

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

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

ASHOK BHARADIA

**IN THE MATTER OF
MAZDA FABRICS AND PROCESSORS LIMITED
(CONSENT APPLICATION No. 205/2007)**

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the alleged irregularities in the trading of the shares of Mazda Fabrics and Processors Limited (hereinafter referred to as the “Company”). The investigations *prima facie* revealed that Ashok Bharadia located at 205, Gundecha Chambers, Nagindas Master Road, Fort Mumbai – 400 001 (PAN – AAAPA7565N) (hereinafter referred to as the “applicant”) allegedly aided and abetted manipulation of market for shares of the company.
2. Pursuant to the said investigations, SEBI initiated proceedings under Sections 11 and 11B of the SEBI Act, 1992 against the applicant. It issued show cause notice dated March 23, 2007 alleging that the applicant had violated the provisions of Regulations 3 and 6 (a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 read with Regulation 13 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. The applicant replied to the show cause notice vide letter dated August 08, 2007.
3. While further proceedings in the matter were in progress, the applicant, vide letter dated October 07, 2008, proposed settlement of the said proceedings through a consent order in terms of SEBI circular No.EFD/ED/Cir.01/2007 dated April 20, 2007. Vide letter dated February 28, 2009, the applicant submitted the revised consent terms. The High Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicant and recommended the case for settlement, on the terms proposed by the applicant. Accordingly, the applicant shall pay Rs. 3,00,000/- (Rupees three lakh only) towards settlement charges plus Rs. 25,000/- (Rupees twenty five thousand) towards administrative charges and shall not buy, sell or deal in securities in any manner whatsoever, directly or indirectly, for a period of two years. SEBI accepted the said terms of settlement and communicated the same to the applicant vide letter dated May 11, 2009.

4. For the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the applicant to the finding of fact or conclusion of the law, the applicant has remitted a sum of Rs.3,25,000/- (Rupees three lakh twenty five thousand only) comprising of Rs 3,00,000/- (Rupees three lakh only) towards settlement charges and Rs. 25,000/- (Rupees twenty five thousand only) towards administrative charges vide demand draft no. 655535 dated May 19, 2009 drawn on HDFC Bank Ltd., Mumbai. The applicant has also undertaken not to buy, sell or deal in securities in any manner whatsoever, directly or indirectly, for a period of two years.
5. In view of the above, it is hereby ordered that this consent order disposes of the said proceedings under Sections 11 and 11B of the SEBI Act, 1992 against the applicant in the matter. It is also ordered that the applicant shall not buy, sell or deal in securities, in any manner whatsoever, directly or indirectly, for a period of two years.
6. This order is without prejudice to the right of SEBI to take enforcement actions, including commencing / 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.
7. A copy of this order shall be served on all recognized Stock Exchanges and the Depositories to ensure that the applicant namely, Ashok Bharadia (PAN-AAAPA7565N) is not allowed to buy, sell or deal in securities, in any manner whatsoever, directly or indirectly, for a period of two years.
8. This consent order is passed on this day, the 15th June, 2009 and shall come into force from June 18, 2009.

M. S. Sahoo
Whole Time Member

K. M. Abraham
Whole Time Member