

BEFORE THE SECURITIES APPELLATE TRIBUNAL  
MUMBAI

**Misc. Application No. 35 of 2010**

**And**

**Appeal No. 246 of 2009**

**Date of decision: 26.4.2010**

Action Financial Services Ltd.  
Having registered office at  
31, Rajgir Chambers, 4<sup>th</sup> Floor,  
12/14, Shahid Bhagat Singh Road,  
Fort, Mumbai.

.....Appellant

Versus

Securities and Exchange Board of India  
SEBI Bhavan, Plot No. C-4A, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai.

..... Respondent

Ms. Zankhana Solanki, Advocate with Ms. Poonam Gadkari, Advocate for the  
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)

The appellant is a stockbroker which has been found guilty of market manipulation in the scrip of Malvika Engineering Limited. Adjudication proceedings were initiated against it and by order dated September 23, 2009, the adjudicating officer has imposed a monetary penalty of Rs.50,000/- in all under Sections 15HA and 15HB of the Securities and Exchange Board of India Act, 1992. It is against this order that the present appeal has been filed.

2. During the pendency of this appeal, the appellant moved an application for a consent order in terms of the circular dated April 20, 2007 proposing the terms of consent. The consent terms as finally proposed after negotiations have been approved by the High Powered Committee set up for the purpose and those terms have also been approved by two whole time members of the respondent Board. The

appellant proposed to pay a sum of Rs.1,35,000/- towards the settlement charges and another sum of Rs.30,000/- towards legal expenses. As already stated, these terms have been accepted.

3. The present application has been filed with a prayer that the consent terms as offered by the appellant and approved by the High Powered Committee and two whole time members of the Board be accepted and the appeal be disposed off in those terms.

4. We have heard the learned counsel for the parties. Having regard to the nature of the charge established against the appellant and the terms offered by it for a consent order, we are satisfied that the ends of justice would be adequately met if the terms are approved and the appeal disposed off in those terms. We order accordingly.

The appeal is disposed off as per the consent terms finally offered by the appellant and the impugned order shall stand modified. No costs.

Sd/-  
Justice N. K. Sodhi  
Presiding Officer

Sd/-  
Samar Ray  
Member

26.4.2010  
ptm

Prepared & Compared by  
ptm