

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA,
MUMBAI**

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY SHRI ATUL B SHAH
IN THE MATTER OF CONTINENTAL CONTROLS LIMITED
(CONSENT APPLICATION NO. 85 OF 2007)**

1. Securities and Exchange Board of India (SEBI) conducted investigations into the alleged irregular trading in the shares of Continental Controls Limited (hereinafter referred to as "CCL") during June - July 2002. The investigations, prima facie, revealed that Shri Atul B. Shah (hereinafter referred to as the "Applicant") off-loaded shares of CCL acquired in off- market deals, created artificial volumes and caused fluctuations in the price of shares. Accordingly, a Show Cause Notice dated May 11, 2006 under Section 11 read with section 11(4) and 11B of the SEBI Act, 1992 was issued to him in violation of Regulation 4 (b) of the SEBI (Prohibition of Unfair Trade Practices) Regulations, 1995. The applicant submitted an interim reply dated May 24, 2007.
2. While further proceedings in the matter were in progress, the applicant submitted an application dated August 22, 2007 along with an affidavit of "undertakings and waivers" for settlement of the matter in terms of SEBI Circular No. EFD/Cir-1/2007 dated 20th April, 2007. Thereafter, vide letter dated January 21, 2008, he revised the consent terms offering to pay a sum of Rs. 3,00,000/- (Rupees three lakh only) towards settlement charges and to undertake a voluntary bar from buying, selling or dealing in securities in any manner whatsoever for a period of three months. The High Powered Advisory Committee (HPAC) considered the consent terms proposed by the applicant and after deliberation, recommended that the voluntary bar should be for a period of twelve months instead of three months and the case may be settled on payment of Rs. 3,00,000/- (Rupees three lakh only) towards settlement charges. SEBI accepted the recommendations of the HPAC and communicated the same to the applicant vide letter dated May 08, 2008.

3. Accordingly, the applicant, without admitting or denying the guilt to the findings of fact or conclusion of law, has remitted a sum of Rs. 3,00,000/- (Rupees three lakh only) vide demand draft No. 052332 dated May 16, 2008 drawn on Standard Chartered Bank, Ahmedabad, towards settlement charges. The applicant, vide his letter dated May 20, 2008, has also undertaken not to buy, sell or deal in securities, in any manner whatsoever, for a period of twelve months.
4. In view of the above, it is hereby ordered that this consent order disposes of the proceedings resting with the Show Cause Notice dated May 11, 2006 against the applicant in the matter of CCL. It is also ordered that the applicant shall not buy, sell or deal in securities in any manner, whatsoever, for a period of 12 months from date of issue of this order.
5. This order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the pending proceedings against the applicant if:
 - a. any representation made by the applicant in this consent proceedings is subsequently discovered to be untrue.
 - b. the applicant breaches any of the clauses / conditions of undertakings / waivers filed during this consent proceedings.
6. This consent order is passed on this day, the 17th of September, 2008 and shall come into force with immediate effect.

Dr. T. C. Nair
Whole Time Member

M. S. Sahoo
Whole Time Member