

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

CO/CFD/1223/AO/DSR/20/2008

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
**Dineshchand Surana &
Other promoters**

1. SEBI, vide order dated March 12, 2006, initiated adjudication proceedings against promoters of Surana Industries Limited (hereinafter referred to as "company") namely Dineshchand Surana , G.R.Surana , Shantilal Surana, Vijayraj Surana , Chandanbala Surana , Sarala Devi Surana , Alka Surana , Vasantha Surana , Rajesh Surana & Mahaveer Surana (hereinafter collectively referred to as noticees) for the alleged non-compliance with the provisions of Regulations 11(1) read with 14(1) of SEBI (Substantial Acquisition of Shares and Takeovers), Regulations, 1997 (hereinafter referred to as SAST) in the matter of acquisition of 50,00,000 shares/voting rights through preferential allotment representing 47.62% shares/voting rights of the post preferential share capital of the company. A show cause notice dated May 23, 2007 was issued to the noticees.
2. Pending the adjudication proceedings, the noticees made an application dated October 3, 2007, and an affidavit in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007 dated 20th April, 2007. Pursuant to the said application, the noticees vide letter dated May 26, 2008 proposed revised consent terms submitting that they were willing to pay a consolidated amount of Rs. 6,00,000/- (Rupees Six Lakhs only) towards consent terms. The revised consent terms were placed before the High Powered Advisory Committee (HPAC) and HPAC after deliberation recommended the case for settlement on the revised consent terms proposed by the noticees. The same was approved by Committee of Whole Time Members of SEBI on August 12, 2008.

3. In terms of the proposal of the noticees for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the noticees to the finding of fact or conclusion of law, the noticees have remitted a sum of Rs. 6,00,000/- (Rupees Six Lakhs only), vide Demand Draft No. 209819 dated August 28, 2008 drawn on the Punjab National Bank, Chennai, towards the terms of consent in the matter.
4. In view of the above, it is hereby ordered that:
 - i) this consent order disposes of the said adjudication proceedings pending against the noticees 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 noticees, if SEBI finds that:
 - a. any representations made by the noticees in the consent proceedings are subsequently discovered to be untrue.
 - b. the noticees have breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

This consent order is passed on the 10th day of September, 2008 and shall come into force with immediate effect.

In terms of Rule 6 of the Adjudication Rules, copies of this order are sent to the Noticees and also to the Securities and Exchange Board of India.

D.S. REDDY
Adjudicating Officer

Place : Mumbai