

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

**CONSENT ORDER**

**ON THE APPLICATION SUBMITTED BY**

**PRUTHVI BROKERS & SHARE HOLDINGS P. LIMITED  
(PAN No. AABCP3901B)**

**IN THE MATTER OF**

**ENQUIRY PROCEEDINGS AGAINST PRUTHVI BROKERS & SHARE  
HOLDINGS P. LIMITED**

**(CONSENT APPLICATION NO. 1308 OF 2009)**

1. Securities and Exchange Board of India (SEBI) had conducted an inspection of the books of accounts and other records of Pruthvi Brokers & Share Holdings Private Limited (hereinafter referred to as “the applicant”), a trading member (INB011059830) of the Bombay Stock Exchange Limited for the period April 2000 to August 2002. The inspection, prima facie, revealed irregularities, such as, gross exposure violations, inadequate margin collection, dealing with unregistered sub-broker, difference in client codes, granting terminals at locations other than registered/branch offices, etc. and therefore it was alleged that the applicant violated Rule 3 of SEBI (Stock Broker and Sub-Broker) Rules, 1992, read with the Code of Conduct prescribed under Regulation 7 of SEBI (Stock Broker and Sub-Broker) Regulations, 1992.
2. In view of the above findings, SEBI initiated enquiry proceedings under the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing

Penalty) Regulations, 2002, alleging violation of the provisions of the SEBI (Stock Broker and Sub-Broker) Regulations, 1992 and various circulars issued by SEBI. A show cause notice dated July 22, 2004 was issued to the applicant. The applicant replied to the said show cause notice vide letter dated August 26, 2004. Personal hearings were also granted to the applicant on September 07, 2004 and March 24, 2009.

3. While further proceedings in the matter were in progress, the applicant, vide application dated April 28, 2009, requested for settlement of the proceedings through a consent order in terms of SEBI circular No.EFD/ED/Cir.01 dated April 20, 2007. The applicant proposed revised terms of consent vide letter dated July 30, 2009. The High Powered Advisory Committee constituted by SEBI considered the terms proposed by the applicant and recommended the case for settlement. As per the terms of settlement, the applicant shall pay Rs. 5,00,000/- (Rupees five lakh only) as settlement charges. SEBI accepted the said terms of settlement and communicated to the applicant vide letter dated October 05, 2009.
4. 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. 5,00,000/- (Rupees five lakh only) vide demand draft No. 796407 dated October 07, 2009 drawn on HDFC Bank Limited, Mumbai towards the settlement charges.
5. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings pending before SEBI against the applicant for the violations mentioned above.

6. This order is without prejudice to the right of SEBI to take enforcement actions, including commencing or reopening pending proceedings against the applicant, if:
- i. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue; or
  - ii. the applicant breaches any of the clauses/conditions of undertakings/ waivers filed during this consent proceeding.
7. A copy of the order shall be served on Bombay Stock Exchange Limited of which the applicant is a trading member.
8. This consent order is passed on the 30 day of October, 2009 and shall come into force with immediate effect.

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

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