

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI**

CONSENT ORDER

**On the Application submitted by
SHRI CHETAN SHAH (PAN: AAMPS4798R)**

**In the matter of
ASHAPURA MINECHEM LIMITED
(Consent Application No. 1684/2009)**

CO/SP/AO/11/2010

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had initiated adjudication proceedings against Mr. Chetan Shah (hereinafter referred to as 'Noticee') for alleged violation of Regulation 4(2)(f) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ('PFUTP') and Regulation 13(4) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 ('PIT') in the matter of Ashapura Minechem Limited (hereinafter referred to as 'AML') during the period February 2007 to July 2007. The undersigned was appointed Adjudicating Officer vide order dated March 26, 2009 under section 15I of Securities and Exchange Board of India Act, 1992 read with rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 to inquire into and adjudge under sections 15HA and 15A(b) of the SEBI Act, 1992, for the aforesaid violation.
2. Consequently, a Show Cause Notice No. AO-2/SP/AML/165363/2009 dated June 04, 2009 was issued to the Noticee under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995.
3. While the Adjudication Proceedings were in progress, the Noticee made an application dated December 07, 2009 and an affidavit of "undertakings and waivers" in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20th April, 2007 for Consent Order in respect of the aforesaid notice before SEBI and proposed to pay Rs.5,00,000/- (Rupees Five Lakh only) towards settlement charges in the matter. The terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as 'HPAC') on February 10, 2010. The HPAC considered the facts and circumstances of the case, consent terms offered by the Noticee and the material brought before it by SEBI and recommended that the case may be settled on the consent terms proposed by the Noticee. Thereafter, SEBI vide letter dated March 25, 2010 conveyed the recommendations of the HPAC to the applicant and advised the applicant to pay in accordance with consent terms.
4. In terms of the proposal of the Noticee, for the sole purpose of settling the matter on hand, without admitting or denying the guilt on the part of the Noticee to the finding of fact or conclusion of law, the Noticee has remitted a sum of Rs.5,00,000/- (Rupees Five Lakh only) vide Pay Order No. 555834 dated April 03, 2010, drawn on Axis Bank, Fort, Mumbai towards settlement charges.

5. In view of above, it is hereby ordered that,
- a) This consent order disposes of the said proceedings pending against the Noticee under Securities and Exchange Board of India Act, 1992 and
 - b) Passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the pending proceedings against the Noticee, if SEBI finds that
 - i. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
 - ii. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.
6. This consent order is passed on April 09, 2010 and shall come into force with immediate effect.
7. In terms of rule 6 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, copies of this order are sent to the Noticee and also to SEBI

SANJAY C. PURAO
ADJUDICATING OFFICER