

Consent Order on the application submitted by M/s. Apollo Sindhoori Capital Investment Limited

Jan 07, 2008 | Orders : Settlement Order

CO/MIRSD/1030/14/08

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA,
MUMBAI

CONSENT ORDER
ON THE APPLICATION SUBMITTED BY
M/s. APOLLO SINDHOORI CAPITAL INVESTMENT LIMITED
IN THE MATTER OF
INSPECTION OF IT'S BOOKS OF ACCOUNTS AND RECORDS

1. SEBI had conducted inspection of M/s. Apollo Sindhoori Investment Ltd., a stock broker registered with SEBI (hereinafter referred to as the "applicant"). The inspection out various irregularities such as failure to maintain client registration form and client broker agreement, delay in delivery of securities to client, delay in redressal of cor etc. Enquiry proceedings were initiated against the appellant. The Enquiry Officer after conducting the enquiry submitted his report dated October 6, 2003 recomme penalty of suspension of the certificate of registration granted to the appellant for a period of two months. On receipt of the Enquiry Report a Show Cause Notice was Thereafter the appellant, vide letter dated October 27, 2003 sought extension of time by 10 days for submitting the reply to the Show Cause Notice. The extension was however, instead of replying to the notice, the appellant filed a writ petition before the Honorable High Court of Judicature at Madras and got a stay on the Proceedings.
2. The applicant sent a letter dated July 18, 2007 requesting for settling the pending proceedings through consent order. The applicant made an application dated July (alongwith an affidavit of "undertaking / waivers" in the matter in terms of SEBI Circular no. EFD/Cir-1/2007 dated April 20th, 2007. Pursuant to the above application, the a vide letter dated September 06, 2007 proposed revised consent terms submitting that "pursuant to our application dated 18th July 2007, we propose to offer Rs. 5, (Rupees Five Lakhs only) towards consent terms in the matter. We are also agreeable to withdraw the writ petition (W.P No. 31065 of 2003) pending on the file of the Hig of Judicature at Madras on acceptance of this offer."
3. The consent terms proposed by the applicant were placed before the High Powered Advisory Committee (HPAC) and the HPAC after deliberation recommended the settlement on the consent terms proposed by the applicant.
4. In terms of the applicant's proposal for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicant to the fi fact or conclusion of law, applicant has remitted a sum of Rs. 5,00,000/- (Rupees Five Lakhs only) vide Demand Draft No. 232582 dated November 12, 2007 drawn on HDF Mumbai, towards the terms of the consent in the matter.
5. Also the applicant has sent a copy of the Memo filed on its behalf in the Honorable High Court of Judicature at Madras, praying the Honorable High Court to dismiss petition (W.P. No. 31065 of 2003) as withdrawn.
6. In view of the above it is hereby ordered that:
- i) this consent order disposes of the said enquiry proceedings pending before SEBI against the applicant in the matter of inspection of M/s. Apollo Sindhoori Cap Ltd., and
 - ii) passing of this order by SEBI is without prejudice to the right of SEBI to take enforcement action including commencing / reopening of the pending proceed applicant, if SEBI finds that -
 - a. any representations made by the applicant in the consent proceedings are subsequently discovered to be untrue.
 - b. the applicant has breached any of the clauses / conditions of undertakings/waivers filed during the current consent proceedings.
7. This consent order is passed on this 7th day of January, 2008 and shall come into force with immediate effect.

G. Anantharaman
Whole Time Member

T. C. Nair
Whole Time Member



