

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO.: - SD/AO/105/2009]

**UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA
ACT, 1992 READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING
INQUIRY AND IMPOSING PENALTIES BY ADJUDICATING OFFICER)
RULES, 1995**

Against

M/s. Apollo Tyres Limited

**In the Matter of
Apollo Tyres Limited**

BRIEF FACTS OF THE CASE:

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had initiated investigation against M/s. Apollo Tyres Limited (hereinafter referred to as 'Noticee'), a listed public company, to examine the possibility of violation of provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as PIT Regulations) in respect of trading in the scrip of M/s. Apollo Tyres Limited (hereinafter referred to as 'ATL').

APPOINTMENT OF ADJUDICATING OFFICER:

2. Ms. Babita Rayudu was appointed as the Adjudicating Officer vide order of SEBI dated 28 November, 2006 under section 15-I of the Act r/w rule 3 of SEBI (Procedure for holding Inquiry and Imposing Penalty by Adjudicating Officer) Rules, 1995 (hereinafter referred to as the Adjudicating Rules) to inquire into and adjudge under Section 15HB of the Securities and Exchange Board of India Act, 1992(hereinafter referred to as the 'SEBI

Act'), the alleged violation of the provisions of Regulation 12(1) and (3) read with Model Code of Conduct for Listed Companies under Schedule I of PIT Regulations.

SHOW CAUSE NOTICE/REPLY:

3. Accordingly, a notice to show cause dated August 31, 2007 under Rule 4 (1) of the Adjudication Rules was issued to the Noticee asking it to show cause as to why an enquiry should not be held against it in terms of Section 15I of the SEBI Act and penalty be not imposed under Section 15HB of the SEBI Act for the alleged violation by it of the abovementioned provisions of the PIT Regulations.
4. In response to the said notice to show cause (hereinafter referred to as the 'SCN'), the Noticee vide letter dated September 19, 2007 submitted a detailed reply to the SCN.
5. However, the Noticee decided to opt for the consent proceedings and accordingly filed a consent application on December 10, 2007 in the instant adjudicating proceedings and the Enforcement Department of SEBI had advised the undersigned to keep the instant adjudication proceedings in abeyance vide its Office Note dated December 17, 2007.
6. Subsequently, the said consent application has been accepted as per the terms of Circular dated EFD/ED/Cir.-1/2007 dated April 20, 2007 and accordingly the Board has passed a consent order dated November 14, 2008 for various pending proceedings against the Noticee including in the instant adjudication proceedings. The status of the consent order has been duly confirmed by the Enforcement Department of SEBI to the undersigned by Office Note dated September 17, 2009.

7. In view of the said consent order of the Board, I am of the opinion that no further inquiry as per Rule 4(3) of the Adjudicating Rules is necessary in the instant matter and the matter is accordingly disposed off.
8. In terms of rule 6 of the Rules, copies of this order are sent to the Noticee and also to the Securities and Exchange Board of India.

Date: September 24, 2009

Place: Mumbai

**SANDEEP DEORE
ADJUDICATING OFFICER**