

BEFORE THE MADRAI BENCH OF MADRAS HIGH COURT
(Special Original Jurisdiction)

Tuesday, the Fourteenth day of July Two Thousand Nine

PRESIDENT

THE HONOURABLE MR. JUSTICE R. S. RAMATHAN
MP (MD) No. 1 of 2009 IN WP (MD) No. 6090 of 2009

1-PETITIONER

M. Narayanan

-Vs-

1. The Securities and Exchange Board of India (SEBI),
SEBI Bhawan, C-4A, G-Block,
Bandra Kurla Complex, Mumbai - 400 051.

2. M/s. Daiichi Sankyo Company Limited,
rep. by their Managers Merchant Banker,
ICICI Securities Limited,
ICICI Centre, H.T. Parekh Marg, Church Gate,
Mumbai - 400 020.

3. M/s. Zenotech Laboratories Limited,
having their Regd. Office at
No. 112-120/112/85-89, Park View Estate, 4th Floor,
Road No. 2, Banjara Hills, Hyderabad - 500 034.

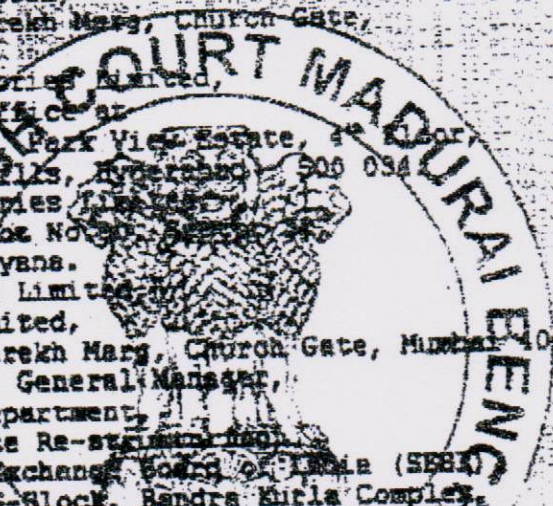
4. M/s. Embassy Laboratories Limited,
Corporate Office, Plot No. 37,
Gurgaon - 122 001, Haryana.

5. M/s. ICICI Securities Limited,
ICICI Securities Limited,
ICICI Centre, H.T. Parekh Marg, Church Gate, Mumbai - 400 020.
6. Mr. Haslam Sharanag, General Manager,
Corporate Finance Department,
Division of Corporate Re-structuring,
The Securities and Exchange Board of India (SEBI),
SEBI Bhawan, C-4A, G-Block, Bandra Kurla Complex,
Mumbai - 400 051.

7. Mr. Santhosh Kumar Sharma, General Manager,
Corporate Finance Department,
Division of Corporate Re-structuring,
The Securities and Exchange Board of India (SEBI),
SEBI Bhawan, C-4A, G-Block, Bandra Kurla Complex,
Mumbai - 400 051.

2-RESPONDENTS

Petitioner praying that in the circumstances stated therein and in the affidavit filed therewith the High Court will be pleased to grant an order of interim injunction restraining the Respondents herein, or their men, agents, servants or any other person or persons authorized by them or claiming through them from, in any manner, permitting the 2nd Respondent herein to go ahead with the public announcement for purchase of shares in M/s. Zenotech Laboratories Limited, the Target Company, which is slated to commence from 25.7.09 and close by 8.3.09, pursuant to the order dated 13.6.09 of the 1st Respondent herein vide Ref. CrP/DC/10/M/166720/2009 or otherwise, signed by the 2nd Respondent herein, at the offer price of Rs.113.62 per share, pending disposal of WP (MD) No. 6090 of 2009.



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12/07/09

ORDER: This petition coming on for orders upon perusing the petition and the affidavit filed in support thereof and upon hearing the arguments of Mr. A.R. L. Sundaresan, learned Senior Counsel appearing for Mrs. A. L. Ganthimathi, Advocate for the petitioner, the court made the following order:-

It is submitted by Mr. A.R. L. Sundaresan, learned Senior Counsel appearing for Mrs. A. L. Ganthimathi for the petitioner that the first respondent, without appreciating the representation dated 07.09.2009 submitted by the petitioner that the public announcement was deliberately postponed to 11.06.2008 when an agreement was entered into even on 11.06.2008 for the purchase of shares in the third respondent company by the fourth respondent, has passed the impugned order, and hence, there is a violation of Regulation 14 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1992.

Further, the representation of the petitioner was heard by the seventh respondent, but the order was passed by the sixth respondent without considering the objection raised by the petitioner. According to the learned Senior Counsel, by virtue of the public announcement made by the third respondent, the shareholders were compelled to sell their shares at a lower price whereas the Company shares were sold at the rate of Rs.150/- per share in January 2008 as per the provisions of the Securities and Exchange Board of India Act, 1992, the price for which the shares were sold 28 weeks prior to the date of public announcement, must be the price to be quoted by the 3rd respondent and without considering that they have deliberately quoted lower price.

In the said circumstances, there shall be an order of interim injunction.

sd/-
14/07/2009

/ TRUE COPY /

[Signature]
Sub-Registrar (C.S.)

- 1. The Securities and Exchange Board of India (SEBI), SEBI Bhawan C-4A, G-Block, Bandra Kurla Complex, Mumbai-400051.
- 2. Mr. Neelam Bhavadasy, General Manager, Corporate Finance Department, Division of Corporate Restructuring, The Securities and Exchange Board of India (SEBI), SEBI Bhawan, C-4A, G-Block, Bandra Kurla Complex, Mumbai - 400 051.
- 3. Mr. Santhosh Kumar Sharma, General Manager, Corporate Finance Department, Division of Corporate Restructuring, The Securities and Exchange Board of India (SEBI), SEBI Bhawan, C-4A, G-Block, Bandra Kurla Complex, Mumbai - 400 051.
- 4. C.G. to M/s. AL. GANTHIMATHI Advocate SR.No.16931.

RE/14-07-09/2F/5C. ORDER IN WP (MD) No. 1/09 IN WP (MD) No. 5096/09
Date: 14/07/2009.

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MAHARAJA HIGH COURT,
MADURAI BENCH
S.R. No. 16531...109...
Carbon Copy application
made. 14.7.2009
Application Returned... 20
Application Represented... 40
Copy made ready... 2009
Copy delivered... 2009
14/7/09
Section Officer
C.C.E. Section