

Consent Order against Srikant .G. Mantri

Feb 05, 2008 | Orders : Settlement Order

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI		CO/MIRSD/1133/19/08
CONSENT ORDER ON THE APPLICATION SUBMITTED BY M/s. SRIKANT .G. MANTRI IN THE MATTER OF INSPECTION OF STOCK BROKER'S BOOKS OF ACCOUNTS AND RECORDS		
<p>1. SEBI had conducted inspection of M/s. Srikant.G.Mantri, a stock broker registered with SEBI (hereinafter referred to as the "applicant"). The inspection revealed various irregularities such as failure to maintain certain books of accounts and records such as order book, margin deposit book, register of account of sub broker, written consent of clients in respect of contract entered into as principal etc, non segregation of clients account, non reporting of off the floor transactions, failure to issue contract notes, delay in issuance of contract note (six instances), unauthorized securities lending and borrowing, delay in payment and delivery etc. After completion of due process of law, Enquiry proceedings were initiated against the applicant. Enquiry Officer after conducting the enquiry submitted his report dated December 24, 2004 recommending a penalty of suspension of the certificate of registration granted to the appellant for a period of two months. On receipt of the Enquiry Report a Show Cause Notice was issued against the applicant. The applicant submitted his reply to the Show Cause Notice on April 7, 2005. The applicant was also granted an opportunity for personal hearing, however, the applicant sought an adjournment of hearing.</p> <p>2. The applicant vide letter dated September 11, 2007 proposed settling of the pending proceedings through consent order. Accordingly, the applicant submitted an application along with an affidavit of "undertaking / waivers" in the matter in terms of SEBI Circular No. EFD/Cir-1/2007 dated April 20th, 2007. The applicant revised his original terms of consent ie. Rs.50, 000/- vide letter dated October 5, 2007 and proposed to pay an amount of Rs.2, 00,000/-(Rupees two lacs only) as consent fee.</p> <p>3. Consent terms proposed by the applicant were placed before the High Powered Advisory Committee (HPAC) and the HPAC after deliberations, recommended the case for settlement on the consent terms proposed by the applicant.</p> <p>4. In terms of the applicant's proposal for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicant to the finding of fact or conclusion of law, applicant has remitted a sum of Rs.2,00,000/- (Rupees two lacs only) vide Demand Draft No. 423467 dated December 27, 2007 drawn on Oriental Bank of Commerce, Mumbai towards the terms of the consent in the matter.</p> <p>5. In view of the above it is hereby ordered that:</p> <p>i) this consent order disposes of the said enquiry proceedings pending before SEBI against the applicant in the matter of inspection of M/s. Srikant.G.Mantri, as arising from Show Cause Notice No.MIRSD/DPS-1/Enq/LDS/29913/2005 dated January 3, 2005 and</p> <p>ii) passing of this order by SEBI is without prejudice to the right of SEBI to take enforcement action including commencing / reopening of the pending proceedings against the applicant, if SEBI finds that ;</p> <p>a. any representations made by the applicant in the consent proceedings are subsequently discovered to be untrue.</p> <p>b. the applicant has breached any of the clauses / conditions of undertakings/waivers filed during the current consent proceedings.</p> <p>6. This consent order is passed on this 5th day of February 2008 and shall come into force with immediate effect.</p>		
G. Anantharaman Whole Time Member		T. C. Nair Whole Time Member

