

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

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
P. SURYAKANT SHARE & STOCK BROKERS PVT. LTD.
(SEBI Regn.No. INB 011159036)**

**IN THE MATTER OF
DESIGN AUTO SYSTEMS LTD.**

(CONSENT APPLICATION No. 392/2007)

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the dealing in the shares of Design Auto Systems Ltd. ("Company") for the period August 2001-January 2002. The investigations, *prima facie*, revealed that P. Suryakant Share & Stock brokers Pvt. Ltd. (hereinafter referred to as the 'applicant'), a broker registered with the Bombay Stock Exchange Limited, had allowed an entity to trade as sub-broker without registration and failed to exercise due diligence over the trades executed by the sub-broker.
2. Pursuant to the said investigations, SEBI initiated enquiry proceedings under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty), Regulations, 2002 against the applicant. It issued post enquiry show cause notice dated November 30, 2006 alleging that the applicant had violated provisions of Clause A(2) of the Code of Conduct as specified in Schedule II read with Regulation 7 of the SEBI (Stock Broker and Sub-Broker) Regulations, 1992. The applicant replied to the said show cause notice on March 08, 2007. It appeared for a personal hearing on July 30, 2007.
3. While further proceedings in the matter were in progress, the applicant, vide letter dated December 11, 2007, proposed settlement of the said proceedings through a consent order in terms of SEBI circular No.EFD/ED/Cir-1/2007 dated April 20, 2007. Vide letter dated August 29, 2008, it proposed revised consent terms.
4. High Powered Advisory Committee (HPAC) appointed by SEBI considered the consent terms proposed by the applicant and recommended the case for settlement. Accordingly, the applicant shall pay Rs.5,00,000/- (Rupees five lakh only) towards settlement charges. SEBI accepted the recommendations of the HPAC and communicated the same to the applicant vide letter dated October 17, 2008.

5. For the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicant to the finding of fact or conclusion of the law, the applicant has remitted a sum of Rs.5,00,000/- (Rupees five lakh only) vide demand draft No.256157 dated October 29, 2008 drawn on Bank of India, Mumbai.
6. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings resting with the show cause notice dated March 08, 2007 against the applicant in the matter of Design Auto systems Ltd.
7. This order is without prejudice to the right of SEBI to take enforcement actions, including commencing / 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;
 - b. the applicant breaches any of the consent terms or undertakings filed in this consent proceeding.
8. A copy of this order shall be served on the Bombay Stock Exchange Limited of which the applicant is a broker.
9. This consent order is passed on this day, the 28th November, 2008 and shall come into force with immediate effect.

Sd/-
Dr. T. C. Nair
Whole Time Member

Sd/-
M. S. Sahoo
Whole Time Member