

BEFORE THE SECURITIES APPELLATE TRIBUNAL  
MUMBAI

**Misc. Application No. 104 of 2009**  
**And**  
**Appeal No. 10 of 2009**

**Date of Decision: 7.1.2010**

M/s. Khandwala Finstock Private Limited  
B-81, Pariseema Complex,  
C.G. Road, Ellisbridge,  
Ahmedabad- 380 006

..... Applicant /  
Appellant

Versus

Securities and Exchange Board of India  
SEBI Bhavan,  
Plot No. C4-A, "G" Block,  
Bandra Kurla Complex, Bandra (East), Mumbai.

..... Respondent

Mr. Deepak Dhane, Advocate for the Applicant/ Appellant.

Ms. Daya Gupta, Advocate for the Respondent.

CORAM : Justice N.K. Sodhi, Presiding Officer  
Samar Ray, Member

Per : Justice N. K. Sodhi, Presiding Officer (Oral)

This appeal is directed against the order dated January 14, 2009 passed by the whole time member of the Securities and Exchange Board of India (for short the Board) by which he has suspended the certificate of registration of the appellant for 7 days. The appellant is a registered broker on the Ahmedabad Stock Exchange. It acted as an unregistered sub-broker of M/s. Active Finstock Pvt. Ltd. on the Bombay Stock Exchange which was not permissible. It is on this count that the certificate of registration has been suspended.

During the pendency of the appeal, the appellant filed an application for a consent order in terms of the circular dated April 20, 2007 issued by the Board. The appellant offered to pay a sum of Rs. 2.5 lacs in all including the settlement and legal charges which terms have been accepted by the High Powered Committee set up for

the purpose. These terms have also been accepted by two whole time members of the Board subject to the approval being granted by this Tribunal.

The appellant has now filed Miscellaneous Application No. 104 of 2009 with a prayer that the consent terms as offered by the appellant be approved and the appeal be disposed of in terms thereof. We have heard the learned counsel for the parties and having regard to the nature of the charge established against the appellant, we are satisfied that the ends of justice would be adequately met if the consent terms as offered by the appellant are accepted and the appeal disposed of in terms thereof. We order accordingly. The impugned order will stand modified with no order as to costs.

Sd/-  
Justice N.K. Sodhi  
Presiding Officer

Sd/-  
Samar Ray  
Member

7.1.2010  
pmb

Prepared & Compared By: Prerana