

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

CO/IVD/1101/AO/PKB/29/2009

Under section 15-I of Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995

In respect of
M/s. Lakshmi Energy & Foods Ltd.
PAN No. Not available

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1. SEBI conducted investigation in the dealings in the scrip of Lakshmi Energy & Foods Ltd. (hereinafter referred to as "Noticee") during the period from January 6, 2006 to February 2, 2006.
 2. Pursuant to the investigation, SEBI vide order dated April 23, 2008 initiated Adjudication Proceedings in respect of the Noticee for the alleged violation of Regulation 13(6) of SEBI (Prohibition of Insider Trading) Regulations, 1992.
 3. Shri D. Sura Reddy was appointed as Adjudicating Officer to inquire into and adjudge under section 15A(b) of the SEBI Act, 1992, the alleged violation by Noticee. Pursuant to the transfer of Shri. D. S. Reddy I have been appointed as Adjudicating Officer vide order dated December 10, 2008.
 4. Show Cause Notice dated November 4, 2008 was issued to the Noticee. Pending the adjudication proceedings, the Noticee made an application

Consent Order in respect of Lakshmi Energy & Foods Ltd.

dated November 20, 2008 and an affidavit in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/Cir.-1/2007 dated 20th April, 2007. Pursuant to the said application, the Noticee vide letter dated December 18, 2008 proposed revised consent terms submitting that it was willing to pay a consolidated amount of Rs. 3,50,000/- (Rupees Three Lakh Fifty Thousand only) towards settlement charges and Rs. 50,000/- (Rupees Fifty Thousand Only) towards administrative charges. The revised consent terms were placed before the High Powered Advisory Committee (HPAC) on February 25, 2009 and HPAC after deliberation recommended the case for settlement on the revised consent terms proposed by the Noticee.

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 finding of fact or conclusion of law, the Noticee has remitted a sum of Rs. 4,00,000/- (Rupees Four Lakhs only) favouring Securities and Exchange Board of India, vide Demand Draft No. 013195 dated April 2, 2009 drawn on Punjab National Bank, Mumbai 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 pending against the Noticee under SEBI Act, 1992 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 17th day of April, 2009 and shall come into force with immediate effect.

8. In terms of Rule 6 of the Adjudication Rules, copies of this order are sent to M/s. Lakshmi Energy & Foods Ltd. and also to the Securities and Exchange Board of India.

Place: Mumbai

P. K. BINDLISH
Adjudicating Officer