

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

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
ACCORD CAPITAL MARKETS LTD. (“APPLICANT”)**

**IN THE MATTER OF DSQ SOFTWARE LTD.
(CONSENT APPLICATION NO. 2196/2010)**

1. SEBI noticed an unusual movement in the share price of DSQ Software Ltd. (“company”). Based on *prima facie* findings, SEBI, vide ad-interim order dated 20.07.2001 had *inter alia* prohibited the company and its promoter, Shri Dinesh Dalmia from accessing capital market for certain period mentioned therein. The said interim order was confirmed by SEBI vide its order dated 20.12.2001.
2. The applicant had allegedly entered into synchronized trades with other members of NSE who were trading on behalf of associates of Dinesh Dalmia. Trades were allegedly done in the proprietary account of the applicant as well as for its client Mehta & Ajmera (“M&A”) which is a partnership firm whose partners are directors/promoters of the applicant.
3. Pursuant to the investigations and enquiry report, a show cause notice dated 13.09.2006 was issued to the applicant asking it to show cause as to why the penalty as considered appropriate including suspension of registration should not be imposed against it. On receipt of reply and hearing, SEBI passed the final order dated 27.08.2007, suspending the certificate of registration of the applicant for a period of 12 months.
4. The applicant appealed against the above SEBI Order to Securities Appellate Tribunal (SAT), Hon’ble SAT through its Order dated 13.09.2010 remitted the matter to SEBI with certain directions *inter alia* to proceed from the stage of the second show cause notice. Accordingly a supplementary show cause notice dated 12.11.2010 was issued to the applicant under Regulation 28 read with Regulation 38 of the SEBI (Intermediaries) Regulations, 2008 with the allegations that the applicant has violated the provisions of Regulation 4 (b), (c), (d) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 read with Regulation 3 (a), (b) and 4 (2)(a) and (b) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and Regulation 7 read with Clauses A(1) to (4) of the Code of Conduct as specified in Schedule II of SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and SEBI circular dated 14.09.1999.

5. While the above proceedings were in progress, the applicant *vide* its application dated 23.12.2010, proposed settlement of the above mentioned proceedings through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated 20.04.2007. The applicant revised its terms of settlement *vide* its letter dated 18.04.2011. After considering the facts and circumstances of the case and the material brought before it by SEBI, the High Powered Advisory Committee constituted by SEBI recommended that the case may be settled on following terms and conditions:-
 1. On payment of Rs. 4,00,00,000/- (Rupees Four Crore only) towards settlement charges;
 2. Voluntary debarment by the Applicant (PAN No. AACCA5695G) as well as its promoters viz. Mr. Girish S Mehta (PAN No. AFMPM1006P) and Himanshu Ajmera (PAN No. ADEPA7521K) from buying, selling or otherwise dealing in the securities market for a period of 1 year from the date of the consent order;
 3. Voluntary debarment of the promoters of the applicant from being promoters/directors of intermediaries registered with SEBI during the said period of debarment of 1 year.
6. SEBI accepted the said recommendations and communicated the same to the applicant *vide* letter dated 21.06.2011.
7. Accordingly, the applicant, without admitting or denying the charges, has conveyed its acceptance of the aforesaid recommendations *vide* his letter dated 24.06.2011 and has remitted a sum of Rs. 4,00,00,000/- (Rupees Four Crore only) towards settlement charges *vide* demand draft no. 524557 dated 24.06.2011 drawn on HDFC Bank, payable in Mumbai towards the terms of consent in the matter. Applicant's letter of voluntary debarment for itself and its promoters is also on record.
8. In view of the above consent terms, it is hereby ordered that this consent order disposes of the said proceedings initiated *vide* show cause notice dated 13.09.2006 (ref. no. ISD/BR/AM/DSQ(S)/76603/2006) and supplementary show cause notice no. ISD/SR/DSQS/26407/2010 dated 12.11.2010 as against the applicant.
9. A copy of this order shall be sent to the Exchanges and Depositories for information and implementation.

10. 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.

11. This consent order is passed on this day, the 29th of June, 2011 and shall come into force with immediate effect.

DR. K. M. ABRAHAM
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER