

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
SAMIR N. SHAH**

**IN THE MATTER OF
DATABASE FINANCE LIMITED
(CONSENT APPLICATION NO.1025/2008)**

1. Securities and Exchange Board of India (SEBI) had conducted investigations into the alleged irregular transactions in the shares of Database Finance Limited (hereinafter referred to as the 'company') for the periods April – August, 2001 and April – August, 2002. Shri Samir N. Shah (hereinafter referred to as the 'applicant') was, *prima facie*, found to have indulged in circular trades in the shares of the company, in connivance with other entities.
2. Pursuant to the investigations, SEBI initiated proceedings under Section 11B of the SEBI Act, 1992 and Regulation 11 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 against the applicant. A Show Cause Notice dated November 05, 2004 was issued alleging that the applicant had violated provisions of Regulation 4 (a) to (d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995. However, he did not file any reply thereto. Opportunities of personal hearing was granted to the applicant, on October 11, 2006, November 21, 2006 and March 02, 2007. The applicant failed to avail the same.
3. While further proceedings in the matter were in progress, the applicant, vide letter dated October 21, 2008, proposed settlement of the pending

proceedings through a consent order in terms of SEBI circular no. EFD/ED/Cir-1/2007 dated April 20, 2007. The High Powered Advisory Committee, constituted by SEBI, considered the consent terms proposed by the applicant and after deliberations, recommended the case for settlement. Accordingly the applicant shall pay a sum of Rs.50,000/- (Rupees fifty thousand only) towards the settlement charges and shall not buy, sell or deal in securities for a period of six months. The said terms of settlement were accepted by SEBI and communicated to the applicant vide letter dated February 10, 2009.

4. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs.50,000/- (Rupees fifty thousand only) vide demand draft No. 027305 dated 19.02.2009 drawn on Axis Bank Limited, payable at Mumbai. Further, the applicant, vide letter dated February 19, 2009, has undertaken not to buy, sell or deal in securities for a period of six months.
5. In view of the above, it is hereby ordered that this consent order disposes of the said proceedings under Section 11B of the SEBI Act, 1992 pending before SEBI against the applicant in the matter of Database Finance Limited. It is also ordered that the applicant, shall not buy, sell or deal in securities, directly or indirectly, for a period of six months.
6. This order is without prejudice to the right of SEBI to take enforcement actions, including reopening of the proceedings against the 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. A copy of this order shall be sent to all recognized stock exchanges and depositories to ensure that the applicant i.e. Shri Samir N Shah, Room No.10, 3rd Floor, Dindaisy Bldg., Girgaum Gaiwadi, Mumbai:- 400 004, (PAN AJWPS1054R) does not buy, sell or deal in securities, directly or indirectly, for a period of six months from the date of this order.
8. This consent order is passed on this day, the 19th of March, 2009 and shall come into force with immediate effect.

M. S. SAHOO
WHOLE TIME MEMBER

K. M. ABRAHAM
WHOLE TIME MEMBER