

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

CONSENT ORDER
On The Application Submitted By

M/s Religare Securities Limited PAN No:- AAACF1952D
In the matter of
M/s Mega Corporation Ltd. & M/s Karuna Cables Ltd.

CO/IVD-ID-1/936/AO/SD/15/2009

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had initiated adjudication proceedings against M/s Religare Securities Limited (hereinafter referred as 'Noticee'), for the alleged violation of Regulations 4(1), 4(2)(a), (b), (e), (g) & (n) of SEBI (Prohibition of Fraudulent & Unfair Trade Practices Relating to Securities Market) Regulations, 2003 & Clauses A(1), (2), (3), (4) & (5) of Code of Conduct for Stock Brokers as specified under Schedule II of the SEBI (Stock Brokers & Sub-Brokers) Regulations, 1992 in the matter of M/s Mega Corporation Limited & M/s Karuna Cables Ltd. The undersigned has been appointed as Adjudicating Officer (AO) under SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as the Adjudication Rules) to inquire into and adjudge under Section 15HA & 15HB of the SEBI Act, 1992 (hereinafter referred to as the 'Act'), for the aforesaid violations.

2. For this Adjudication proceedings Show Cause Notice bearing No. EAD/SD/PM/130135/2008 dated June 27, 2008 was issued by the Adjudicating Officer under Rule 4 of the Adjudication Rules.
3. Further, pending the adjudication proceedings, the Noticee had filed the application for consent proceedings vide the Consent Application dated August 18, 2008 and an affidavit of "Undertakings and Waivers" in the aforesaid matter in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated 20th April, 2007 and proposed to pay Rs. 1,00,000/- (Rupees One Lakh only) towards settlement charges of the above said adjudication proceedings. The Noticee thereafter proposed revised consent proposal vide letter dated January 10, 2009 & proposed to offer Rs. 10,00,000/- (Rs. Ten Lakhs Only) as settlement charges. The revised consent terms as proposed by Noticee were placed before the High Powered Advisory Committee (HPAC) meeting held on February 03, 2009 and after considering the facts and circumstances of the case, the HPAC recommended that the case may be settled on payment of Rs. 10,00,000/- (Rupees Ten Lakhs only) towards settlement charges as proposed by the Noticee & the same has been approved by the panel of Whole Time Members of SEBI.
4. In terms of Noticee's proposal for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the Noticee to the finding of fact or conclusion of law, Noticee has remitted a sum of Rs. 10,00,000/- (Rupees Ten Lakhs only), vide Demand Draft No. 046541 dated March 13, 2009 drawn on HDFC Bank, Mumbai towards the settlement charges in the aforesaid matter.
5. In view of the above, it is hereby ordered that:

(a) this consent order disposes of the said adjudication proceedings pending against the Noticee Viz. M/s Religare Securities Limited under the Securities and Exchange Board of India Act, 1992 and

(b) 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

- I. any representations made by the Noticee in the consent proceedings are subsequently discovered to be untrue.
- II. 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 the 19th day of March, 2009 and shall come into force with immediate effect.

PLACE: MUMBAI

SANDEEP DEORE
ADJUDICATING OFFICER