

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

SANJAY JHABAK

IN THE MATTER OF

PYRAMID SAIMIRA THEATRE LIMITED.

(CONSENT APPLICATION NO. 1014/2008.)

1. SEBI had conducted investigations into the alleged irregularities in the allotment of employee quota shares in the Initial Public Offer(IPO) of Pyramid Saimira Theatre Ltd.(PSTL) The investigations *prima facie* revealed that Shri.Sanjay Jhabak(hereinafter referred to as applicant) (PAN AACPJ4496M) had cornered the employee quota shares of PSTL in collusion with the company and some other persons in the IPO and made an unjust profit of Rs.53,69,028/- (Rupees fifty three lakh sixty nine thousand and twenty eight only) by selling the shares immediately on listing. It was, therefore, alleged that the applicant had violated Regulations 3(b) and 3(c) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

2. Pursuant to the investigations, SEBI issued a show cause notice dated February 22, 2008 to the applicant under Sections 11(4) and 11B of the SEBI Act, 1992 read with Regulation 11 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. The applicant replied to the show cause notice vide letter dated June 28, 2008. An opportunity of personal hearing was also granted to the applicant on August 21, 2008. However, the applicant did not avail the same.

3. While the above proceedings were in progress, the applicant vide letter dated September 15, 2008 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. He proposed revised consent terms vide letter dated March 9, 2009. The High Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicant and after taking into account the facts and circumstances of the case, recommended the case for settlement. As per the terms of settlement, the applicant shall pay Rs.80,53,542/- (Rupees eighty lakh fifty three thousand five hundred and forty two only) comprising of Rs.53,69,028/- (Rupees fifty three lakh sixty nine thousand and twenty eight only) being disgorgement of unjust profits made and Rs.26,84,514/- (Rupees twenty six lakh eight four thousand five hundred and fourteen only) being 50% of the unjust profits made towards settlement charges. The said recommendations of the HPAC were accepted by SEBI and communicated to the applicant vide letter dated May 5, 2009.

4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs.80,53,542/- (Rupees eighty lakh fifty three thousand five hundred and forty two only) towards settlement charges as under;

Sl. No	Pay Order Number	Date	Amount (Rs.)	Drawee Bank
1	042640	05.06.2009	40,26,771.00	IDBI Bank
2	043188	27.07.2009	13,42,257.00	IDBI Bank
3	119560	03.08.2009	26,84,514.00	IDBI Bank
Total			80,53,542.00	

5. In view of the above, it is hereby ordered that this consent order disposes of the said proceedings arising out of the show cause notice dated February 22, 2008 pending against the applicant under Sections 11(4) and 11B of the SEBI Act, 1992 read with Regulation 11 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 in the matter of PSTL.

6. This order is without prejudice to the right of SEBI to take enforcement action, including commencing/reopening of the pending proceedings against the applicant, if:

- a. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue;
- b. the applicant breaches any of the consent terms filed in this consent proceeding.

7. This consent order is passed on this day, the 14th of August 2009 and shall come into force with immediate effect.

M. S. SAHOO
WHOLE TIME MEMBER

K. M. ABRAHAM
WHOLE TIME MEMBER