CO/ID-6/1033&1038/43/08

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATIONS SUBMITTED BY SHRI RAJU B. SHAH AND SHRI ATUL H. SHAH

IN THE MATTER OF UNIVERSAL MEDIA NETWORK LIMITED

(CONSENT APPLICATION NOS. 33 AND 38 OF 2007)

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the alleged irregular trading in the shares of Universal Media Network Ltd. (hereinafter referred to as "UMNL") during June-July 2002. Investigations, *prima facie*, revealed that the Shri Raju B. Shah and Shri Atul H. Shah (hereinafter referred to as the "Applicants") had created false and misleading appearance of trading in the said shares in a fraudulent manner and offloaded unlisted shares of UMNL in the market. Accordingly, a Show Cause Notice dated December 02, 2004 under section 11 read with Section 11(4) and 11B of the SEBI Act, 1992 and Regulation 11 of the SEBI (Prohibition of Unfair Trade Practices) Regulations, 2003 was issued to them. They submitted separate replies dated January 20, 2005 and also availed the opportunity of hearing granted by SEBI.

2. While further proceedings were in progress, the applicants submitted separate applications dated July 17, 2007 along with affidavits of "undertakings and waivers" for settlement of the matter in terms of SEBI Circular No. EFD/Cir-1/2007 dated April 20, 2007. Thereafter, vide letter dated January 21, 2008, Shri Raju B. Shah revised the consent terms offering to pay a sum of Rs. 5,00,000/- (Rupees five lakh only) towards settlement charges. Vide letter dated January 21, 2008, Shri Atul H. Shah revised the consent terms offering to pay a sum of Rs. 3,00,000/- (Rupees three lakh only) towards settlement charges, and voluntary debarment from the securities market for a period of three months.

3. The consent terms proposed by the applicants were placed before the High Powered Advisory Committee (HPAC) and the HPAC, after deliberation, recommended that Shri Raju B. Shah should undergo a voluntary bar for a period of twelve months and that the case may be settled on payment of Rs. 5,00,000/- (Rupees five lakh only) towards settlement charges. In the case of Shri Atul H. Shah, the HPAC recommended that the self ban should be for a period of twelve months instead of

three months and the case may be settled on payment of Rs. 3,00,000/- (Rupees three lakh only) towards settlement charges. The recommendations of the HPAC were accepted by SEBI and conveyed to the applicants vide letters dated May 8, 2008.

4. Accordingly, Shri Raju B. Shah and Shri Atul H. Shah, without admitting or denying the charges, have remitted a sum of Rs. 5,00,000/- (Rupees five lakh only) vide demand draft No. 836494 dated May 17, 2008 drawn on Standard Chartered Bank, Ahmedabad, and Rs. 3,00,000/- (Rupees three lakh only) vide demand draft No. 052335 dated May 16, 2008 drawn on Standard Chartered Bank, Ahmedabad, respectively towards settlement charges. The applicants vide their letters dated May 20, 2008 have also undertaken a voluntary bar from buying, selling or dealing in securities in any manner whatsoever, for a period of twelve months.

5. In view of the above, it is hereby ordered that this consent order disposes of the proceedings arising out of Show Cause Notice dated December 2, 2004 against the applicants in the matter of UMNL. It is also ordered that the applicants shall not buy, sell or deal in securities in any manner whatsoever, for a period of 12 months from the date of this order.

6. This order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the proceedings pending against the applicants, if:

    a. any representation made by the applicants in this consent proceedings is subsequently discovered to be untrue.
    b. the applicants breach any of the consent terms or undertakings filed in this consent proceedings.

7. This consent order is passed on the 18th day of September, 2008 and shall come into force with immediate effect.

Dr. T. C. Nair
Whole Time Member

M. S. Sahoo
Whole Time Member