

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

On the Application submitted by
M/s. Joindre Capital Services Ltd.
(PAN: AAACJ1480E)

CO/IVD-ID-7/1721-2009/AO/SRP/DL /184 /2011

1. The Securities and Exchange Board of India (SEBI) had initiated adjudication proceedings against M/s. Joindre Capital Services Ltd. (hereinafter referred to as '**Noticee**') to inquire into and adjudge under section 15 HA and 15 HB of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**'), the alleged violation/contravention of the provisions of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities market) Regulations, 2003 (hereinafter referred to as '**PFUTP Regulations**') and/or the provisions of the SEBI (Stock brokers and Sub-brokers) Regulations, 1992 (hereinafter referred to as '**Brokers Regulations**'), by the Noticee.
2. It was alleged that the Noticee dealt in the scrip of M/s. Parsoli Corporation Limited and it was involved in circular trades on 21 days. It was alleged that the Noticee on behalf of its client Vinod Khetan purchased 3, 87,289 shares and sold 3, 85,400 shares which were circular in nature. As alleged, such circular trades led to creation of artificial volumes in the scrip and it were designed to create a false market leading to significant price movement in the scrip. Therefore, it was alleged that the Noticee has violated/contravened the provisions of regulations 3 (a), 4(1), 4(2)(a), (b), (g) and (n) of the PFUTP Regulations and clause A(1) to A (5) of the Code

of Conduct for Stock Brokers as stipulated in Schedule II under Regulation 7 of the SEBI (Stock brokers and Sub-brokers) Regulations, 1992.

3. Earlier, Shri V. S. Sundresan was appointed as Adjudicating Officer vide order dated August 14, 2009. Pursuant to the transfer of Shri. V. S. Sundresan, the undersigned was appointed as Adjudicating Officer vide order dated November 18, 2009 under section 15 I of the SEBI Act to inquire into and adjudge under Sections 15 HA and 15 HB of the SEBI Act for the aforesaid alleged violations. Consequently, Show Cause Notice No. EAD-1/SRP/DL/185632/2009 dated December 01, 2009 was issued to the Noticee under rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as “**the Rules**”).
4. While the adjudication proceedings were in progress, the Noticee made an application dated December 08, 2009 along with an affidavit of “undertakings and waivers” in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20th April, 2007 for settlement of the proceedings through Consent Order. Subsequently, the Noticee proposed revised consent terms vide letter dated July 15, 2010, without admitting or denying the guilt and subject to clauses of the undertakings and waivers, submitting that they were willing to pay a sum of ₹ 7,00,000/- (Rupees seven lakh only) towards settlement charges in the matter.
5. The revised consent terms as proposed by the Noticee was placed before the High Powered Advisory Committee (hereinafter referred to as ‘**HPAC**’) on January 19, 2011 and HPAC after deliberation recommended the case for settlement on the aforesaid revised consent terms proposed by the Noticee. The recommendations of HPAC were subsequently placed before the panel of Whole Time Members of SEBI.

6. The acceptance of consent proposal was communicated to the Noticee by SEBI vide letter dated February 08, 2011. In pursuance of the aforesaid consent terms, the Noticee has remitted a sum of ₹ 7,00, 000/- (Rupees seven lakh only), vide demand draft No. 267703 dated February 22, 2011 drawn on Bank of India, Stock Exchange Branch, Mumbai towards the terms of consent in the matter.
7. In view of above, it is hereby ordered that:
- i) this consent order disposes of the said proceedings pending against the Noticee under SEBI Act
 - ii) passing of this order is without prejudice to the rights 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.
8. This consent order is passed on the 8th day of March 2011 and shall come into force with immediate effect.

SATYA RANJAN PRASAD
ADJUDICATING OFFICER