

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY  
RAJESH JHAVERI STOCK BROKERS PVT. LTD.  
(PAN AABCR4037N)

IN THE MATTER OF  
MONALISA INFOTECH LTD.

(CONSENT APPLICATION NO. 327/2007)

1. SEBI had conducted investigation into the alleged irregularities in the trading in the shares of Monalisa Infotech Ltd. during September 19, 2000 to October 13, 2000. The investigation *prima facie* revealed that Rajesh Jhaveri Stock Brokers Pvt. Ltd. (hereinafter referred to as the 'applicant'), a broker (SEBI Regn No. INB0220849133) of the Ahmedabad Stock Exchange Limited, violated Clause A(2) and A(4) of the Code of Conduct specified for Stock Brokers under Schedule II of the SEBI (Stock Brokers & Sub-brokers) Regulations, 1992.
2. Pursuant to the investigation, SEBI initiated enquiry proceedings against the applicant under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty), Regulations, 2002. The Enquiry Officer issued a show cause notice on December 06, 2005. The applicant replied to the said show cause notice vide letter dated December 29, 2005. An opportunity of personal hearing was granted on February 27, 2007. However, the applicant sought an adjournment and accordingly, the hearing was scheduled for August 03, 2007.
3. While the above proceedings were in progress, the applicant vide letter dated September 5, 2007 proposed settlement of the aforesaid proceedings through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. He proposed revised consent terms vide letter dated March 5, 2008. The High Powered Advisory Committee constituted by SEBI considered the consent terms proposed by the applicant and, after deliberations, recommended the case for settlement. Accordingly, the applicant shall pay Rs.1,00,000/- (Rupees one lakh only) towards settlement charges and shall not undertake broking as a Trading Member of Ahmedabad Stock Exchange Ltd. for a period of one month. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated May 07, 2009.
4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs. 1,00,000/- (Rupees one lakh only) towards settlement charges vide demand draft No.16921 dated May 21, 2009 drawn on Central Bank of India, payable at Mumbai. He has also undertaken vide his letter dated March 5, 2008,

not to undertake broking as a Trading Member of Ahmedabad Stock Exchange Ltd. for a period of one month.

5. In view of the above, it is hereby ordered that this consent order disposes of the enquiry proceedings pending against the applicant in the matter of Monalisa Infotech Ltd. It is also ordered that the applicant shall not undertake broking as a Trading Member of Ahmedabad Stock Exchange Ltd. for a period of one month.
6. A copy of this Order shall be served on Ahmedabad Stock Exchange Ltd. to ensure that the applicant, namely, Rajesh Jhaveri Stock Brokers Pvt. Ltd. (PAN AABCR4037N) does not undertake broking as prohibited in Para 5 above.
7. 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.
8. This consent order is passed on this day, the 15th of June 2009 and shall come into force with immediate effect.

Sd/-  
M. S. SAHOO  
WHOLE TIME MEMBER

Sd/-  
K. M. ABRAHAM  
WHOLE TIME MEMBER