

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

**CONSENT ORDER
ON THE APPLICATION SUBMITTED BY
KUBER FINSTOCK PRIVATE LIMITED & OTHERS
IN THE MATTER OF
AXEL POLYMERS LIMITED
(CONSENT APPLICATION NO.1045/2008)**

1. SEBI had conducted investigations into the alleged irregularities in the trading of shares of Axel Polymers Limited (hereinafter referred to as 'the company') for the period August 2, 2000 - August 31, 2000. The investigations, *prima facie*, revealed that Kuber Finstock Private Limited (PAN No. AACCK2685A) and its Directors viz., Chandresh P Lotia and Jignesh Sheth, having registered office at 103, B, Wing, Bhaveshwar Plaza. L. B. S. Marg, Ghatkopar (W), Mumbai – 400 086, (hereinafter referred to as 'applicant') had acted as an unregistered sub-broker and indulged in cross deals. Therefore, it was alleged that the applicant violated the provisions of Section 12 of the SEBI Act and Regulations 4 (a), 4 (b), 4 (c) and 4 (d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 1995, read with Regulation 13 of the SEBI (Prohibition of Fraudulent and Unfair trade Practices Relating to Securities Market) Regulations, 2003.
2. Pursuant to the investigations, SEBI initiated proceedings under Section 11 B of SEBI Act and issued a show cause notice No. IVD/ID7/SG/JK/127310/2008 dated May 30, 2008 to the applicant. The applicant replied vide letter dated July 09, 2008.
3. While the above proceedings were in progress, the applicant, vide letter dated November 10, 2008, proposed settlement of the said proceedings through a consent order in terms of circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. It proposed revised consent terms vide letter dated January 22, 2009. The High

Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicant and recommended the case for settlement. Accordingly, the applicant shall pay Rs. 2,25,000/- (Rupees two lakh twenty five thousand only) towards settlement charges. SEBI accepted the said recommendation and communicated the same to the applicant vide letter dated March 20, 2009.

4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs. 2,25,000/- (Rupees two lakh twenty five thousand only) towards settlement charges vide demand draft No. 189672 dated April 02, 2009 drawn on ICICI Bank Ltd. payable at Mumbai.
5. In view of the above, it is hereby ordered that this consent order disposes of the said 11 B proceedings pending against the applicant and its Directors viz., Chandresh P Lotia and Jignesh Sheth in the matter of Axel Polymers Limited.
6. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or 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; or
 - b. the applicant breaches any of the consent terms or undertakings filed in this consent proceeding.
7. This consent order is passed on this day, the 28th of April 2009 and shall come into force with immediate effect.

M. S. SAHOO
WHOLE TIME MEMBER

K. M. ABRAHAM
WHOLE TIME MEMBER