by it.
20. I have also considered the *interim* /alternative reliefs sought by the Noticee and facts and

circumstances brought on record by him. The Noticee has represented that exposing the portfolio of securities held by him in his demat accounts (single and joint) to any adverse movement in the market may affect their financial as well as operational stability in the market that may cause unnecessary hardship to him and is therefore avoidable. Further, his businesses have been suffering for lack of working capital and he is unable to utilize the proceeds of genuine investments made by him through legal means for business purposes or his urgent personal and professional needs.

21. The purpose of the *interim order* was to restrain/prevent the Noticee from indulging in similar activities of misuse of the stock exchange mechanism for purposes other than genuine trading. In this case about 6 months have elapsed since the *interim order* and the Noticee has been restrained from buying, selling or dealing in all securities, either directly or indirectly in any manner till further directions. This is a special type of case where several entities have been restrained on the basis of *prima facie* findings. The investigation in the matter is going on and finality to the *prima facie* findings can be arrived at only on completion thereof. The facts of this case are complex and entail examination of various transactions in shares under investigation.
22. Considering the particular facts and circumstances of this case, I am of the view that the restraint imposed against the noticee by the *interim order* cannot be removed at this stage. However, the noticee have made out a *prima facie* case for certain relaxations so as to avoid any irreparable loss to him. In this case, such relaxations would be within the spirit of order dated July 02, 2015 passed by Hon'ble SAT and would not compromise with the purpose and effect of the *interim order*.
23. I, therefore, in exercise of the powers conferred upon me under section 19 read with sections 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992, hereby confirm the directions issued vide the *ad interim ex parte order qua* the Noticee herein subject to permitting him to:
  - A. subscribe to units of the mutual funds including through SIP and redeem the units of the mutual funds so subscribed;
  - B. avail the benefits of corporate actions like rights issue, bonus issue, stock split, dividend, etc.
  - C. sell the securities lying in their demat accounts as on the date of the *interim order*, other than the shares of the companies which are suspended from trading by the concerned stock exchange, in orderly manner under the supervision of the stock exchanges so as not to disturb the market equilibrium and deposit the sale proceeds in a interest bearing escrow account with a nationalised bank.

24. It is further directed that the sale proceeds lying in the aforesaid escrow account shall be dealt with and utilised under the supervision of the concerned stock exchange as provided hereunder:-

- (i) the sale proceeds may be kept in a fixed deposit with a nationalised bank or may be utilised for subscription to units of the mutual funds which shall always be held in the demat form and if such units are redeemed the proceeds thereof shall be credited to the aforesaid escrow account or may be utilised for subscription to the units mutual funds;
- (ii) the Noticee may utilise upto 25% of the value of his portfolio as on the date of the *interim order* for their business purposes and/or for meeting other exigencies.

25. For the purposes of determining the portfolio value of the Noticee, the value of portfolio of securities lying in the demat account/s (individual and joint both) on the date of the *interim order* after excluding the value of shares that have been suspended from trading as on the date of this order shall be considered.

26. This order shall continue to be in force till further directions.

27. A copy of this order shall be served on all recognized stock exchanges and depositories to ensure compliance with above directions.

Sd/-

**DATE: October 12<sup>th</sup>, 2015**

**PLACE: MUMBAI**

**RAJEEV KUMAR AGARWAL**

**WHOLE TIME MEMBER**

**SECURITIES AND EXCHANGE BOARD OF INDIA**