

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: PRASHANT SARAN, WHOLE TIME MEMBER**

IN THE SCRIP OF KARUNA CABLES LIMITED

In respect of Pradnya Sarkhot, Ritedeal Trading Company Pvt. Limited, Santosh Rohidas Jagtap, Ramdas Kshirsagar, Rightstar Trading Company Pvt. Limited, Amar Adhav, Rajkishore Singh and Santosh Pawar

ORDER

Under Sections 11B and 11(4)(b) of Securities and Exchange Board of India Act, 1992

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') conducted a preliminary examination of the dealings in the scrip of Karuna Cables Limited (hereinafter referred to as 'Karuna' or 'the company') upon noticing sharp price variation in the scrip. The preliminary examination revealed that the price of the scrip of Karuna at Bombay Stock Exchange Limited (hereinafter referred to as 'BSE') increased from ₹22.80 as on February 10, 2005 to ₹159.50 as on September 16, 2005 in 153 trading days, thereby representing an increase of 636%.
2. Pursuant to the preliminary investigation and pending inquiry, SEBI vide an *ad interim ex-parte* Order dated November 29, 2005 issued under Sections 11B and 11(4)(b) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as 'SEBI Act'), directed Karuna not to issue any equity shares or any other instrument convertible into equity shares or alter its capital structure in any manner till further directions follow in this regard. This order also directed the promoters and the non-executive independent directors of Karuna not to buy, sell or deal in securities of Karuna, directly or indirectly, till further directions. Directions were also issued against certain brokers of the BSE and a few of the trading clients. The said trading clients including Pradnya Sarkhot, Ritedeal Trading Company Pvt. Limited, Santosh Rohidas Jagtap, Ramdas Kshirsagar, Rightstar Trading Company Pvt. Limited, Amar Adhav, Rajkishore Singh and Santosh Pawar were directed not

to buy, sell or deal in securities of Karuna, directly or indirectly, till further directions in this regard.

3. The interim order also afforded an opportunity to these entities/ persons, to whom the directions were issued, to file their objections, if any, in respect of the order, within 15 days from the date of the order and, if they so desire, avail themselves of an opportunity of personal hearing. Pursuant to their filing of replies and availing of the opportunities for hearing, SEBI confirmed the *ad interim ex-parte* directions vide an order dated July 25, 2006, against all the persons/ entities named in the Order dated November 29, 2005.
4. Upon completion of the investigation, suitable actions were initiated against the persons/ entities covered in the interim order as well as certain others. In respect of the trading clients named in the *ad interim ex-parte* order, adjudication proceedings were initiated under Chapter VI A of the SEBI Act. However, I note that against eight of those trading clients, Pradnya Sarkhot, Ritedeal Trading Company Pvt. Limited, Santosh Rohidas Jagtap, Ramdas Kshirsagar, Rightstar Trading Company Pvt. Limited, Amar Adhav, Rajkishore Singh and Santosh Pawar, no penalties were imposed. Therefore, taking into consideration of the facts and circumstances of the case, I am of the view that the interim directions need not be continued in respect of these eight trading clients named above and that they are revoked.
5. Accordingly, I, in exercise of the powers conferred upon me under Section 19 of the SEBI Act read with Sections 11B and 11(4)(b) thereof, do hereby revoke the directions issued vide Securities and Exchange Board of India orders dated November 29, 2005 and July 25, 2006, against Pradnya Sarkhot, Ritedeal Trading Company Pvt. Limited, Santosh Rohidas Jagtap, Ramdas Kshirsagar, Rightstar Trading Company Pvt. Limited, Amar Adhav, Rajkishore Singh and Santosh Pawar with immediate effect.

DATE: 16/AUG/2011
PLACE: MUMBAI

PRASHANT SARAN
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA