

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

ON THE APPLICATION SUBMITTED BY

M/S JYOTISH BHOGILAL STOCK BROKERS PVT. LTD.

MEMBER: Ahmedabad Stock Exchange- (02/0152/9)
SEBI REGISTRATION NOS. INB 020916831

IN THE MATTER OF
MOH LTD.

(CONSENT APPLICATION NO. 328/2007)

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') conducted investigations in the scrip of M/s MOH Ltd., (hereinafter referred to as 'MOH'), a Company listed at Bombay Stock Exchange (BSE) and Ahmedabad Stock Exchange (ASE), as the price of MOH went up from a level of ₹ 240.50 on August 01, 2000 to a level of ₹ 799/- on September 19, 2000. The investigations interalia revealed that the sub-broker, M/s Jyotish Bhogilal Stock Brokers Pvt. Ltd. was one among the sub-brokers (hereinafter referred to as "the applicant") who aided and abetted its client Shri. Parshwa Finance to manipulate the price and volume of MOH scrip.

2. The investigations indicated that the applicant allowed its client M/s Parshwa Finance to trade in MOH, an illiquid scrip, in large quantity thereby contributing to around one fifth of the trading volumes on the exchange which in turn distorted the market equilibrium. It was also found that the applicant failed to exercise due care and diligence as a sub-broker with respect to its client. Based on the above said observations of the investigation, SEBI appointed an Enquiry Officer (EO) vide Order dated 24/07/2003 under the Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 to enquire into the affairs of the applicant in their dealings in MOH scrip and possible violation of the provisions of SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 (hereinafter referred to as “Stock Broker Regulations”). The EO after conducting an enquiry submitted a report dated 29/10/2004 to the Board, recommending the suspension of certificate of registration of the applicant for a period of three months. Thereafter, a notice dated 31/05/2005 was issued to the applicant enclosing a copy of the enquiry report, wherein it was alleged that the applicant has violated the provisions of Clauses A(1) & (2) and D (4) & (5) of Code of Conduct specified under Regulation 15 (1) (b) of Stock Broker Regulations and to show cause as to why the recommendation of the EO should not be accepted. When the proceedings were in progress, the applicant’s registration as a sub-broker was cancelled by the Board vide Order dated 30/06/2005, subsequent to the surrender of the certificate of registration by the applicant. In view of the cancellation, the Board disposed off the show cause notice dated 31/05/2005, vide Order dated 24/10/2007, without prejudice to any other action, that may be initiated in accordance with law. Accordingly, the Board issued a fresh notice No. IVD6/BM/NR/JBS/SCN/107557/2007 dated October 31, 2007 to the applicant calling upon it to show cause as to why action should not be taken against it for issuance of directions under Sections 11 and 11B of the SEBI Act, 1992.
3. While the above proceedings were in progress, the applicant, vide application dated November 2007, proposed settlement of the above said proceeding

through a consent order in terms of SEBI Circular No. EFD/ED/Cir- 1/2007 dated April 20, 2007. The applicant proposed revised consent terms vide letter dated 30/12/2010, whereby the applicant undertook to pay ₹ 2,00,000/- (Rupees Two Lakhs) towards settlement charges. The consent terms proposed by the applicant were placed before the High Powered Advisory Committee (hereinafter referred to as 'HPAC') constituted by SEBI, which after deliberations, recommended that the aforesaid pending proceeding may be settled on the terms proposed by the applicant. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated February 4, 2011.

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 have remitted a sum of ₹ 2,00,000/- (Rupees Two Lakhs only) vide Demand Draft No. "329214" dated 15/02/2011 drawn on HDFC Bank.
5. In view of the above, it is hereby ordered that this consent Order disposes of the above mentioned proceeding initiated against the applicant vide SCN No. IVD6/BM/NR/JBS/SCN/107557/2007 dated October 31, 2007.
6. A copy of the order shall be served on the Ahmedabad Stock Exchange, of which the applicant is a broker.
7. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or reopening of the proceedings pending against the applicant, if:
 - a) any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue; or
 - b) the applicant breaches any of the consent terms or undertakings filed in this consent proceeding.

- 9) This consent order is passed on this day, the 28th of March 2011 and shall come into force with immediate effect.

K.M. ABRAHAM
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER