

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

**CONSENT ORDER NO.NB/AO/01/2011**

**On the Application submitted by**

**Systematix Shares & Stocks (I) Limited (Formerly Southern Shares & Stock Ltd)**

**In the matter of Tasc Pharmaceuticals Ltd.**

**[CONSENT APPLICATION NO. 1702/2009]**

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1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) initiated adjudication proceedings in respect of **Systematix Shares & Stocks (I) Limited** (hereinafter referred as “**Noticee**”), for the alleged violations of the provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as “**PFUTP Regulations**”) and SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 (hereinafter referred to as “**Brokers Regulations**”) in the matter of Tasc Pharmaceuticals Ltd (hereinafter referred to as “**Identified Scrip**”). The Noticee allegedly has indulged in the creation of false market by trading on behalf of its clients in the identified scrip by way of order book manipulation through several structured trades, self trades and circular trades. Thereafter adjudication proceedings were initiated against the Noticee for the alleged violation.
2. The undersigned was appointed as the Adjudicating Officer vide order dated May 18, 2009. Consequently, a Show Cause Notice No. CFD/DCR/NB/BV/184623/2009 dated November 24, 2009 was issued by the undersigned under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, to show cause as to why an inquiry should not be conducted against the Noticee for violation of the above mentioned provisions of PFUTP Regulations and Brokers Regulations and penalty not be imposed under sections 15HA and 15HB of SEBI Act, 1992.

3. While the Adjudication Proceedings were in progress, the Noticee made an application dated December 9, 2009 and an affidavit of “undertakings and waivers” in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20<sup>th</sup> April, 2007 for Consent Order in respect of the aforesaid notice before SEBI. Subsequently, the Noticee vide its letter dated October 28, 2010 proposed consent terms of ₹3,50,000/- (Rupees Three Lakh Fifty Thousand only) towards settlement charges in respect of the aforesaid proceedings before SEBI. The terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as ‘HPAC’) on November 19, 2010. 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 the consent terms proposed by the Noticee, which has been approved by the panel of Whole Time Members of SEBI on November 20, 2010. Thereafter, SEBI vide letter dated December 30, 2010 conveyed the recommendations of the HPAC to the applicant and advised the applicant to pay in accordance with consent terms.
4. In terms of the proposal of the Noticee, for the sole purpose of settling the matter on hand, without admitting or denying the guilt on the part of the Noticee to the finding of fact or conclusion of law, the Noticee has remitted a sum of ₹3,50,000/- (Rupees Three Lakh Fifty Thousand only) vide Demand Draft No. 584986 dated January 3, 2011 drawn on Axis Bank Limited towards settlement charges.
5. 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.
6. This consent order is passed on January 11, 2011 and shall come into force with immediate effect.
7. In terms of rule 6 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, copies of this order are sent to the Noticee and also to Securities and Exchange Board of India, Mumbai.

**Date: January 11, 2011**

**Place: Mumbai**

**Neelam Bhardwaj**

**Adjudicating Officer**