

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER
(Application No. 3042 / 2016)

On the application submitted by

M/s Mahima Stocks Private Limited

Settlement Order No. ISD/MSPL/AO/SBM/EAD-3/CO-01/2016

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**'), vide Order dated November 18, 2014 initiated adjudication proceedings against M/s Mahima Stocks Private Limited (hereinafter referred to as '**Noticee**') to inquire into and adjudge under Section 15A(b) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') for the violation of the provisions of Regulation 13(3) read with 13(5) of SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as '**PIT Regulations**') and Regulation 29(2) read with 29(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as '**Takeover Regulations**') alleged to have been committed by the Noticee.
2. Consequent to the transfer of Shri D Ravikumar, the undersigned has been appointed as the Adjudicating Officer vide Order dated June 22, 2015 in the present matter.
3. Show Cause Notice no. A&EO/EAD-3/SBM/VB/17640/2015 dated June 26, 2015 (hereinafter referred to as '**SCN**') was issued to the Noticee. It was alleged that the Noticee had sold 5,00,000 shares of Dhampure

Speciality Sugars Limited (hereinafter referred to as '**DSSL**' or **Company**) on various dates starting from October 11, 2012 to December 11, 2012 and as a result, the shareholding of the Noticee in DSSL decreased from 6.98% to Nil. It was further alleged that as on October 18, 2012 Noticee had sold 1,50,000 shares of DSSL, which exceeded the threshold limit for disclosures to be made by the Noticee to the Company i.e DSSL in terms of Regulation 13(3) read with 13 (5) of PIT Regulations. It was alleged that Noticee had failed to make such disclosures to DSSL. Further, the Noticee was under an obligation to make necessary disclosures to the Stock Exchanges and to the Company (DSSL) in the prescribed format in terms of Regulation 29(2) read with 29(3) of the Takeover Regulations within two working days of the disposal of the shares exceeding 2 % of the total shareholding or voting rights in the Company. It was alleged that Noticee had failed to make such disclosure to the Company and the Stock Exchanges. The alleged failure on the part of the Noticee to comply with the aforementioned provisions of law made the Noticee liable for monetary penalty under Section 15A (b) of the SEBI Act.

4. Pending adjudication proceedings, the Noticee submitted an application vide no. 3042/2016 dated August 25, 2015 and an undertaking in the format prescribed by SEBI for settlement of the matter in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (hereinafter referred to as '**Settlement Regulations**').
5. Pursuant to the said application, the authorized representatives on behalf of the Noticee, Shri Gireesh Dhoot and Shri Sanket Rathi attended a meeting with the Internal Committee on March 10, 2016. The settlement terms as proposed by the Noticee for an amount of Rs 8,33,000/- (Rupees Eight Lakh Thirty Three Thousand Only) towards settlement charges was placed before the High Powered Advisory Committee (hereinafter referred to as '**HPAC**') on April 27, 2016. After considering the facts and

circumstances of the case, the HPAC recommended that the case may be settled by the Noticee on payment of Rs 8,33,000/- , which were approved by the panel of Whole Time Members of SEBI on July 05, 2016.

6. Accordingly, the Noticee has remitted a sum of Rs 8,33,000/- (Rupees Eight Lakh Thirty Three Thousand Only) vide cheque No.136766 dated July 15, 2016 drawn on HDFC Bank Ltd favoring SEBI towards the terms of settlement in the matter.
7. In view of the above, in terms of Regulation 15 (1) of the Settlement Regulations, it is hereby ordered that this settlement order disposes of the adjudication proceedings initiated against the Noticee vide SCN dated June 26, 2015.
8. This order is without prejudice to the right of SEBI to take enforcement actions including commencing /re-opening of the pending proceedings against the Noticee, if SEBI finds that :
 - a. any representation made by the Noticee in the settlement proceedings are subsequently discovered to be untrue.
 - b. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current settlement proceedings.
9. In terms of Regulation 17 of the Settlement Regulations, copies of this order are being sent to the Noticee viz. M/s Mahima Stocks Private Limited and also to the Securities and Exchange Board of India.

Place: MUMBAI
Date: 04.08.2016

SURESH B. MENON
ADJUDICATING OFFICER