

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI**  
**CONSENT ORDER**

**In respect of**

**Adolf Pinto (PAN: AABPA9750G), broker, Bombay Stock Exchange Ltd**  
**(SEBI Regn No. 010001810)**

**In the matter of Rajesh Exports Ltd.**

**CO/IVD-2/1378/AO/PG/04/2010**

---

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**'), vide order dated March 16, 2006, initiated adjudication proceedings against Adolf Pinto (hereinafter referred to as '**Noticee**') in the matter of trading in the shares of Rajesh Exports Ltd. (hereinafter referred to as '**REL/scrip**') for allegedly violating the provisions of regulation 4 (a), (b), (c) and (d) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 1995 read with regulation 4(1), 4(2) (a), (b), (g) and (n) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 ( both the above regulations are hereinafter referred to as "**PFUTP Regulations**") and clauses A(1), (2), (3), (4) and (5) of the Code of Conduct for stock brokers under Schedule II of Regulation 7 of SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 (hereinafter referred to as "**Broker Regulations**"). M/s Adolf Pinto (Proprietor-Mr Adolf Pinto) is a stock broker of Bombay Stock Exchange Ltd (SEBI Regn No. 010001810) having its office at 922 -B, P.J. Towers, Dalal Street, Fort, Mumbai- 400 001.
2. SEBI conducted investigation into trading in the scrip for the period from September 2002 to February 2003 (hereinafter referred to as '**first period of investigation**') and from June 2, 2003 to August 29,

2003 (hereinafter referred to as '**second period of investigation**'), due to sharp rise in price and volume of the scrip on National Stock Exchange of India Ltd. (hereinafter referred to as '**NSE**') and Bombay Stock Exchange Ltd. (hereinafter referred to as '**BSE**'). The investigation revealed that the Noticee allegedly executed structured trades and also reversal of trades/circular trades and created artificial volume in the shares of REL during the second period of investigation. Therefore, adjudication proceedings were initiated against the Noticee to inquire into and adjudge under section 15HA of Securities and Exchange Board of India Act, 1992 the alleged violation of the provisions of PFUTP Regulations and Broker Regulations as stated above.

3. The undersigned had been appointed as Adjudicating Officer vide order dated March 16, 2006. Pursuant to transfer of undersigned, Mr V S Sundaresan was appointed as Adjudicating Officer vide order dated November 19, 2007. Pursuant to the transfer of Mr V.S. Sundaresan, the undersigned has been appointed as Adjudicating Officer vide order dated November 12, 2009.
4. While the adjudication proceedings were in progress, the Noticee submitted an application dated June 11, 2009 and the Undertaking / Waivers in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20<sup>th</sup> April, 2007 for Consent Orders in respect of the aforesaid proceedings before SEBI. The Noticee, vide letter dated September 3, 2009, proposed Rs.2,00,000 (Rupees two lakh only) as revised consent terms.

5. The revised terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as '**HPAC**') on December 1, 2009. The HPAC, after considering the facts and circumstances of the case, consent terms offered by the Noticee & the material brought before it by SEBI, recommended that the case may be settled on payment of Rs.2,00,000 (Rupees two lakh only) towards settlement charges. Thereafter, SEBI, vide letter dated December 31, 2009, communicated to the Noticee its acceptance of the revised consent terms and advised it to pay the amount accordingly. The Noticee has remitted a sum of Rs.2,00,000 (Rupees two lakh only), vide Demand Draft No.112406 dated January 19, 2010 drawn on ICICI Bank towards the terms of consent in the matter.
6. In view of above, it is hereby ordered that,
- i) This consent order disposes of the said proceedings pending against the Noticee under Securities and Exchange Board of India Act, 1992 and
  - ii) Passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the pending proceedings against the Noticee, if SEBI finds that
    - a. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
    - b. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.
7. This consent order is passed on January 28, 2010 and shall come into force with immediate effect.

8. In terms of rule 6 of the Adjudication Rules, copies of this order are being sent to the Noticee and to Securities and Exchange Board of India.

**Date : January 28, 2010**  
**Place: Mumbai**

**Piyoosh Gupta**  
**Adjudicating Officer**