

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

On the Application submitted by
M/s. Om Gayatri Securities (Proprietor: Chirag Pujara)
In the matter of KRBL Ltd.

CO/ID-ID 8/1257/AO/VSS/29/2009

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') conducted an investigation in respect of the trading in the scrip of KRBL Ltd. covering the period from June 27, 2003 to December 31, 2003. The investigation revealed that M/s. Om Gayatri Securities, Proprietor: Chirag Pujara, (hereinafter referred to as 'Noticee') along with other brokers had entered into synchronized, circular/reversal trades in the scrip. Therefore, adjudication proceedings were initiated against the Noticee to inquire and adjudge under section 15HA of Securities and Exchange Board of India Act, 1992 the alleged violation of the provisions of regulations 4(1), 4(2)(a), 4(2)(b) and 4(2)(g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 (hereinafter referred to as 'PFUTP Regulations'). Consequently, a Show Cause Notice No. EAD/EAD-5/PG/92062/2007 dated April 24, 2007 (hereinafter referred to as 'SCN') was issued under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, by Mr. Piyoosh Gupta, (then) A.O. Consequent upon the transfer of Mr. Piyoosh Gupta, the undersigned has been appointed as A.O. vide order dated November 19, 2007.

2. While the Adjudication Proceedings were pending, the Noticee made an application dated November 11, 2007 and an affidavit of “undertakings and waivers” in terms of SEBI Circular No. EFD/ Cir.- 1/2007 dated 20th April, 2007 for Consent Order in respect of the aforesaid SCN before SEBI. Subsequently, the Noticee vide letter dated October 22, 2008 proposed revised consent terms, without admitting or denying the guilt and subject to clauses of the undertakings and waivers, submitting that he was willing to pay a sum of Rs.1,00,000/- (Rupees one lakh only) towards settlement charges in the matter. The terms as proposed by the Noticee was placed before the High Powered Advisory Committee (hereinafter referred to as ‘HPAC’) on January 5, 2009. The HPAC considered the facts and circumstances of the case, consent terms offered by the Noticee and the material brought before it by SEBI and recommended that the case may be settled on payment of Rs.1,00,000/- (Rupees one lakh only). The recommendations of HPAC were placed before the two Whole Time Members of SEBI who have agreed to the terms of consent as recommended by HPAC.
3. SEBI vide letter dated February 16, 2009 communicated to the Noticee, the recommendations of HPAC and in-principle acceptance of SEBI that the case may be settled on payment of Rs.1,00,000/-. In pursuance of this, the Noticee has remitted a sum of Rs.1,00,000/- (Rupees one lakh only), vide Demand Draft No.140250 dated March 3, 2009 drawn on ICICI Bank Limited, Mumbai, towards the terms of consent in the matter alongwith its letter dated March 03, 2009.
4. In view of above, it is hereby ordered that,

- i) This consent order disposes of the said proceedings pending against the Noticee under Securities and Exchange Board of India Act, 1992, and
 - ii) 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
 - a. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
 - b. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.
5. This consent order is passed on March 9, 2009 and shall come into force with immediate effect.

V S Sundaresan
Adjudicating Officer