

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CO/FII&C/2529/2012/AO/PG/ EAD-05/77/2012

CONSENT ORDER

In respect of

Geomatrix (HK) Limited (PAN: Not Available)

FII Registration No. IN-HK-FA-0642-00

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**'), on review of the constitution of the sub-accounts registered under Geomatrix (HK) Limited (hereinafter referred to as the "**Noticee**"), a Foreign Institutional Investor registered with SEBI under registration No. IN-HK-FA-0642-00, observed that the Noticee had submitted false information relating to structure of certain sub-accounts by providing incorrect "declaration and undertaking" while seeking registration.
2. It was observed that the Noticee, at the time of submitting the declaration and undertaking with regard to Protected Cell Company (PCC) / Multi Class Vehicle (MCV) in the year 2010, had submitted that MF Global Mauritius Pvt. Ltd, a sub-account, is MCV by constitution with segregated portfolio. However, at the time of review of the constitution of all the sub-accounts registered under the Noticee, it was submitted by the Noticee that due to error it had ticked the sub-account setup as one with segregated portfolio and the above sub-account did not have such a structure.
3. In another instance, it was observed that the Noticee had earlier submitted to SEBI that Greenfield Emerging Market Fund, a proposed sub-account, was neither PCV

nor MCV by constitution and furnished the required declaration for the same. However, while reviewing its Private Placement Memorandum, it was noticed by SEBI that the said entity is MCV by constitution with common portfolio.

4. In view of the above, it was alleged that the Noticee had repeatedly misled SEBI by submitting false information relating to structure of sub-accounts by providing incorrect declaration and undertaking for them and that it did not provide the correct structure until a review of the same was undertaken by SEBI.
5. Consequently, SEBI vide order dated July 25, 2011 appointed Shri Satya Ranjan Prasad as Adjudicating Officer to inquire into and adjudge the violation/contravention of the provisions of Regulation 10(b) of the SEBI (Foreign Institutional Investors) Regulations, 1995 (hereinafter referred to as "**FII Regulations**"). A Show Cause Notice No. EAD-1/SRP/DA/OW/25442/2011 dated August 05, 2011 (hereinafter referred to as "**SCN**") was issued to the Noticee calling upon it to show cause as to why an inquiry should not be held against the Noticee in terms of Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as "**Adjudication Rules**") read with section 15 I of SEBI Act, 1992 and penalty be not imposed under Section 15 HB of SEBI Act, 1992 for the alleged contravention of the provisions of Regulation 10(b) of the FII Regulations. Subsequently, upon the transfer of Shri Satya Ranjan Prasad, Shri Parag Basu was appointed as Adjudicating Officer in the present matter vide order dated May 22, 2012. Subsequently, upon the transfer of Shri Parag Basu the undersigned has been appointed as Adjudicating Officer in the present matter vide order dated August 16, 2012.
6. While the adjudication proceedings were in progress, an application for Consent Order dated February 24, 2012 in respect of the aforesaid proceedings before SEBI was submitted by the Noticee along with the Undertaking / Waivers in terms of SEBI

Circular No. EFD/ Cir.-1/2007 dated 20th April, 2007. The Noticee, vide letter dated August 27, 2012 proposed ₹17,00,000/- (Rupees seventeen lakhs only) as revised consent terms.

7. The revised terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as '**HPAC**') on October 29, 2012. The HPAC, after considering the facts and circumstances of the matters under consent, consent terms offered by the Noticees and the materials brought before it by SEBI, recommended that the violations leveled against the noticee in the aforementioned SCN may be settled on payment of ₹17,00,000/- (Rupees seventeen lakhs only) towards settlement charges. In view of the recommendations of HPAC, the Panel of WTMs agreed to accept the terms of consent proposed by the Noticee. Thereafter, SEBI vide its letter dated December 12, 2012 communicated to the noticee about acceptance of its revised consent terms and advised it to pay the amount accordingly. The Noticee has remitted a sum of ₹17,00,000/- (Rupees seventeen lakhs only), vide Draft no. 326792 dated December 18, 2012 drawn on Standard Chartered Bank towards the terms of consent in the matter.
8. 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.

9. This consent order is passed on December 26, 2012 and shall come into force with immediate effect.

10. 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 : December 26, 2012
Place: Mumbai

Piyoosh Gupta
Adjudicating Officer