

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

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

**M/s. MAHESHWARI TECHNICAL & FINANCIAL SERVICES
LIMITED**

**MEMBER: NATIONAL STOCK EXCHANGE OF INDIA LIMITED
(SEBI REGISTRATION No. INB 230793938)**

**MEMBER : MCX STOCK EXCHANGE LIMITED
(REGISTRATION No. INE – 260793938)**

**DEPOSITORY PARTICIPANT, NATIONAL SECURITIES
DEPOSITORY LIMITED
(REGISTRATION No. INDP-NSD -160-20)**

**IN THE MATTER OF
SHAMKEN MULTIFAB LIMITED**

(CONSENT APPLICATION NO.1593/2009)

1. Securities and Exchange Board of India (SEBI) conducted investigations into the buying, selling and otherwise dealing in the scrip of Shamken Multifab Limited (hereinafter referred to as 'Shamken') following an unusual rise in net traded quantity accompanied with sharp rise in the price of the scrip of Shamken from Rs.6 on February 23, 2000 to Rs.25.55 on July 20, 2000. The investigations revealed that Maheshwari Technical & Financial Services Limited (the applicant), located at 41, Rani Jhansi Road, Jhandewalan, New Delhi – 110 055 had entered into substantial trades on behalf of entities linked with Shamken for the purpose of price manipulation. The applicant had entered into cross deals, structured and synchronized deals in the scrip creating false market and leading to price rise. Further, it was found that the applicant had dealt with an unregistered Sub-Broker. In view of the above, it was alleged that the applicant violated provisions of Regulation 4(a),

(b) and (c) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 read with Regulation 4(2)(a) & (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and Clauses A(2), A(3), A(4) and A(5) of the Code of Conduct for Stock Brokers specified in Schedule II read with Regulation 7 of SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and also provisions of Circular No. SMD/MDP/CIR/043/96 dated August 5, 1996.

2. Pursuant to the said investigations, show cause notices dated August 4, 2004, February 26, 2008 and September 1, 2009 were issued to the applicant under Regulation 6(1) of SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002. While the proceedings pursuant to the above mentioned show cause notices were in progress, the applicant vide application dated October 9, 2009, 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 March 19, 2010, whereby the applicant undertook to pay Rs.20,00,000/- (Rupees Twenty Lakh only) towards settlement charges. The consent terms proposed by the applicant was placed before the High Powered Advisory Committee which, after deliberations, recommended that the case may be settled on the terms proposed by the applicant. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated June 25, 2010.
3. For the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicant, the applicant has remitted a sum of Rs.20,00,000/- (Rupees Twenty Lakh only) vide Demand Draft No.059401 dated July 7, 2010 drawn on HDFC Bank Ltd., Fort, Mumbai.

4. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings initiated against the applicant, M/s. Maheshwari Technical & Financial Services Limited.
5. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or 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.
6. A copy of this order shall be served on National Stock Exchange of India Limited, MCX Stock Exchange Limited and NSDL.
7. This consent order is passed on this day, the 12th of August, 2010.

K. M. ABRAHAM
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER