

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

SHRIKANT G. MANTRI

(SEBI REGN. No. INB 010028216)

(PAN No. AAHPM1105F)

IN THE MATTER OF

SAWACA COMMUNICATIONS LIMITED

(CONSENT APPLICATION NO. 127 OF 2007)

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had conducted investigations into the alleged manipulation in the scrip of Sawaca Communications Limited (hereinafter referred to as 'SCL'). The shares of SCL were traded at a price of Rs.24.80 on October 04, 1999, which went up to a high of Rs.97.15 on December 30, 1999 i.e. during the period of investigation. The investigation *prima facie* revealed that Shrikant G. Mantri, (hereinafter referred to as the 'applicant'), a member (SEBI Regn. No. INB 010028216) of the Bombay Stock Exchange Limited, had failed to exercise due skill, care and diligence and had thereby violated the code of conduct prescribed for stock brokers in regulation 7 of the SEBI (Stock Brokers and Sub Brokers) Regulations, 1992. Also, the applicant was *prima facie* found to have aided and abetted its client in the creation of false market in the scrip and thereby violated regulation 4 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995.
2. Pursuant to the investigation, an enquiry was ordered, under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002. The Enquiry Officer (hereinafter referred to as the 'EO') submitted his report recommending

that the certificate of the registration of the applicant be suspended for a period of 3 (three) months. A post enquiry show cause notice was issued on March 22, 2005. The applicant replied to the said show cause notice on April 18, 2005. Thereafter, opportunities of personal hearing were also granted to the applicant.

3. While the above proceedings were in progress, the applicant submitted the application dated August 31, 2007 for the settlement of the above proceedings through consent in terms of SEBI circular no. EFD/ED/Cir-1/2007 dated April 20, 2007. The applicant vide its letter dated February 05, 2010 proposed revised consent terms for the proceedings mentioned above. The High Powered Advisory Committee (HPAC) constituted by SEBI, considered the consent terms proposed by the applicant and recommended the case for settlement on payment of Rs.7,50,000/- (Rupees Seven Lakh Fifty Thousand only) towards settlement charges. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated May 20, 2010.
4. Accordingly, the applicant without admitting or denying the charges, has remitted a sum of Rs.7,50,000/- (Rupees Seven Lakh Fifty Thousand only) towards settlement charges vide pay order no. 303627 dated July 23, 2010, drawn on Oriental Bank of Commerce.
5. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings pending against the applicant (PAN - AAHPM1105F) in the matter of SCL.
6. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or reopening of the proceedings pending against 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 10th of August 2010 and shall come into force with immediate effect.

s/d

Dr. K.M. ABRAHAM
WHOLE TIME MEMBER

s/d

PRASHANT SARAN
WHOLE TIME MEMBER