

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

Consent Order. IVD-ID8/WOL/AO/ DRK/ ASG/EAD-3/ CO- 08 /2009

CONSENT ORDER

(Consent Application No.610/2008)

In the matter of

Saurin R. Shah

Sub-broker of Wellworth Share and Stock Broker Ltd.,

Member Broker , BSE

SEBI Registration No. INS011231219.

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”), vide order dated June 22, 2006 initiated adjudication proceedings against Saurin R. Shah, (hereinafter referred to as ‘**the Noticee**’) to inquire into and adjudge under Section 15HA and 15 HB of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the ‘**SEBI Act**’), the violations of the provisions of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 alleged to have been committed by it in respect of its dealings in the scrip of **Kosian Industries Ltd.** (hereinafter referred to as ‘**KIL**’). Show Cause Notice No. EAD/DSR/120739/2008 dated March 18, 2008 was issued to the Noticee by the Adjudicating Officer.
2. I was appointed as the Adjudicating Officer in the present case vide order dated February 24, 2009, under section 15 I of the SEBI Act read with

Rule 3 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995.

3. Pending adjudication proceedings, the Noticee made an application dated April 07, 2008 (Consent Application Regn. No. 610 of 2008) and an undertaking in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007 dated April 20, 2007. In the application dated April 07, 2008 the Noticee proposed a sum of Rs. 25,000 (Rupees Twenty Five Thousand Only) towards settlement charges. Pursuant to the said application, the Noticee submitted its revised consent terms vide its letter dated October 17, 2008, wherein it proposed an amount of Rs.2,50,000/- (Rupees Two Lakh Fifty Thousand only) towards settlement charges and a voluntary surrender of its certificate of registration as sub-broker. The consent terms were placed before the High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) on December 01, 2008 and the HPAC considered the facts and circumstances of the case, proposed settlement terms offered by the Noticee including the voluntary surrender of the certificate of registration as a sub-broker and the other material brought before the HPAC. HPAC after deliberation recommended the case for settlement on the 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 findings of fact or conclusions of law, the Noticee has remitted a sum of Rs.2,50,000/- (Rupees Two Lakh Fifty Thousand only) favoring SEBI vide Demand Draft No. 030506 dated December 20, 2008 drawn on Canara Bank, payable at Mumbai, towards the terms of consent in the matter. The Noticee has also surrendered its original certificate of registration as sub-broker dated April 30, 2003 to SEBI.
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 mentioned in para 1 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 **18th day of March, 2009** and shall come into force with immediate effect.
- 7. In terms of Rule 6 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, copies of this order are sent to the Noticee, Saurin R. Shah (Sub-broker of Wellworth Share and Stock Broker Ltd., SEBI Registration No. INS 011231219) and also to the Securities and Exchange Board of India, Mumbai.

Place: Mumbai

**D. RAVI KUMAR
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER**