

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

(Application No. 2479 of 2011)

On the application submitted by

Praveen Daga (HUF)

Consent Order No. IVD-ID9/PD/TAPDCV/AO/DRK/AKS/EAD-3/CO-65/12-12

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**'), vide order dated 08.04.2011 initiated adjudication proceedings against Praveen Daga (HUF) (hereinafter referred to as '**the noticee**') in the matter of Trading Activity of Praveen Daga HUF and Smt. Chitra Vishwanath to inquire into and adjudge under Section 15A (a) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') the violations of Sections 11C (2), C(3) and C(5) of SEBI Act alleged to have been committed by the noticee.
2. In this regard Show Cause Notice no. A&E/DRK/AKS/20750/2011 dated 29.06.2011 (hereinafter referred to as '**SCN**') was served on the noticee. In the SCN it was alleged that the noticee had misled the investigation team by providing false information. Further, it was also alleged that the noticee gave misleading statement under oath and failed to provide information / documents sought during the investigation. Noticee's actions were in violation of Sections 11C (2), C(3) and C(5) of the SEBI Act and that these actions made the noticee liable for a monetary penalty under Section 15A (a) of the SEBI Act.
3. Pending adjudication proceedings, the noticee submitted a Consent Application dated 15.09.2011 and an undertaking in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007 dated April 20, 2007. Further, the noticee vide its letter dated 28.12.2011 conveyed its acceptance to the condition that the order

passed in this matter will be subject to the outcome of Writ Petition No. 6949/2011 filed before the Hon'ble Delhi High Court.

4. Pursuant to the said application, the noticee's authorized representative, Shri Yogesh Patel attended a meeting with the Internal Committee on Consent on 11.04.2012 and the revised consent terms were settled at an amount of ₹ 4,50,000/- (Rupees Four Lakh Fifty Thousand Only) towards settlement charges. The consent terms were placed before the High Powered Advisory Committee on Consent (hereinafter referred to as 'HPAC') on 30.05.2012 and the HPAC considered the facts and circumstances of the case, the proposed settlement terms offered by the noticee and other material brought before the HPAC. HPAC after deliberations recommended the case for settlement on the consent terms proposed by the noticee which was approved by the panel of Whole Time Members.
5. In terms of the proposal of the noticee for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the noticee to the findings of fact or conclusions of law, the noticee has remitted a sum of ₹ 4,50,000/- (Rupees Four Lakh Fifty Thousand Only) favoring SEBI vide Demand Draft No. 971385 dated 03.10.2012 drawn on Union Bank of India towards the terms of consent in the matter.
6. In view of the above, it is hereby ordered that:
 - i. this consent order disposes of the said adjudication proceedings initiated against the noticee mentioned in paras 1 and 2 and
 - ii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the pending proceedings against the noticee , if SEBI finds that:
 - a. Any representations made by the noticee in the consent proceedings are subsequently discovered to be untrue.
 - b. The noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent

proceedings.

7. This consent order is passed on the **16th day of October, 2012** and shall come into force with immediate effect.
8. In terms of Rule 6 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, copies of this order are being sent to Praveen Daga (HUF) having office at A-1, Laxman Colony, Newsanganer Road, Sodala, Jaipur - 302019 and also to the Securities and Exchange Board of India, Mumbai.

Place: Mumbai
Date: 16.10.2012

D. RAVI KUMAR
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER