

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

CO/MIRSD/1546/AO/PKB/42/2009

**UNDER SECTION 19H OF DEPOSITORIES ACT, 1996 READ WITH
RULE 5 OF DEPOSITORIES (PROCEDURE FOR HOLDING INQUIRY
AND IMPOSING PENALTIES BY ADJUDICATING OFFICER) RULES,
2005**

In respect of

M/s Archana Software Ltd.

1. SEBI received the monthly status report and the DRN pending information from NSDL and CDSL vide emails dated August 1, 2007 and August 4, 2007 respectively. It was alleged that M/s Archana Software Ltd. (hereinafter referred to as "the noticee") delayed dematerialization of securities, the details of which (as on 31.7.2007) are given below:

Name of the depository	No. of Requests Pending for more than 30 days	No. of Shares Pending for more than 30 days
NSDL	255	62,700
CDSL	42	10,900
TOTAL	297	73,600

2. Shri D. S. Reddy was appointed as Adjudicating Officer, vide SEBI order dated August 21, 2007, to inquire into and adjudge under Section 19D of Depositories Act, 1996 (hereinafter referred to as the said Act), the alleged violation of Regulation 54 (5) of SEBI (Depositories and Participants) Regulations 1996, (hereinafter referred as "D P Regulations") committed by the noticee. Pursuant to the transfer of Shri. D. S Reddy I have been appointed as Adjudicating Officer vide order dated March 12, 2009.
3. Show cause notice dated September 26, 2007 was issued to the noticee. Pending the adjudication proceedings, the noticee made an application dated February 29, 2008, and an affidavit in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007. Pursuant to the said application, the noticee proposed revised consent terms submitting that they were willing to pay a consolidated amount of Rs. 25,000/- (Rupees Twenty Five Thousand only) towards settlement charges and Rs. 25,000/- (Rupees Twenty Five Thousand Only) towards

Consent Order in respect of M/s Archana Software Limited.

administrative charges. The revised consent terms were placed before the High Powered Advisory Committee (HPAC) on March 12, 2009 and HPAC after deliberation recommended the case for settlement on the revised consent terms proposed by the noticee.

4. In terms of the proposal of the noticee 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, the noticee has remitted a sum of Rs. 50,000/- (Rupees Fifty Thousand only) vide Demand Draft No. 656908 and 656907, dated May 04, 2009 favouring SEBI drawn on the Syndicate Bank, Mumbai, towards the terms of consent in the matter.
5. In view of the above, it is hereby ordered that:
 - i) this consent order disposes of the said adjudication proceedings pending against the noticee under SEBI 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 representations made by the noticee in the consent proceedings are 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 the 06th May, 2009 and shall come into force with immediate effect.
7. In terms of Rule 6 of the Adjudication Rules, copies of this order are sent to the M/s Archana Software Ltd. and also to the Securities and Exchange Board of India.

Place: Mumbai

**P. K. BINDLISH
Adjudicating Officer**