

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

On the Application submitted by
M/s.Thyrocare Diagnostics Private Limited
(PAN: AABCT2581K)

CO/CFD/DCR-HO/2217-2011/AO/SRP/JP /215/2011

1. The Securities and Exchange Board of India (SEBI) had initiated adjudication proceedings against M/s. Thyrocare Diagnostics Private Limited (hereinafter referred to as '**Noticee/Acquirer**') to inquire into and adjudge under section 15 A (b) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') the alleged violation of the provisions of the SEBI (Substantial Acquisition of Shares and Takeover Regulations, 1997 (hereinafter referred to as '**SAST Regulations**') by the Noticee in acquisition of shares of M/s. Thyrocare Laboratories Ltd. (hereinafter referred to as '**Target Company**').
2. It was alleged that in the month of March 2010, 23.67 % of the shares/voting rights of the Target Company were acquired by the Noticee from M/s. Thyrocare Technologies Ltd. (hereinafter referred to as '**Transferor**') as *inter se* transfer among the promoters of the Company. Before the said acquisition, the Noticee was holding 11.47 % shares/voting rights in the Target Company and upon such acquisition, the total shareholding /voting rights of the Noticee increased to 35.14 %. The Noticee was under a statutory obligation in terms of regulation 3(3) of the SAST Regulations to inform/notify the Stock Exchanges at least 4 - working days in advance of the proposed acquisition exceeding 5% of the voting share capital of the Target Company, which the Noticee allegedly failed to do. It was also alleged that as specified under regulation 3 (4) of the SAST Regulations the Noticee failed to file the required report with SEBI in the specified format within 21 days of the date of

acquisition exceeding 15% or more of the voting share capital of the Target Company.

3. In the matter, the undersigned was appointed as Adjudicating Officer vide order dated December 01, 2010 under section 15 I of the SEBI Act to inquire into and adjudge under section 15 A (b) of the SEBI Act, the aforesaid alleged violations against the Noticee. Consequently, a Show Cause Notice No. EAD-1/SRP/JP/29326/2010 dated December 09, 2010 was issued by the undersigned to the Noticee under rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as “**the Rules**”).
4. While the adjudication proceedings were in progress, the Noticee made an application dated February 01, 2011 (later on modified vide application dated April 14, 2011) along with an affidavit of “undertakings and waivers” in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20th April, 2007 for settlement of the proceedings through Consent Order. Subsequently, the Noticee proposed revised consent terms vide letter dated May 24, 2011, without admitting or denying the guilt and subject to clauses of the undertakings and waivers, submitting that it is willing to pay a sum of ₹ 2,50,000/- (Rupees two lakh fifty thousand only) towards settlement charges in the matter.
5. The revised consent terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as ‘**HPAC**’) on June 14, 2011 and the HPAC after deliberations, recommended the case for settlement on the aforesaid revised consent terms proposed by the Noticee. The recommendations of HPAC were subsequently placed before the panel of Whole Time Members of SEBI.
6. The acceptance of consent proposal was communicated to the Noticee by SEBI vide letter dated July 01, 2011. In pursuance of the aforesaid consent terms, the Noticee has remitted a sum of ₹ 2,50,000/- (Rupees two lakh fifty thousand only) in favour of

SEBI, vide demand draft No. 006428 dated July 05, 2011 drawn on Axis Bank Ltd., Mumbai, towards the terms of consent in the matter.

7. In view of above, it is hereby ordered that:
- i) this consent order disposes of the said proceedings pending against the Noticee under SEBI Act
 - ii) passing of this order is without prejudice to the rights of SEBI to take enforcement actions including commencing/ reopening of the pending proceedings against the Noticee, if SEBI finds that:
 - a. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
 - b. the Noticee has breached any of the clauses/ conditions of undertakings/waivers filed during the current consent proceedings.
8. This consent order is passed on the 13th day of July 2011 and shall come into force with immediate effect.

SATYA RANJAN PRASAD
ADJUDICATING OFFICER