

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA,

MUMBAI

CONSENT ORDER

ON THE APPLICATIONS SUBMITTED BY

MANISH K. ASHAR, POOJA A. GANDHI, SUDHA A. GANDHI, M/s AMRUT SECURITIES LTD., AMRUTLAL J. GANDHI, ANIL A. GANDHI, PREETI A. GANDHI

IN THE MATTER OF

INSPECTION OF BOOKS OF ACCOUNTS AND RECORDS OF GALAXY BROKING LIMITED

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had passed an *ad Interim ex parte* order dated January 24, 2006 against Galaxy Broking Ltd. (hereinafter referred to as 'Galaxy') and others and later confirmed the same by an order dated December 21, 2006, with certain modifications with respect to the clients of Galaxy. All the seven clients and Galaxy were group entities/family members. Subsequently SEBI had passed a consent order dated January 07, 2008 in the matter of Inspection of Galaxy and had settled the entire matter on the payment of Rs.1 lakh (Rupees one lakh only). One of the consent terms proposed by Galaxy was to lift the ban on clients viz. Manish K. Ashar, Pooja A. Gandhi, Sudha A. Gandhi, M/S Amrut Securities Ltd., Amrutlal J. Gandhi, Anil A. Gandhi, Preeti A. Gandhi (hereinafter referred to as applicants). However the consent order was passed with respect to Galaxy alone as the application for consent was filed only by Galaxy and not by the applicants. As per the order dated January 24, 2006, which was later confirmed by the order dated December 21, 2006, the following charges were made against the applicants:
 - a. Indulging in pump priming the trading volumes in the penny stocks to create an artificial market.
 - b. Trading in the penny stocks through a group of relatives, interconnected clients etc, thereby manipulating the scrips.
2. The applicants made the applications dated March 11, 2008 along with affidavits of "undertakings/waivers" in the matter in terms of SEBI Circular no. EFD/Cir-1/2007 dated April 20, 2007. The applicants, being group entities along with Galaxy, offered the amount already paid by them in the matter of Inspection of Galaxy Broking Ltd as the settlement charges for the proceedings at hand.

3. The consent terms proposed by the applicants were placed before the High Powered Advisory Committee (HPAC) and HPAC recommended that the terms agreed in the case of Inspection of Galaxy Broking Ltd. may be considered for the purpose of these applications. HPAC further recommended that the applications may be settled and consent charges paid in the matter of Galaxy Broking Ltd. may be taken as settlement charges for these applications also.
4. In terms of the applicants' proposal, for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicants to the finding of fact or conclusion of law, applicants have offered the settlement charges already paid in the matter of Inspection of Galaxy Broking Ltd to be taken as the settlement charges for the matter at hand.
5. In view of the above, it is hereby ordered that:
 - a. the prohibition imposed on the applicants vide interim order dated January 24, 2006 as later confirmed by the order dated December 21, 2006, is vacated.
 - b. passing of this order by SEBI is without prejudice to the right of SEBI to take enforcement action including commencing/reopening of the pending proceedings against the applicants, if SEBI finds that –
 - i. any representations made by the applicants in the consent proceedings are subsequently discovered to be untrue.
 - ii. the applicants have breached any of the clauses/conditions of undertakings/waivers filed during the current consent proceedings.
6. This consent order is passed on this 23rd day of July 2008 and shall come into force with immediate effect.

C. B Bhawe

Chairman

T.C Nair

Whole Time Member