

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
S. RAMAN, WHOLE TIME MEMBER
ORDER**

Under sections 11 and 11B of the Securities and Exchange Board of India Act, 1992, Regulation 11 of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995 read with Regulation 13 of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 in respect of Mr. Allen James Macmillan in the matter of Home Trade Limited.

- 1) Home Trade Limited (hereinafter referred to as “HTL”) is a company incorporated under the Companies Act, 1956. During the year 1999, one of the promoters of HTL viz., Euro Offshore Investments Limited (*now known as Euro Discovery Technology Venture Limited*) (hereinafter referred to as “Euro Offshore”) came out with an Offer for Sale (“OFS”) of 59,90,250 equity shares of HTL (*from its total shareholding*) of ₹10/- each for cash at a price of ₹50/- per share, aggregating to ₹29.95 crores to the public. The OFS opened on October 27, 1999 and closed on October 30, 1999.

Pursuant to the OFS, the shares of HTL were listed on the erstwhile Pune Stock Exchange Limited (“PSE”) and Bangalore Stock Exchange Limited (“BgSE”). Trading in the shares of the Company commenced from November 15, 1999. Mr. Allen James Macmillan was one of the Directors of HTL during the period.

- 2) Securities and Exchange Board of India (“SEBI”) subsequently conducted an investigation in respect of OFS by Euro Offshore and subsequent listing and trading of shares of HTL at PSE and BgSE.
- 3) On the basis of the findings/observations of the investigation, SEBI issued a common Show Cause Notice (“SCN”) dated April 1, 2004 to 24 entities including Mr. Allen James Macmillan (Noticee No. xvii therein).

3.1 The SCN contains the following allegations against the Noticees:

i. Manipulations in the OFS:

- a) Promoter group of HTL (Mr. Ketan Sheth and his associate/family members and associate/connected firms) and certain directors/key management personnel of the HTL applied for large quantities of shares offered in the OFS;

- b) The application money was funded by the company routed through its connected entities in a circuitous manner;
- c) Shares allotted to the applicants were purchased back by the company from them at a predetermined price immediately after listing at the stock exchanges using the proceeds of the OFS;
- d) Hence, it is alleged that the Promoters and Directors of HTL, the Directors of Euro Offshore cornered over 95% of the total shares of HTL during the OFS and that OFS did not hence receive genuine public subscription.

ii. Price manipulation at PSE and BgSE post OFS and listing of the shares of HTL:

- a) The shares were listed on PSE and BgSE and trading started at a price range of Rs.250/- to Rs.270/- on November 15, 1999. The price of the scrip was artificially increased to a price of Rs.850/- by September 2000.
- b) HTL, its promoters, directors, connected entities and employees of HTL brought in clients in whose name the trading was carried out in the shares of HTL.
- c) Orders on behalf of most of the clients were placed by Mr. Ketan Sheth, and employees of HTL viz., Mr. Rajneesh Karanpuria and Mr. Rajendra Veerkar.
- d) The transactions done in the names of most of the clients were funded by HTL mostly through its front/connected entity M/s. Maniram Consultancy.
- e) The price of the scrip increased as a result of placing orders by HTL in the names of clients brought by the promoters and employees of HTL.
- f) The transactions by the promoters/directors/key management personnel and related entities in the shares of HTL was instrumental in establishing an artificial price and volumes in the scrip with the intention to pledge those shares with banks in the names of the promoters/directors and associate/connected companies of HTL in order to raise funds from those banks.

3.2 In view of the above, it was alleged that the Noticees had contravened the provisions of regulations 3, 4 (a), (b), (c) & (d) and 6 (a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995 ("the PFUTP Regulations"). It was also alleged that the public shareholding in HTL was less than 25% as required under rule 19(2)(b) of the SCRR. The Noticees mentioned at paragraph 3 above were advised to show cause as to why action in terms of Regulation 11 of the PFUTP Regulations read with Section 11 and 11B of the Securities and Exchange Board of India Act, 1992 ("the SEBI

Act") debarring them from accessing and dealing in the securities market for a period of 10 years should not be issued.

- 4) It is noted that the proceedings initiated vide SCN dated April 01, 2004 against all the Noticees except three Noticees including Mr. Allen James Macmillan was concluded vide SEBI Order No. WTM/GA/54/ISD/02/06 dated February 16, 2006, SEBI Order No. WTM/ PS/ 125/ EFD/ DEC/2015 dated December 31, 2015 and SEBI Order No. SEBI/WTM/SR/EFD-DRA1/22/03/2017 dated March 27, 2017.
- 5) As the instant order is only against Mr. Allen James Macmillan (hereinafter referred to as “**the Noticee**”) the proceeding against him is mainly considered in this order:
 - 5.1 The SCNs issued to the Noticee got returned undelivered. In view of this, SEBI placed the SCNs on its website on January 22, 2008 and January 18, 2009. SEBI also issued a public notice on March 10, 2011 in leading National and Regional newspapers with respect to the SCNs.
 - 5.2 The Noticee failed to file any reply to the SCN till date.
 - 5.3 Thereafter, an opportunity of personal hearing was scheduled before me for the Noticee on July 27, 2016. However, the hearing notice issued to the Noticee was returned undelivered. The said notice was also published on the SEBI website. Subsequently, another opportunity of personal hearing was granted to the Noticee on September 27, 2016.
 - 5.4 It is noted that the hearing notice with respect to the Noticee was affixed at his last known address. Despite the same, no one appeared on behalf of the Noticee. Considering the fact that the Noticee Mr. Allen James Macmillan neither appeared before SEBI nor has filed any reply till date, I am constrained to proceed the matter ex-parte as against Mr. Allen James Macmillan on the basis of material available on record.
- 6) I have considered the material available on record such as Investigation Report, SCN issued to Mr. Allen James Macmillan along with the documents provided therein and all other relevant material available on record. In the light of the same, I shall now proceed to deal with the charges levelled against the Noticee in the SCN.
- 7) The SCN alleges that the Noticee *viz.*, Mr. Allen James Macmillan being the director of HTL at the relevant time (hereinafter referred to as “**the Noticee**”) violated the provisions of Regulations 3, 4 (a), (b), (c) & (d) and 6 (a) of the PFUTP Regulations.

- 8) The relevant legal provisions, the contravention of which have been alleged in the present matter is reproduced hereunder:-

“ Prohibition of certain dealings in securities

3. No person shall buy, sell or otherwise deal in securities in a fraudulent manner.

Prohibition against market manipulation

4. No person shall –

(a) effect, take part in, or enter into, either directly or indirectly, transactions in securities, with the intention of artificially raising or depressing the prices of securities and thereby inducing the sale or purchase of securities by any person;

(b) indulge in any act, which is calculated to create a false or misleading appearance of trading on the securities market;

(c) indulge in any act which results in reflection of prices of securities based on transactions that are not genuine trade transactions;

(d) enter into a purchase or sale of any securities, not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress, or cause fluctuations in the market price of securities;

Prohibition on unfair trade practice relating to securities

6. No person shall -

(a) in the course of his business, knowingly engage in any act, or practice which would operate as a fraud upon any person in connection with the purchase or sale of, or any other dealing in, any securities...”

- 9) Let me now deal with the charges contained in the SCN. As per the SCN, it has been alleged that HTL and its promoters/directors /key management personnel together cornered over 95% of the total floating stock in the scrip during the OFS. Subsequently, they transacted in the scrip of HTL with a view to establish an artificial market and manipulate the share price. The facts and circumstances brought out during SEBI's investigation are as under:

9.1 SEBI noticed from the details submitted by the Stock Exchanges and the Registrar to the Offer that certain individuals applied for large quantities of shares offered in the OFS by Euro Offshore.

9.2 Mr. Ketan Sheth and his associate/family members and associate/connected firms were large shareholders in HTL. In the prospectus, it was mentioned that Mr. Ketan Sheth was a director in Euro Offshore (*promoter of HTL and the offeror in the OFS*). Mr. Ketan Sheth was inducted as an additional director on the Board of Directors' of HTL during the

financial year 1999-2000 and continued to be director till May 2001. The SCN also states that Mr. Ketan Sheth was part of the promoter group of HTL.

- 9.3 It was noticed that Mr. Ketan Sheth and associate persons/family members made 9 applications for 24,30,000 shares (out of the total offer of 59,90,250 shares on sale). An aggregate of 24,17,850 shares were allotted to these 9 applicants.
- 9.4 The subscription money received from the 9 applicants were paid back to them by HTL out of the issue proceeds in the following manner:
- i. After closure of the OFS, the proceeds were deposited in the bank account of Euro Offshore held with IndusInd Bank Limited.
 - ii. By creating a lien on such deposit, a bridge loan was sanctioned by IndusInd Bank to the associate entities/entities under the same management of HTL viz., Tellme.Com (India) Limited ("Tellme.com") and Buyeverything.Com (India) Limited ("Buyeverything.com") for an amount of ₹14,54,44,000/- each. The funds received against lien were collected in the bank accounts of the said entities held with Janata Sahakari Bank Limited, Fort Branch, Mumbai, on November 11, 1999.
 - iii. Tellme.com transferred ₹12,05,00,000/- from the loan amount to the account of an entity M/s. Poddar Trading Company ("Poddar Trading") on November 11, 1999. From there, the funds were transferred to the account of Parakh Shares and Stock Broking Services Limited ("Parakh Shares"). The same day, an amount of ₹5,00,00,000/- was paid by Parakh Shares to Mr. Ketan Sheth.
 - iv. Tellme.com also transferred an amount of ₹2,49,00,000/- to the account of Pacific Finance Company ("Pacific Finance"). This was routed through the account of M/s. Hooghly Trading Limited ("Hooghly Trading").
 - v. From the funds received by Buyeverything.com, an amount of ₹10,29,00,000/- was transferred to Hooghly Trading and an amount of ₹4,25,00,000/- was transferred to the account of Pacific Finance.
 - vi. Pacific Finance received ₹6,74,00,000/- and the same was transferred to the account of AGS Financial Services Limited ("AGS Financial") the same day i.e., November 19, 1999.
 - vii. On November 19, 1999, AGS Financial transferred an amount of 3 crores to Mr. Ketan Sheth.

- viii. Hooghly Trading, on receipt of ₹10,29,00,000/- from Buyeverything.com, transferred the same to M/s.Maniram Consultants Limited (“Maniram Consultants”) on November 19, 1999. Out of the funds so received, Maniram Consultants paid an amount of ₹4,15,00,000/- to Mr. Ketan Sheth, the same day.
 - ix. Mr. Ketan Sheth received an aggregate of ₹12,15,00,000/- from Parakh Shares (₹5,00,00,000/-), AGS Financial (₹3,00,00,000/-) and Maniram Consultants (₹4,15,00,000/-). The SCN states that Ketan Sheth group subscribed in the OFS to the extent of Rs.12.15 crores and received exactly the same amount from Euro Offshore, which was routed in a circuitous manner as stated above.
- 9.5 The following facts revealed that Tellme.com, Buyeverything.com, Parakh Shares, AGS Financial, Maniram Consultants, Dalhousie Securities, Hooghly Trading, Pacific Finance and Poddar Trading were fronts/associated/connected entities of HTL :
- i. Dalhousie Securities was shown as the promoter of the Company in the prospectus for the OFS of the Company.
 - ii. Bank accounts of the aforesaid entities were with the Janata Sahakari Bank Limited, Fort Branch, Mumbai, and these entities were introduced by the Company i.e., HTL.
 - iii. HTL and Maniram Consultants shared the same office address i.e. *143, Wing A, Mittal Court, Nariman Point, Mumbai*. The authorised signatory for the bank account of Maniram Consultants were Mr. Sanjay Agarwal (promoter of HTL) and Mr. N.S. Trivedi (director of HTL).
 - iv. The bank accounts of the aforesaid entities revealed that there were regular *inter-se* transfer of funds since opening i.e. during October - November 1999 till March 2002.
 - v. Out of the abovementioned entities, Parakh Shares, AGS Financial Services were said to be based in Kolkata. Upon enquiry, it was found that no such companies existed at their registered addresses.
 - vi. Shares belonging to Maniram Consultants and Parakh Shares were pledged by the promoters of HTL, i.e., Mr. Sanjay Aggawal, Mr. Subodh Bhandari, Mr. Ketan Shah, Mr. Rakesh Shyam Chandak , Dalhousie Securities, Euro Offshore Investments, Ways Inc, Euro Allied and Euro Discover. This clearly shows the nexus between them.
 - vii. Shares of HTL were also subscribed by an entity viz., Lippo Properties Private Limited. Thereafter, the shares were given to Parakh Shares after the subscription money along with the interest was received by Lippo Properties. The whole deal was negotiated by Mr. N.S.Trivedi, director of the Company. This shows that subscription was arranged

- by promoters viz., Mr. Sanjay Aggarwal, Mr. Subodh Bhandari, Mr. Ketan Sheth, Mr. Rakesh Shyam Chandak , Dalhousie Securities, Euro Offshore Investments, Ways Inc., Euro Allied and Euro Discover, and that Parakh Shares was merely a 'front' entity.
- viii. Parakh Shares, AGS Financial Services, Poddar Trading, Maniram Consultants, Pacific Finance, Hoogly Trading were investors in the unlisted associate company (i.e, Ways India Ltd.) of HTL.
 - ix. Shares purchased in the name of Parakh Shares, AGS Financial Services, Poddar Trading, Maniram Consultants were acquired from the funds received from the Company.
- 9.6 As per the statement of a Director of R & D Consultants Limited (registrar to the OFS), recorded during investigations, the following facts are noted :
- i. The registrar sent the envelopes containing the allotment advice and refunds, if any, with respect to 85 applications in the OFS to the Company. The share certificates printed against those 85 applications were also hand-delivered to the Company (Mr. N.S. Trivedi the secretary and director of HTL collected the same) at the same time.
 - ii. The registrar received acknowledgements from 46 applicants.
 - iii. During the month of January 2000, the Company made a request for consolidation and issue of Jumbo Share Certificates with respect to the shares allotted to nine applicants namely Ketan Sheth (759950 shares), and his family members/associates, namely, Kantilal K. Sheth (2,28,900 shares), Harsha Sheth (1,99,000 shares), Trupti Sheth (1,99,000 shares), Amit Sheth (1,99,000 shares), Nilesh Sheth (1,99,000 shares), Jagruti Sheth (1,99,000 shares), Bina Navneetbhai Sanghvi (1,99,000 shares) and Tejal Navneetbhai Sanghvi (1,99,000 shares). The Company submitted the share certificates of the said nine allottees in marketable lot for consolidation. The registrar printed Jumbo Certificates for each of the nine allottees and the same were hand-delivered to the authorised representative (one Mr.Raju) of the Company on February 04, 2000.

Hence, it is clear that the shares allotted to the applications in the name of Ketan Sheth group were beneficially owned by the Company/promoters. This is clear from the fact that the entire application amount was paid back to Ketan Sheth group and, as confirmed by the registrar to the OFS, the shares allotted to Ketan Shah group were hand delivered to the Company/its director Mr. N.S. Trivedi and not to the allottees. Thus, the above application of Ketan Sheth group were only a ploy to corner the shares.

9.7 Applications of certain directors/key management personnel of HTL :

- It is noted that Mr. Sanjay Agarwal (Whole Time Director and head of the management team), Mr. N.S. Trivedi (Director-Finance and Company Secretary) and Mr. Subodh Bhandari (Senior Vice President and director of Dalhousie Securities, a promoter of the Company) applied for 11,41,000 shares of the Company for ₹5,70,50,000/- and were allotted 11,35,300 shares, which constituted 18.95% of the total OFS.
- The application money for the applications in the name of Mr. Sanjay Aggarwal, Mr. N.S.Trivedi and Mr. Subodh Bhandari were given by HTL through Maniram Consultants in a circuitous route.

9.8 Application of Lippo Properties Private Limited:

Lippo Properties Pvt. Ltd. applied for 5,64,000 shares in the OFS and was allotted 5,61,200 shares for an amount of ₹2,82,00,000/-. Investigations conducted by SEBI revealed the following:-

- Lippo Properties entered into an agreement with Parakh Shares during October 1999 for financing an application in the OFS.
- Shares allotted to Lippo Properties were purchased back by Parakh Shares (an associate /group company of HTL) at a pre-determined rate of ₹50/- per share though the opening price since listing was hovering around ₹250/- to ₹270/- per share. This is evident from the bank account statement of Lippo Properties.
- Along with this repayment of principal amount, an interest of ₹3,90,000/- was also paid by Parakh Shares to Lippo Properties.
- The money was credited in the account of the seller around November 19, 1999. The OFS proceeds were used for the purchase of HTL shares.

9.9 Apart from the aforesaid large applicants, there were several applicants who applied in the OFS with an arrangement that the shares allotted pursuant to those applications would be purchased back at a pre-determined rate. On allotment of the shares against the applications made by those applicants, they were purchased by the Company and its promoters through their associate companies. Hence, it is seen that HTL and its associate companies viz., Parakh Shares (4,64,300 shares for ₹2.34 crores), AGS Financial Services (3,04,000 shares for ₹1.43

crores) and Maniram Consultants (4,62,400 shares for ₹2.31 crores) purchased back shares allotted to the applicants of OFS out of the OFS proceeds which was routed through a number of Bank Accounts in a circuitous manner.

It is therefore observed that the OFS did not receive genuine public subscription as through the aforesaid arrangements, over 89% of the subscription for the OFS was arranged by the Company and its promoters viz., Mr. Sanjay Agarwal, Mr. Subodh Bhandari, Mr. N.S. Trivedi, Mr. Ketan Sheth, Mr. Rakesh Shyam Chandak, Dalhousie Securities, Euro Offshore, Ways Inc., Euro Allied and Euro Discover.

10) As regards the allegation in the SCN as to price manipulation in the scrip of HTL after listing in PSE and BgSE, the following facts are noted:

- 10.1 The shares of the Company were listed at the Pune Stock Exchange (PSE) and the Bangalore Stock Exchange (BgSE). The analysis of trading pattern in the scrip revealed that the scrip was listed at the rate of ₹250/- to ₹270/- on November 15, 1999 and reached ₹310/- by November 30, 1999, within a span of nine trading days.
- 10.2 Thereafter, the price continued to move up and reached ₹527/- by December 30, 1999 and further increased to ₹736/- by January 31, 2000. Subsequently, the price increased to ₹800/- by March 31, 2000. The scrip continued to move in the price range around ₹700/- to ₹850/- during April 2000 to September 2000. The price of the scrip came down to ₹605 by October 6, 2000 and thereafter post the share-split, the same were traded on the stock exchanges. The price of the share with face value of ₹2/- went up to ₹160/- during February 2001. The scrip continued to trade at around ₹150/- till September 2001. From October 2001, the price of the scrip started moving downwards and was traded in the price range of ₹60/- to ₹70/- during November 2001. Thereafter, the scrip was traded in the range of ₹60/- to ₹70/- till March 2002.
- 10.3 The SCN has alleged that post the OFS, the shares of the Company were listed on the Pune and Bangalore Stock Exchanges and that the price of the scrip was raised artificially. It is mentioned in the SCN that the employees of the Company namely Mr. Rajendra Veerkar and Mr. Rajneesh Karanpuria brought in clients for the purposes of trading in the shares at the behest of the Company/its directors/promoters and that the orders on behalf of such clients were placed by the aforesaid employees. The funds with respect to the transactions were routed through Maniram Consultants.

10.4 Off-market transactions by Overseas Corporate Bodies (“OCBs”) in the scrip:

- i. Investigation revealed that there were a large number of off-market transactions between OCBs viz., Euro Discover Ltd. and Discovery Investment, Unitron Corporation Ltd., Path Finder Investments Ltd. and Euro Allied (sellers) and associates of HTL viz., AGS Financial, Maniram Consultants, Parakh Shares (buyers) etc. through stock broker, M/s. Yatin Shah & Co.
- ii. As per the information provided by the stock broker, it is noted that the orders specifying quantity, price (average or closing price) and the name of the buyer and seller used to be provided by Mr. Subodh Bhandari and Mr. N. S. Trivedi, who were the key personnel of HTL.
- iii. On an analysis of the source of funds of these purchasers, it was observed that on many occasions, the funds were actually received from Mr. Ketah Sheth, one of the promoters of HTL.
- iv. From the Prospectus of the OFS, the OCBs viz., Unitron Corporation Ltd., Path Finder Investments Ltd. and Euro Allied were shown as the associates of the Company.
- v. It is also noted that among the five OCBs, four OCBs (except Unitron Corporation Ltd.) shared common address i.e. "5 Duke Edinburgh Avenue, P O Box no. 627, Port Louis, Mauritius". Unitron has shown its address as "Las Cascades Bldg, 5th floor, Edith Cavell Street, Port Louis, Mauritius".
- vi. From the bank details, it was observed that the account of Euro Discover was operated by Mr. Sanjay Agarwal and Mr. N.S. Trivedi.
- vii. From the off-market transaction details, it is noticed that Euro Discover purchased 1.65 lacs shares of the Company worth 1.93 crores and sold 51,300 shares worth Rs. 4.36 crores through the stock broker, Yatin Shah & Co. All these transactions were off-market and the counter parties were the associates of the Company, namely, AGS Financial, Maniram Consultants, Parakh Shares etc.

11) As per the details received from Banks, it is noted that the shares of HTL were also pledged with banks for obtaining finance/loan/advance.

11.1 Shree Sadguru Jangji Maharaj Sahakari Bank Ltd., Chinchwad furnished a letter dated February 11, 2002 written by HTL to the bank. The following are noted from the same:

- HTL had an outstanding payment due to the bank for an amount of Rs. 45 crores against sale of securities.
- HTL pledged 74,09,100 equity shares for which the market value was stated to be Rs.50 crores.
- These shares were given as collateral security against the amount due to the bank.
- Shares given as security to the bank were in the name of Parakh Shares and Maniram Consultants.

11.2 As per the details furnished by Bank of Rajasthan, the following are noted:

- 4,48,000 of shares of HTL held in the names of its promoters viz., Mr. Sanjay Aggarwal and Mr. N. S. Trivedi were pledged with the bank on February 28, 2002, as collateral security to secure short term loan of Rs.2 crores sanctioned to Ways India Ltd.
- Ways India was an associated company of HTL
- Mr. Sanjay Aggarwal and Mr. N. S. Trivedi were directors in HTL as well as Ways India Ltd.

Conclusion:

12) On an analysis of the facts and circumstances detailed above, I find that HTL and its promoters/directors/key management persons together cornered over 95% of the total floating stock in the scrip post the OFS.

It is noted that promoters of HTL was holding 100% shares in HTL. Out of the same, 25% of shareholding of Euro Offshore were purported to be sold in the OFS. However, the investigation has revealed that 22% of the shares which were purportedly sold in the OFS to the public were cornered by the associates/related persons/entities of the Company. As the OFS was not subscribed by real investors but by applicants who were planted by HTL and its promoters / directors /key management persons and the shares that were allotted were purchased back from these applicants using the proceeds of the OFS, it becomes clear that the Company contravened the provisions of rule 19(2)(b) of the SCRR.

Post OFS, the shares were listed in Pune and Bangalore Stock Exchange. The trading was done by clients brought by the employees of HTL on the instructions of the directors/promoters of HTL, as detailed in paragraph 14 above. Such trades were artificial in nature and increased the price and volumes of the scrip during the relevant period. Further, it is also noticed that for the transactions done in the name of the most of these clients, funds came from the Company through its connected/associate entities in a circuitous manner. The

promoters/directors/key management persons were instrumental in establishing an artificial price and volume in the scrip with the intention to pledge those shares in the name of the promoters/directors and associate/connected companies with banks, with a view to receive the funds/money from these banks.

- 13) I note that SEBI vide Order No. WTM/PS/125/EFD/DEC/2015 dated December 31, 2015 restrained HTL and its promoters/key managerial personnel/associate entities from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, for a period of 10 years. It is noted from the said order that none of the abovementioned entities appeared before SEBI or replied to the SCN.
- 14) During the period of investigation, I note that Mr. Allen Macmillan was one of the Directors of HTL. From the facts and circumstances detailed above and in the absence of any proper reply from the Noticee, I find that the promoters and directors of HTL including Mr. Allen James Macmillan were instrumental in the manipulations with respect to OFS and post OFS trading in the scrip of HTL.
- 15) Considering the abovementioned facts and circumstances, I am inclined to conclude that the Noticee Mr. Allen James Macmillan has contravened the provisions of regulations 3, 4(a),(b),(c) & (d) and 6(a) of the PFUTP Regulations, 1995, as alleged in SCN dated April 01, 2004.
- 16) I also note that the Noticee Mr. Allen James Macmillan failed to file any reply to the SCN till date. Considering the conduct of the Noticee as regards the present proceedings, I am of the view that the case of the Noticee is also similar to that of the entities mentioned in the SEBI Order bearing number WTM/PS/125/EFD/DEC/2015 dated December 31, 2015. Vide the said order, HTL and its promoters/key managerial personnel were restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, for a period of 10 years. Considering the facts and circumstances of the present case and taking into account the fact that the Noticee Mr. Allen James Macmillan failed to submit any reply in the instant proceedings and further he has not availed the opportunity of personal hearing granted to him, I find that the charges levelled against Mr. Allen James Macmillan are proved on the basis of the evidence available on record.

17) In view of the foregoing observations and the abovementioned Order of SEBI in the matter, I, in exercise of powers conferred upon me under Section 19 of the Securities and Exchange Board of India Act, 1992 and Sections 11 and 11B thereof, Regulation 11 of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995 read with regulation 13 of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, hereby restrain Mr. Allen James Macmillan from buying, selling or otherwise dealing in securities in any manner whatsoever or accessing the securities market directly or indirectly, for a period of **10 (ten) years**.

18) This order shall come into force with immediate effect.

Mumbai
September 05, 2017

S. RAMAN
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA