

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

**CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY**

**M/s CLASSIC FINANCE  
(PAN NO. AEQPB2095G)**

**IN THE MATTER OF  
DENIM ENTERPRISES LTD.**

**(CONSENT APPLICATION NO. 1353/2009)**

1. Securities and Exchange Board of India (SEBI) had conducted investigations in respect of dealing in the scrip of Denim Enterprises Ltd. during the period November 1, 1999 to March 30, 2000. These investigations revealed that M/s Classic Finance (hereinafter referred to as 'applicant'), located at 7/7A/7B, Yusuf Building, Homi Modi Cross Lane No. 1, Near Bombay House, Fort, Mumbai - 400 001, acted as an unregistered sub-broker of M/s M.P. Vora Shares and Securities Pvt. Ltd. and had dealt on behalf of many clients in the scrip during the period under investigation. Therefore, it was alleged that the applicant had violated the provisions of Section 12(1) of the SEBI Act, 1992 read with Rule 3 of the SEBI (Stock Broker and Sub-brokers) Rules, 1992 (since rescinded) read with Regulation 11 of SEBI (Stock Broker and sub-broker) Regulations, 1992.
2. Pursuant to the said investigations. SEBI initiated proceedings under Section 11B read with Section 11(4) of the SEBI Act 1992, vide Show Cause Notice dated 23<sup>rd</sup> April, 2009.
3. While the said proceedings were pending, the applicant, vide application dated June 08, 2009 proposed settlement of the proceedings through a consent order in terms of SEBI Circular No. EFD/ED/Cir- 1/2007 dated April 20, 2007. The applicant proposed revised consent terms vide letter dated July 09, 2009,

whereby the applicant undertook to pay Rs. 1,50,000/- (Rupees One lakh fifty thousand only) towards settlement terms. The consent terms proposed by the applicant were placed before the High Powered Advisory Committee which after considering the facts and circumstances of the case, recommended that the case may be settled on payment of Rs. 1,50,000/- (Rupees One lakh fifty thousand only) towards settlement charges. SEBI accepted the said recommendation and communicated the same to the applicant vide letter dated December 14, 2009.

4. For the sole purpose of settling the matter on hand and without admission or denial of guilt, the applicant has remitted a sum of Rs. 1, 50, 000/- (Rupees One lakh fifty thousand only) vide Demand Draft No. 112026 dated December 21, 2009 drawn on ICICI Bank Ltd. , Fort Branch, Mumbai, in favour of Securities and Exchange Board of India.
5. In view of the above, it is hereby ordered that this consent order disposes of the said proceedings against the applicant in the matter.
6. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or reopening of the proceedings pending against the 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 of undertakings filed in this consent proceeding.
7. This consent order is passed on this day, the 13 of January, 2010 and shall come into force with immediate effect.

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

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