

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

Consent Order IVD-ID4/SML/AO/ DRK/ ASG-AKS /EAD-3/ CO- 38/2009

CONSENT ORDER

(Application No. 1389 of 2009)

In the matter of

Shri Avinash P. Bhandari

PAN No: AGZPB8849H

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”), vide order dated June 27, 2008 initiated adjudication proceedings against Shri. Avinash P. Bhandari (hereinafter referred to as ‘**the Noticee**’) to inquire into and adjudge under Section 15 I read with Section 15HB of the Securities and Exchange Board of India Act, 1992 the violations of the provisions of Regulation 13 (2) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as ‘**SEBI Insider Trading Regulations**’) and Clause 5.1 (a) read with Clause 3.2-2 of the Model Code as contained in Part A, Schedule I as referred to in Regulation 12 of the SEBI Insider Trading Regulations alleged to have been committed by the noticee in the scrip of Shilpa Medicare Ltd. It was alleged that the noticee had not complied with the disclosure requirements under the SEBI Insider Trading Regulations during the period from March 27, 2006 to May 03, 2006. Further, it was alleged that the noticee had traded during closure of trading window and had not made disclosures/compliances as required under the Model Code as contained in Part A, Schedule I as referred to in Regulation 12 of the SEBI Insider Trading Regulations. It was alleged that the noticee had failed to comply with provisions of Regulation 13 (2) of the SEBI Insider Trading Regulations and Clause 5.1 (a) read with Clause 3.2-2 of the Model Code as contained in Part A, Schedule I as referred to

in Regulation 12 of the SEBI Insider Trading Regulations. Show Cause Notice No. A&E/DRK/ASG/162996/2009 dated May 12, 2009 was issued to the noticee.

2. 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.
3. Pending adjudication proceedings, the Noticee made an Application for Consent which was received on June 17, 2009 (Consent application Regn. No. 1389 of 2009) 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, as requested by the Noticee a meeting was granted to it before the Internal Committee on Consent on October 03, 2009 and the consent terms were settled at an amount of Rs.2,50,000/- (Rupees Two Lakh Fifty Thousand Only) towards settlement charges. The consent terms were placed before the High Powered Advisory Committee on Consent (hereinafter referred to as "**HPAC**") on October 06, 2009 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.
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 findings of fact or conclusions of law, the Noticee has remitted a sum of Rs.2,50,000/- (Rupees Two Lakh Fifty Thousand Only) favoring SEBI vide Demand Draft No. 726286 dated December 07, 2009 drawn on The Lakshmi Vilas Bank Limited 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 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.
6. This consent order is passed on the **15th day of December, 2009** and shall come into force with immediate effect.
7. 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 Avinash P. Bhandari and also to the Securities and Exchange Board of India, Mumbai.

Place: Mumbai
Date: 15.12.2009

D. RAVI KUMAR
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER