

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY

SMT. BALWINDERKAUR PURSWANI

**IN THE MATTER OF
IRREGULARITIES RELATING TO INITIAL PUBLIC OFFERINGS**

(CONSENT APPLICATION NO.1316 /2009)

1. SEBI had launched an investigation under section 11C of the SEBI Act, 1992 into the alleged irregular dealings in the shares issued through Initial Public Offerings (IPO's) during 2003-05 before these were listed on the Stock Exchanges. The preliminary investigations, *prima facie*, revealed that a few entities, including Balwinderkaur Purswani (PAN–AAWPP9244M) (hereinafter referred to as the 'applicant'), have violated section 12A of the SEBI Act, 1992, Regulation 3 of the SEBI (Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the provisions of the SEBI (Disclosure and Investor Protection) Guidelines, 2000.
2. Based on these findings, SEBI passed an ad interim *ex parte* Order dated April 27, 2006, under sections 11 and 11B of the SEBI Act, 1992 directing the applicant not to buy, sell or deal in the securities market, including IPO's, directly or indirectly, till further orders. SEBI also initiated adjudication proceedings against the applicant.
3. While the above proceedings were in progress, the applicant, vide letter dated May 12, 2009, proposed settlement of the said proceedings through a consent order in terms of SEBI circular No. EFD/ED/Cir-1/2007 dated

April 20, 2007. The High Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicant and, after taking in to account the period of prohibition already undergone by the applicant, recommended the case for settlement. Accordingly, the applicant shall disgorge an amount of Rs.7,45,312/- (Rupees Seven Lakh Forty Five Thousand Three Hundred and Twelve only) made by her and pay a sum of Rs.1,49,062/- (Rupees One Lakh Forty Nine Thousand and Sixty Two only) being 20% of the disgorged amount towards settlement charges. SEBI accepted the recommendations of the Committee and communicated the same to the applicant vide letter dated August 26, 2009.

4. Accordingly, the applicant without admitting or denying the charges, has remitted a sum of Rs.8,94,374/- (Rupees Eight Lakh Ninety Four Thousand Three Hundred and Seventy Four only) comprising Rs.7,45,312/- towards disgorgement and Rs.1,49,062/- towards settlement charges as aforesaid vide demand draft No.393230 dated September 4, 2009 drawn on Oriental Bank Of Commerce, payable at Mumbai.
5. In view of the above, it is hereby ordered that this consent order disposes of the pending proceedings under section 11B of the SEBI Act, 1992 as well as the adjudication proceedings against the applicant in the matter of irregularities relating to initial public offerings.
6. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or 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. This consent order is passed on this day, the 15th of September, 2009 and shall come into force with immediate effect.

M. S. SAHOO
WHOLE TIME MEMBER

K. M. ABRAHAM
WHOLE TIME MEMBER