

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA,
MUMBAI

CONSENT ORDER

ON THE APPLICATION SUBMITTED BY
PAWANKUMAR PARMESHWARLAL

IN THE MATTER OF
M/S PRUDENTIAL PHARMACEUTICALS LIMITED

(CONSENT APPLICATION NO.813/2008.)

1. SEBI had conducted investigations into the alleged irregularities in the shares of M/s **Prudential Pharmaceuticals Ltd** during the period March 05, 2001 to July 06, 2001. The investigation *prima facie* revealed that **Pawankumar Parmeshwarlal** (hereinafter referred to as 'applicant'), a broker of Bombay Stock Exchange with **SEBI Registration No. INB010018813 (PAN No. AAAPC5238N)** had created artificial volume in the scrip of M/s Prudential Pharmaceuticals Ltd by certain irregular transactions in the said scrip. Therefore, it was alleged that the applicant had violated Regulation 4(b), 4(c) and 4(d) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 read with Clauses A(2), A(3) and A(4) of Code of Conduct prescribed under Schedule II under Regulation 7 of SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 as well as provisions of the Securities Contracts (Regulations) Rules, 1957.

2. Pursuant to the investigation, SEBI initiated enquiry proceedings under Regulation 6 of the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 against the applicant. Thereafter, SEBI issued Show Cause Notice No. EAD/BS/PPL/96203/2007 dated June 14, 2007 to the applicant.

3. While the above proceedings were in progress, the applicant vide letter dated June 30, 2008 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 applicant proposed revised consent terms vide letter dated March 19, 2009 whereby the applicant undertook to pay Rs 7,00,000/- (Rupees Seven Lakhs Only) towards settlement charges. High

Powered Advisory Committee constituted by SEBI considered the consent terms proposed by the applicant and recommended the case for settlement. SEBI accepted the said recommendations and communicated the same to the applicants vide letter dated February 3, 2010.

4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs. 7,00,000/- (Rupees Seven Lakhs Only) towards settlement charges vide Demand Draft No. 263285 dated February 18, 2010 drawn on Bank of India payable at Mumbai.

5. In view of the above, it is hereby ordered that this consent order disposes of the said enquiry proceedings pending against the applicant (**PAN NO. AAAPC5238N**) in the matter of M/s **Prudential Pharmaceuticals Ltd.** A copy of the order shall be served on Bombay Stock Exchange Limited of which the applicant is a broker.

6. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing or 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 day, the 3rd of **March 2010** and shall come into force with immediate effect.

K. M. ABRAHAM
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER