

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

Consent Order. IVD/HIL/AO/DRK/MD/EAD-3/CO-27/2009

CONSENT ORDER

(Consent Application No.1134/2008)

ON THE APPLICATION SUBMITTED BY

SMT. SANDHYA S. SHAH

(PAN No. AJWPS1055Q)

IN THE MATTER OF

HIGHLAND INDUSTRIES LIMITED

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**'), vide order dated July 03, 2007 had initiated adjudication proceedings against Sandhya S. Shah (hereinafter referred to as the '**Noticee**'), (having its address at 18, Dhootpapeshwar Bldg., Mangalwadi, Girgaum, Mumbai – 400 004) to inquire into and adjudge under Section 15HA of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the '**SEBI Act**'), the violation of the provisions of Regulations 3(a),3(b), 4(2) (a) & (e) of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, (hereinafter referred to as the '**PFUTP Regulations**') for alleged price manipulation and creating artificial volume in the scrip of Highland Industries Limited (hereinafter referred to as the '**HIL**'). Show Cause Notice EAD -4/ADJ/DSR/EIF-172/138352/2008 dated September 18, 2008 was issued to the Noticee by the Adjudicating Officer.
2. I was appointed as the Adjudicating Officer vide order dated February 24, 2009, 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 dated December 2, 2008 (Consent application Regn. No. 1134 of 2008) and an undertaking in the format prescribed by SEBI for settlement in the matter in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. Subsequently, the Noticee vide her letter dated June 17, 2009 proposed revised consent terms of Rs. 2,25,000/- (Rupees Two Lakh and Twenty Five Thousand only) towards settlement charges and voluntary debarment from buying, selling or dealing in the securities market, whether directly or indirectly for a period of 18 months. The consent terms were placed before the High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) on July 2, 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.
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. 2,25,000/- (Rupees Two Lakh and Twenty Five Thousand only) favoring Securities and Exchange Board of India vide Demand Draft No. 031177 dated 25/08/2009 drawn on Axis Bank Ltd, towards the settlement charges and undertook a voluntary debarment vide her letter dated June 17, 2009 from buying, selling or dealing in the securities market whether directly or indirectly for a period of 18 months in terms of consent settlement.
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 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. A copy of this order shall be served on all recognized Stock Exchanges and the Depositories to give effect to the undertaking furnished by the Noticee, referred to at Para 4 above.
7. This consent order is passed on the 4th day of September, 2009 and shall come into force with effect from 7th day of September, 2009.
8. 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 Smt. Sandhya S. Shah and also to the Securities and Exchange Board of India, Mumbai.

Place: Mumbai

**D. RAVI KUMAR
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER**