



PYRAMID SAIMIRA

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World's Fastest Growing Entertainment Group

November 10, 2009

PRESS NOTE

The company has seen in the Website of SEBI, an Order passed by SEBI against the company on the Employees Quota. The company strongly denies all the allegations contained in the said Order. The company also wishes to circulate to the press, a confidential letter dt.21st of September 2009 sent to the Chairman of SEBI alleging thorough bias by the Member hearing this case. We had also drawn detailed attention of SEBI on unfair and biased attitudes of certain elements within SEBI against our company.

This Order does not reflect what really happened during the enquiry. Therefore, it is totally misleading.

Even in the present Order at Para-10 SEBI has clearly mentioned that "The investigation has however, not established the sharing of spoil between the seven persons and PSTL. But the fact remains that the unlawful gain could not have been made without active connivance of PSTL".

SEBI has chosen to accept consent from our ex-employees whom it blames but chooses to go against the company. Infact the company wishes to point out that under pressure, the company also offered a consent and SEBI originally accepted the company's consent but with an extraneous condition that Mr.Nirmal Kotecha should not trade in share market at all. We pointed out that we do not have any regulatory powers and we cannot ban an individual.

The company will appeal in appropriate Forum and take all legal course of action open to it. The company once again states that this Order is biased, arbitrary and a deliberate cover up done by SEBI without heeding to principles of natural justice.

It is also pertinent to point out that SEBI is penalizing around 40,000 shareholders of the company for no fault of theirs.

Instead of protecting the interests of the shareholders, the SEBI's Order has the calculated effect of jeopardizing the interests of the thousands of shareholders and mostly retail shareholders and other stakeholders of our company.

The company also wishes to state that SEBI is shielding the real culprits not only in this case but also in the forgery case of SEBI's letterhead. The company with more than 40,000 shareholders and multiple other stakeholders cannot be silent to this kind of a misdirected regulatory tyranny; after all we are answerable to our stakeholders. We will be proved right in this endeavour and the company will also come out successful.

P S SAMINATHAN
MANAGING DIRECTOR
PYRAMID SAIMIRA THEATRE LTD
CHENNAI