

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

SHRI PARESH THAKKER

(PAN: AAAPT5268M)

IN THE MATTER OF

M/S. HITECH DRILLING SERVICES INDIA LIMITED

(CONSENT APPLICATION NO. 122/2007)

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') conducted investigation into the acquisition of M/s. Hitech Drilling Services India Limited (hereinafter referred to as 'HDSIL') by the Aban Loyd Chiles Offshore Limited (hereinafter referred to as 'Aban') and the trading of the shares of HDSIL during March, 2001. Investigations revealed that DSP Merrill Lynch (hereinafter referred to as 'DSPML') acted as buy side adviser to Aban in the acquisition of the HDSIL and Shri Paresh Thakker (hereinafter referred to as 'applicant') had worked with DSPML during the period June 1999 to July 2000. Applicant was in frequent touch with certain employees of DSPML who were involved in insider trading in the shares of the HDSIL on the basis of the unpublished price sensitive information about the acquisition of the HDSIL by Aban. Thus, applicant had the unpublished price sensitive information about the acquisition of the HDSIL by Aban and therefore, applicant started placing orders in the scrip of the HDSIL at prices higher than the prevalent market prices thereby inducing the sale of shares of the HDSIL.

2. Pursuant to the investigations, SEBI issued a show cause notice no. IVD6/BM/HDS/68903/2006 dated June 08, 2006 under regulations 11 and 13 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (PFUTP Regulations) read with sections 11 and 11B of the SEBI Act, 1992 for violating regulation 4(a) and regulation 3 of the PFUTP Regulations. Briefly, it was alleged in the said show cause notice that applicant bought the shares of HDSIL from the market concealing the fact that he was in possession of the unpublished price sensitive information about the acquisition of HDSIL by Aban and placing buy orders in the scrip of HDSIL at upper circuit filter prices to induce the sale of the shares of the HDSIL.

3. While the above proceedings were in progress, the applicant vide letter dated September 03, 2007 proposed settlement of the aforementioned proceedings through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The applicant vide its letter dated February 17, 2010 proposed revised consent terms for the proceedings mentioned above. The High Powered Advisory Committee constituted by SEBI, considered the consent terms proposed by the applicant and recommended the case for settlement on payment of Rs.12,00,000/- (Rupees Twelve Lakh only), as proposed by the applicant, towards settlement charges. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated September 24, 2010.

4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs. 12, 00,000/- (Twelve Lakh only) vide demand draft No.517756 dated October 05, 2010, amounting to Rs. 9, 00,000/- (Nine Lakh only) and draft No. 517757 dated October 05, 2010, amounting to Rs. 3, 00,000/- (Three Lakh only), both drawn on Oriental Bank of Commerce, Service Branch, Mumbai, towards settlement charges.

5. In view of the aforesaid settlement, it is hereby ordered that this consent order disposes of the proceedings initiated against the applicant vide show cause notice no. IVD6/BM/HDS/68903/2006 dated June 08, 2006.

6. This order is without prejudice to the right of SEBI to initiate enforcement actions, including reopening of the proceedings pending against 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.

7. This consent order is passed on this 22nd day of October, 2010 and shall come into force with immediate effect.

Dr. K. M. ABRAHAM
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER