

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**

CO/ID-8/673/AO/PKB/13/2009

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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. Adlab Films Limited**

**PAN No. AAACA4252H**

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1. SEBI, vide order dated December 27, 2007, initiated adjudication proceedings against M/s. Adlab Films Limited (hereinafter referred to as noticee) for allegedly opening the Trading Window before the expiry of 24 hours of the information about the board meeting being made public and thus allegedly violating Regulation 12(1) read with Clause 3.2-3 and 3.2-4 of the Code of Conduct specified under Part A of Schedule I of the SEBI (Prohibition of Insider Trading) Regulations, 1992. A show cause notice dated February 21, 2008 was issued to the noticee.
  2. Pursuant to the transfer of Shri. D. S. Reddy the undersigned has been appointed as Adjudicating Officer vide order dated December 10, 2008.
  3. Pending the adjudication proceedings, the noticee made an application dated May 14, 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. Pursuant to the said application, the noticee vide letter dated December 15, 2008 proposed revised consent terms submitting that they were willing to pay a consolidated amount of Rs. 15,00,000/- (Rupees Fifteen Lakhs only) towards settlement charges. The revised consent terms were placed before the High Powered Advisory Committee (HPAC) and HPAC after deliberation recommended the case for settlement on the revised consent terms proposed by the noticee.
  4. 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. 15,00,000/- (Rupees Fifteen Lakhs only), favouring SEBI, vide Demand Draft No. 075703 dated February 28, 2009 drawn on the Bank of Baroda, Mumbai, towards the terms of consent in the matter.

5. 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.
6. This consent order is passed on the 06th day of March, 2009 and shall come into force with immediate effect.
7. In terms of Rule 6 of the Adjudication Rules, copies of this order are sent to the Noticee and also to the Securities and Exchange Board of India.

**Place: Mumbai**

**P. K. BINDLISH**  
**Adjudicating Officer**