

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

**CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY  
MANGAL KESHAV SECURITIES LIMITED  
(SEBI Regn. Nos. INB 010977431/INF 010977431 and  
INB 230977431/INF 230977432)**

**IN THE MATTER OF  
ADANI EXPORTS LIMITED**

**(CONSENT APPLICATION NO. 569/2008)**

1. Securities and Exchange Board of India (SEBI) had conducted investigation into the alleged irregularities in the shares of Adani Exports Limited (hereinafter referred as the 'company') during November 27, 2003 to December 23, 2003. The investigation *prima facie* revealed that Mangal Keshav Securities Limited, a broker (hereinafter referred to as the 'applicant') of the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited, entered into synchronized reversal of trades in the shares of the company. Therefore, it was alleged that the applicant violated provisions of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 and Regulation 7 of the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992.
2. Pursuant to the investigation, SEBI initiated enquiry proceedings under Regulation 6(1) of the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002, and adjudication proceedings under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 against the applicant. Show cause notices dated March 7, 2006 and May 31, 2006 were issued. The applicant replied to the respective show cause notices vide his letters dated May 31, 2006 and June 23, 2006.
3. While the above proceedings were in progress, the applicant, vide letter dated March 14, 2008, proposed settlement of the proceedings above through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. He proposed revised consent terms vide letter dated October 8, 2008. The High Powered Advisory Committee constituted by SEBI considered the consent terms proposed by the applicant and recommended the case for settlement. Accordingly, the applicant shall pay Rs.3,50,000 (Rupees three lakh fifty thousand only) towards settlement charges. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated June 3, 2009.
4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs.3,50,000 (Rupees three lakh fifty thousand only) towards settlement charges vide manager's cheque No. 068530 dated June 9, 2009 drawn on HDFC Bank payable at Mumbai.

5. In view of the above, it is hereby ordered that this consent order disposes of the enquiry and the adjudication proceedings pending against the applicant in the matter of Adani Exports Limited.
6. A copy of this order shall be served on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited of which the applicant is a broker.
7. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or reopening of the proceedings pending against applicant, if:
  - a. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue; or
  - b. the applicant breaches any of the consent terms or undertakings filed in this consent proceeding.
8. This consent order is passed on this day, the 30<sup>th</sup> of June 2009 and shall come into force with immediate effect.

**M. S. SAHOO**  
**WHOLE TIME MEMBER**

**K. M. ABRAHAM**  
**WHOLE TIME MEMBER**