

**BEFORE THE ADJUDICATING OFFICER**

**SECURITIES AND EXCHANGE BOARD OF INDIA**

**Consent Order IVD-ID8/SIL/AO/ DRK/MD /EAD-3/ CO- 57/04 -11**

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**CONSENT ORDER**

(Application No. 2011 of 2010)

In the matter of

**Shri Ankur B. Sheth**

67/701, Dani Rashmi Building,

Gokhale Road, Dhanukar Wadi,

Kandivali (West),

Mumbai – 400 067

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1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”), vide order dated March 10, 2008 initiated adjudication proceedings against Shri Ankur B. Sheth (hereinafter referred to as ‘**the Noticee**’) in the scrip of Systel Infotech Ltd. (hereinafter referred to as ‘SIL’) to inquire into and adjudge under Section 15 HA of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as ‘**SEBI Act**’) the violations of the provisions of Regulations 4(1), 4(2) (a), (b) and (g) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as ‘PFUTP Regulation 2003’) alleged to have been committed by the noticee.
2. It was alleged that noticee executed circular / reversal trades through synchronized / structured deals, in connivance with certain other clients / stock brokers and thus instrumental in creating artificial volumes in the scrip which distorted market equilibrium of the shares. In this regard show causes notice no. A&E/DRK/MD/5383/2010 dated May 17, 2010 was served on the noticee.

3. I was appointed as the Adjudicating Officer vide order dated December 10, 2008, under section 15 I of the SEBI Act read with Rule 3 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995.
4. Pending adjudication proceedings, the Noticee submitted an Application for Consent dated June 1, 2010 and an undertaking in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007 dated April 20, 2007. Pursuant to the said application, the Noticee attended a meeting with the Internal Committee on Consent on January 19, 2011 and the revised consent terms were settled at an amount of ₹ 2,00,000/- (Rupees Two Lakhs Only) towards settlement charges. The consent terms were placed before the High Powered Advisory Committee on Consent (hereinafter referred to as “**HPAC**”) on February 24, 2011 and the HPAC considered the facts and circumstances of the case, the proposed settlement terms offered by the Noticee and the other material brought before the HPAC. HPAC after deliberations recommended the case for settlement on the consent terms proposed by the Noticee which was approved by the panel of Whole Time Members.
5. In terms of the proposal of the Noticee for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the Noticee to the findings of fact or conclusions of law, the Noticee has remitted a sum of ₹ 2,00,000/- (Rupees Two Lakhs Only) favoring SEBI vide Demand Draft No. 080193 dated April 29, 2011 drawn on The Kapol Co-operative Bank Ltd. towards the terms of consent in the matter.
6. In view of the above, it is hereby ordered that:
  - i. this consent order disposes of the said adjudication proceedings initiated against the Noticee mentioned in para 1, and
  - ii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the

pending proceedings against the Noticee , if SEBI finds that:

- a. Any representations made by the Noticee in the consent proceedings are subsequently discovered to be untrue.
  - b. The Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.
7. This consent order is passed on the 5<sup>th</sup> **day of May, 2011** and shall come into force with immediate effect.
8. In terms of Rule 6 of Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, copies of this order are being sent to Shri Ankur B. Sheth and also to the Securities and Exchange Board of India, Mumbai.

**Place: Mumbai**  
**Date: 05.05.2011**

**D. RAVI KUMAR**  
**CHIEF GENERAL MANAGER &**  
**ADJUDICATING OFFICER**