

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI  
CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY  
MAHESH M. SHAH**

**IN THE MATTER OF  
GENUS COMMUTRADE LTD  
(CONSENT APPLICATION NO. 36 OF 2007)**

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the alleged irregular trading in the shares of Genus Commutrade Limited (hereinafter referred to as the 'Company') for the period May 01, 2002 - September 30, 2002. The investigations, *prima facie*, revealed that Shri Mahesh M. Shah of A/13, Sardarkunj Society, Sahapur Bahi Center, Sahapur, Ahmedabad - 380001 (hereinafter referred to as the 'applicant') had acted as a front entity for certain entities who manipulated prices of the shares of the company.
2. Pursuant to the investigation, SEBI initiated proceedings under Section 11B of the SEBI Act, 1992 against the applicant and issued a show cause notice dated October 14, 2005 alleging that the applicant had violated Regulation 3, 4 (a) to (d) and Regulation 6 (a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995. The applicant replied to the show cause notice vide letter dated December 06, 2005. An opportunity of personal hearing was granted to the applicant on May 25, 2007 and on July 03, 2007, though the applicant did not avail the same.

3. While the above proceedings were in progress, the applicant, vide letter dated July 17, 2007, proposed settlement of the said proceedings through a consent order in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The applicant proposed revised consent terms vide letter dated January 21, 2008. The High Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicant and recommended the case for settlement. As per the terms of settlement, the applicant shall pay Rs.25,000 (Rupees twenty five thousand only) towards settlement charges and shall not buy, sell or deal in securities in any manner whatsoever, directly or indirectly, for a period of three years. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated July 30, 2008.
4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs.25,000 (Rupees twenty five thousand only) towards settlement charges vide demand draft No. 081998 dated August 02, 2008 drawn on Axis Bank Ltd. payable at Mumbai. The applicant, vide letter dated August 04, 2008, has also undertaken that he shall not buy, sell or deal in securities in any manner whatsoever, directly or indirectly, for a period of three years.
5. In view of the above, it is hereby ordered that this consent order disposes of the said 11B proceedings pending against the applicant in the matter of Genus Commutrade Limited. It is also ordered that the applicant shall not buy, sell or otherwise deal in securities, in any manner whatsoever, directly or indirectly, for a period of three years from the date on which this order comes into force.
6. A copy of this order shall be served on all recognized stock exchanges and depositories to ensure that the applicant (PAN No. AMMPS1274J) does not buy, sell or otherwise deal in securities in any manner, whatsoever, directly

or indirectly for a period of three years from the date on which this order comes into force.

7. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing / 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.
8. This consent order is passed on this day, the 19<sup>th</sup> of March, 2009 and shall come into force from March 19, 2009.

**M. S. SAHOO**  
**WHOLE TIME MEMBER**

**K. M. ABRAHAM**  
**WHOLE TIME MEMBER**