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KENNETH W. ANDERSON, JR.
MEMBER

SSB Docket No. 01-13

IN THE MATTER OF THE APPLICATION FOR
INVESTMENT ADVISER REGISTRATION OF
MEHTA FINANCIAL MANAGEMENT, INC.
AND THE AGENT REGISTRATION OF
AJAY MUNINDRA MEHTA

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§
§

Order No. **CAF-1426**

TO: Ajay Munindra Mehta, President
Mehta Financial Management, Inc.
3808 New Copeland Road
Tyler, TX 75701

Ajay Munindra Mehta (CRD# 1354039)
Mehta Financial Management, Inc.
3808 New Copeland Road
Tyler, TX 75701

DISCIPLINARY ORDER REPRIMANDING AN INVESTMENT ADVISER

Be it remembered that Mehta Financial Management, Inc ("Respondent MFM") by and through its President, Ajay Munindra Mehta, and Ajay Munindra Mehta, individually, ("Respondent Mehta"), appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner"), and consented to the entry of this Order, and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondents have waived (a) Respondents' right to appear and present evidence in this matter; (b) Respondents' right to appeal this Order; and (c) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2001) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2001) ("Administrative Procedure Act").
2. Respondent MFM is a Colorado corporation located at 3808 New Copeland Rd., Tyler, Texas. Respondent Mehta is president and sole-owner of Respondent MFM.
3. Respondent MFM and Respondent Mehta have filed applications for registration with the Securities Commissioner as an investment adviser and agent respectively.

4. Respondent MFM has acted as an investment adviser in Texas without being registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act.
5. Respondent Mehta has acted as an agent in Texas without being registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act.

CONCLUSIONS OF LAW

1. Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding an investment adviser and an agent.
2. Pursuant to Section 23-1 of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order assessing an administrative fine against an investment adviser and an agent.

ORDER

1. It is therefore ORDERED that the registrations of Mehta Financial Management Inc. as an investment adviser and Ajay Munindra Mehta as an agent are hereby GRANTED.
2. It is further ORDERED that Respondents are hereby REPRIMANDED.
3. It is further ORDERED that Respondent MFM is hereby ASSESSED AN ADMINISTRATIVE FINE in the amount of Five Hundred Dollars (\$500.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Five Hundred Dollars (\$500.00) payable to the State of Texas, contemporaneously with the delivery of this order.

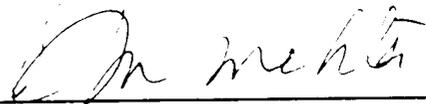
SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 7th day
of May, 2001.

Denise Voigt Crawford

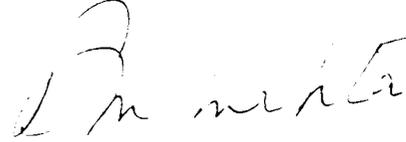
DENISE VOIGT CRAWFORD
Securities Commissioner

Respondents:

Mehta Financial Management, Inc.



By: Ajay Munindra Mehta
President



Ajay Munindra Mehta, Individually

Approved as to Form:



Michael S. Gunst
Director, Dealer Registration Division



David Grauer
Director, Enforcement Division

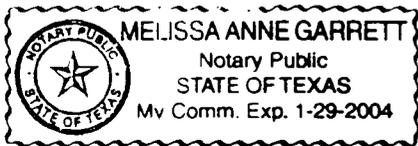


Benette L. Zivley
Attorney, Enforcement Division

ACKNOWLEDGMENT

On the 30 day of APRIL, 2001, Mehta Financial Management, Inc. ("Respondent MFM"), by and through Ajay Munindra Mehta, its president and owner, personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Ajay Munindra Mehta is duly authorized to enter into the foregoing Order on behalf of Respondent MFM;
2. Ajay Munindra Mehta has read the foregoing Order;
3. Respondent MFM has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
4. Respondent MFM knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained herein; and,
5. Respondent MFM, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived its rights as set forth therein.



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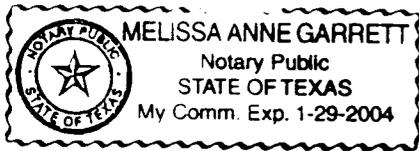
Melissa Anne Garrett
Notary Public in and for
The State of TEXAS

My commission expires on: 1/29/04

ACKNOWLEDGMENT

On the 30 day of APRIL, 2001, Ajay Munindra Mehta ("Respondent Mehta"), appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent Mehta has read the foregoing Order;
2. Respondent Mehta has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
4. Respondent Mehta knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained herein; and,
5. Respondent Mehta, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



{affix notary seal here}

Melissa Anne Garrett
Notary Public in and for
The State of TEXAS

My commission expires on: 1/29/04