

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

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
M/s. NORTH EASTERN CARRYING CORPORATION LTD.**

**IN THE MATTER OF
M/s NORTH EASTERN CARRYING CORPORATION LTD.**

CO/ISD/1671-2009/AO/SD/02/2010

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had initiated adjudication proceedings against M/s. North Eastern Carrying Corporation Ltd. (hereinafter referred to as 'Noticee'), for the alleged violation of Regulation 13 (6) of SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as said regulation") in the matter of M/s North Eastern Carrying Corporation Ltd. Ms. G Babita Rayudu was appointed as Adjudicating Officer (AO) under SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as the Adjudication Rules) to inquire into and adjudge under Section 15A of the SEBI Act, 1992 (hereinafter referred to as the 'Act'), for the aforesaid violation.
2. For this Adjudication Proceeding, Show Cause Notice dated July 19, 2007 was issued by Ms. G Babita Rayudu an erstwhile Adjudicating Officer under Rule 4 of the Adjudication Rules.
3. Consequent to Ms. G. Babita Rayudu proceeding on deputation out of SEBI, the undersigned was appointed as the Adjudication Officer in the instant matter vide Order dated November 23, 2007.

4. Further, pending the adjudication proceedings, the Noticee had filed the application for consent proceedings vide the Consent Application dated November 25, 2009 and an affidavit of "Undertakings and Waivers" in the aforesaid matter in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated 20th April, 2007. Pursuant to the said application, the Noticee vide letter dated December, 22, 2009 proposed revised consent terms whereby it proposed to pay Rs. 1,00,000/- (Rupees One Lakh only) towards settlement charges in the said matter. The terms as proposed by Noticee were placed before the High Powered Advisory Committee (HPAC) meeting held on January 07, 2010 and after considering the facts and circumstances of the case, the HPAC recommended that the case may be settled on payment of Rs. 1,00,000/- (Rupees One Lakh only) towards settlement charges. Thereafter SEBI vide letter EFD/DRA-I/KM/193257/2010 dated February 01, 2010 conveyed to Noticee that SEBI has in principle agreed to accept the terms of consent subject to clauses of undertaking and waivers made in the consent application and advised the Noticee to pay in accordance with consent terms.
5. In terms of Noticee's proposal for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the Noticee to the finding of fact or conclusion of law, Noticee has remitted a sum of Rs. 1,00,000/- (Rupees One Lakh only), vide Demand Draft No. 428148 dated February 11, 2010 drawn on Vijaya Bank, payable at par at Mumbai, towards the settlement charges in the aforesaid matter.
6. In view of the above, it is hereby ordered that:
 - (a) this consent order disposes of the said adjudication proceedings pending against the Noticee Viz. M/s. North Eastern Carrying Corporation Ltd. under the Securities and Exchange Board of India Act, 1992 and

(b) 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

- I. any representations made by the Noticee in the consent proceedings are subsequently discovered to be untrue.
- II. the Noticee has breached any of the clauses/conditions of undertakings/waivers filed during the current consent proceedings.

6. This consent order is passed on the 19th day of February, 2010 and shall come into force with immediate effect.

PLACE: MUMBAI

SANDEEP DEORE
ADJUDICATING OFFICER