

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
NEW VERNON PRIVATE EQUITY LIMITED**

**IN THE MATTER OF
PRIME SECURITIES LIMITED**

(CONSENT APPLICATION NO. 932/2008)

1. On January 28, 2008, New Vernon Private Equity Limited (hereinafter referred to as 'the applicant') located at 10 Frere Felix de Valoris Street, Port Louis, Mauritius acquired 18,00,000 equity shares, i.e., 6.84% of the voting share capital of Prime Securities Limited (hereinafter referred to as 'target company') through private placements. While making the disclosures in respect of the said acquisition under Regulation 7(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as 'Takeover Regulations'), the applicant failed to include the shareholding of New Vernon India Limited, which is its sub-account and a 'person acting in concert' with it, in the target company. It, however, made these disclosures with considerable delay. Thus, the applicant, failed to comply with the Takeover Regulations and, therefore, became liable for appropriate enforcement action.
2. The applicant, vide letter dated August 21, 2008, proposed settlement of the enforcement actions that may be initiated by SEBI for the aforesaid failure, through a consent order in terms of SEBI Circular No. EFD/ED/Cir.-1/2007 dated April 20, 2007. It proposed revised consent terms vide letter dated October 24, 2008. High Powered Advisory Committee constituted by SEBI considered the consent terms proposed by the applicant and recommended the case for settlement. Accordingly, the applicant shall pay Rs.25,000/- (Rupees twenty five thousand only) towards settlement charges and Rs. 10,000/- (Rupees ten

thousand only) towards administrative charges. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated January 2, 2009.

3. Accordingly, the applicant, without admitting or denying guilt, has remitted a sum of Rs.35,000/- (Rupees thirty five thousand only) towards settlement charges vide demand draft no. 102590 dated January 12, 2009 drawn on CitiBank payable at Mumbai.
4. In view of the above, it is hereby ordered that SEBI shall not take any enforcement action against the applicant for its failure to comply with the aforesaid Regulation in the matter of Prime Securities Limited.
5. 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 clauses/conditions of undertakings/ waivers filed during this consent proceeding.
6. This consent order is passed on this day, the 29th of January, 2009 and shall come into force with immediate effect.

Sd./-

M. S. Sahoo
Whole Time Member

Sd./-

K. M. Abraham
Whole Time Member