

**BEFORE THE SECURITIES APPELLATE TRIBUNAL
MUMBAI**

Appeal No. 72 of 2011

Date of decision: 09.06.2011

Bubna Stock Broking Services Ltd.
4, Fairlie Place, 6th Floor,
Room No. 610,
Kolkata – 700 001.

..... Appellant

Versus

Securities and Exchange Board of India
SEBI Bhavan, Plot No. C-4A, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051.

..... Respondent

Mr. Vinay Chauhan, Advocate for the Appellant.
Dr. Mrs. Poornima Advani, Advocate with Ms. Amrita Joshi, Advocate
for the Respondent.

CORAM : Justice N.K. Sodhi, Presiding Officer
S.S.N. Moorthy, Member

Per : Justice N.K. Sodhi, Presiding Officer (Oral)

We have heard the learned counsel for the parties who have taken us through the record. The appellant is a stock broker who had been operating on the Calcutta Stock Exchange. It executed synchronized and matching trades on behalf of the clients where it was the broker for both sides. Not only did the clients through the appellant execute matching trades but they also reversed their trades in the course of trading. Obviously, these were artificial trades and the learned counsel appearing for the appellant has not seriously disputed this aspect. When investigations were conducted in the scrip of Sangotri Constructions Ltd., the appellant was served with summons to furnish some information which it failed to furnish as a result whereof the investigations were thwarted. The adjudicating officer in the impugned order has found the appellant guilty on all these counts and the findings have not been seriously disputed. All that the learned counsel for the appellant has contended is that during

the period of investigation, several scrips were investigated and the erring intermediaries and market players were proceeded against and that the other adjudicating officers have imposed, in similar circumstances, lesser amounts of penalty on those delinquents. He has referred to two orders which pertain to the appellant though the scrip is different. We have gone through those orders and find that the appellant is not a first time offender. It has been executing similar trades in other scrips as well and thereafter it has not been complying with the summons issued to it. Being a chronic offender, we do not find any reason to reduce the amount of penalty levied by the impugned order. A total of Rs.7.5 lacs has been imposed as penalty for the various wrongs committed by the appellant. If at all, the adjudicating officer has erred by imposing penalty on the lower side and we do not find any ground to reduce it further. As already observed, the findings recorded in the impugned order have not been seriously disputed before us.

In the result, the appeal fails and the same is dismissed with no order as to costs.

Sd/-
Justice N. K. Sodhi
Presiding Officer

Sd/-
S.S.N. Moorthy
Member

9.6.2011
prepared and compared by-ddg