

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER
(Application No. 3313/2017)

On the application submitted by
Genus Prime Infra Limited

In the matter of Genus Prime Infra Limited

Settlement Order No: CFD/GPIL/EAD-8/AO/KS/CO-04/2019

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') vide order dated November 03, 2015 initiated adjudication proceedings against Genus Prime Infra Limited in the matter of Genus Prime Infra Limited (hereinafter referred to as '**the noticee**' or '**Applicant Noticee**') by appointing Shri Prasad Jagdale as the Adjudicating Officer (**AO**) 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**') and 23H of Securities Contracts (Regulation) Act, 1956 (hereinafter referred to as "**SC(R)A**") for the violation of the provisions of Regulation 8(3) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 (hereinafter referred to as "SAST,1997"), Regulation 13(6) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as "PIT,1992") Clauses 35 of the Listing Agreement read with section 21 of the SC(R)A. Pursuant to the transfer of Shri Prasad Jagdale, Shri Suresh Gupta was appointed as Adjudicating Officer and thereafter, the Adjudication proceedings have been transferred to the undersigned vide Order dated May 18, 2017.
2. While examining the Letter of Offer filed by Mr. Rajendra Kumar Agarwal, Mr. Jitendra Kumar Agarwal and Mr. Amit Agarwal (Acquirers) to acquire 26% of the paid up and voting share capital of company, SEBI observed certain non-

compliances with regard to SAST,1997, PIT,1992 and Listing Agreement. A Show Cause Notice dated May 29, 2017 (hereinafter referred to as '**SCN**') was issued to the Noticee.

3. It was alleged in SCN that Noticee has not made the yearly disclosures required under Regulation 8(3) of the SAST, 1997 for financial year 2010-2011. It was also alleged that Noticee had delayed in making disclosure under Regulation 13(6) of PIT,1992 for purchase of shares of Noticee by promoter group entities namely Rajendra Kumar Agarwal and Jitendra Kumar Agarwal. It was observed from the records that the promoter entities had informed the company about the purchase of shares under Regulation 13 (2), 13 (3) of PIT,1992 on May 30, 2014. The company made the relevant disclosures to the Stock Exchanges only on March 24,2015 causing a delay of 297 days and thereby violating Regulation 13(6) of PIT,1992.It is further alleged that for quarters ending December 2010 to December 2012, the Noticee wrongly included the shareholding of two promoter entities namely Vivekshil Dealers Private Limited and Kailash Industries Limited and it is also alleged that for the quarter ended June and September 2014, the company had not disclosed the shareholding of two promoter entities namely Mr. Rajendra Kumar and Jitendra Kumar Agarwal under Clause 35 of the Listing Agreement read with section 21 of the SC(R)A, for shares acquired by them.
4. While the adjudication proceedings were pending, an application vide no. 3316/2017 dated July 24,2017 and an undertaking in the format prescribed by SEBI was submitted by Noticee for settlement of the matter in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (hereinafter referred to as '**Settlement Regulations**'). On perusal of the aforesaid Application, I note that the Noticee has mentioned *inter alia* that violation are technical, procedural and venial breach.
5. Thereafter, SEBI vide letter dated March 08, 2019 informed the applicant that in order to expedite disposal of his consent application for settlement, the same has been considered for summary settlement. In such cases, the application is directly placed for passing of Settlement Order without processing the same through Internal Committee ('IC') or High Powered Advisory Committee (HPAC). The applicant Noticee was informed that to avail the benefit of summary

settlement, the proceedings may be settled and disposed of upon remittance of settlement amount of Rs.16,83,213/- (Rupees Sixteen Lakh Eighty Three Thousand Two hundred and Thirteen Only) {amount arrived at in terms of Settlement Regulations} within 15 calendar days from the date of receipt of the said letter.

6. Thereafter, on March 16,2019, the Noticee remitted a sum of Rs 16,83,213/- (Rupees Sixteen Lakh Eighty Three Thousand Two hundred and Thirteen Only) through RTGS
7. In view of the above, in terms of Regulation 15(1) of the Settlement Regulations, this settlement order disposes of the aforesaid adjudication proceedings initiated against the applicant viz. Genus Prime Infra Limited Agarwal vide SCN dated May 29, 2017.
8. This order is without prejudice to the right of SEBI to take enforcement actions including restoring or initiating the proceedings in respect to which the settlement order is passed against the applicant, if :
 - a. any representations made by the applicant in the settlement proceedings is subsequently found to be untrue; or
 - b. the applicant breaches 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 applicant viz. Genus Prime Infra Limited and also to the Securities and Exchange Board of India.

Place: Mumbai
Date : 29.03.2019

K SARAVANAN
CHIEF GENERAL MANAGER &
ADJUDICATING OFFICER