

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[CONSENT ORDER NO. JS/AO - 02/2013]

**UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA
ACT, 1992 READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING
INQUIRY AND IMPOSING PENALTIES BY ADJUDICATING OFFICER) RULES,
1995**

In respect of
Quantum Securities Ltd.
SEBI REGN No: BSE- INB011119030
NSE-INB230582430
In the matter of GHCL Ltd.

1. The Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) conducted an investigation into the trading in the scrip of GHCL Limited (hereinafter referred to as “**GHCL**” for price and volume variation during February 01, 2006 to March 30, 2006.
2. It was alleged that the noticee had entered into cross and synchronized deals on behalf of its clients and had aided and abetted its main clients to create artificial volumes in the scrip of GHCL during the investigation period. It was also alleged that the noticee had taken third party delivery of shares. It was thus alleged to have violated Regulations 4(1), 4(2) (a), (b), (g) and (n) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, Regulation 7 read with Clause A(1) to (5) of the Code of Conduct specified under Schedule II of Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992, and had also violated Securities and Exchange Board of India Circular No. SEBI/MRD/SE/Cir-33/2003/27/08 dated August 27, 2003.
3. The undersigned was appointed as Adjudicating Officer under section 15 I of the SEBI Act to inquire into and adjudge under Sections 15HA and 15HB of the SEBI Act for the aforesaid alleged violations. Consequently, Show Cause Notice dated

November 25, 2009 was issued to the Noticee under Rule 4(1) of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as "the Rules").

4. While the adjudication proceedings were in progress, Noticee made an application dated September 19, 2011 along with an affidavit of "undertakings and waivers" in terms of SEBI Circular No. EFD/Cir-1/2007 dated 20th April, 2007 read with SEBI Circular No. CIR/EFD/1/2012 dated May 25, 2012 for Consent Order in respect of the aforesaid notice before SEBI. Subsequently, the Noticee vide letter dated September 26, 2012 proposed consent terms of Rs. 5,00,000/- (Rupees Five Lakh) towards settlement charges and Rs 33,41,000/ (Thirty three lakhs and forty one thousand only) towards disgorgement of alleged ill-gotten gains/brokerage.
5. The consent terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as "HPAC") on October 29, 2012. The HPAC after deliberation recommended that the case may be settled on the aforesaid consent terms proposed by the Noticee. The recommendations of HPAC were subsequently placed before the panel of Whole Time Members of SEBI. Thereafter, SEBI vide letter dated December 07, 2012 conveyed the recommendations of the HPAC to the applicant and advised the applicant to pay in accordance with consent terms
6. 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 Rs. 33,41,000/- (Thirty three lakhs and forty one thousand only) vide demand draft no. 633814 dated January 07, 2013 and Rs. 5,00,000/- (Rupees Five Lakh) vide demand draft no. 633815 dated January 07, 2013 drawn on HDFC Bank, payable at Mumbai, towards the terms of consent in the matter.
7. In view of above, it is hereby ordered that:
 - a. this consent order disposes of the said proceedings pending against the Noticee under SEBI Act

- b. passing of this order is without prejudice to the rights of SEBI to take enforcement actions including commencing/ reopening of the pending proceedings against the Noticee, if SEBI finds that:
 - i. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
 - ii. the Noticee has breached any of the clauses/ conditions of undertakings/waivers filed during the current consent proceedings.

Place: Mumbai

Date: January 14, 2013

**JEEVAN SONPAROTE
ADJUDICATING OFFICER**