

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

[ADJUDICATION ORDER Ref No.: Order/AP/AS/2020-21/9760]

**UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992
READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING
PENALTIES) RULES, 1995.**

In respect of:

Elevator Builders Pvt. Ltd.
16/10194, Naiwala,
Gurudwara Road, Karol Bagh,
New Delhi – 110005

**In the matter of Mahadushi International Trade Limited (currently known as Negotium
International Trade Limited)**

1. Mahadushi International Trade Limited, currently known as Negotium International Trade Limited (hereinafter referred to as 'MITL' or 'Company') is a listed company having its shares listed on Bombay Stock Exchange Limited (BSE). Securities and Exchange Board of India ('SEBI') initiated an investigation of price movement in the scrip of MITL for the period March 21, 2014 to April 15, 2015 (hereinafter referred to as 'investigation period').
2. On completion of the investigation in the said matter, it was observed from the transaction statement provided by the NSDL vide e-mail dated March 19, 2019 that one of the entity viz. Elevator Builders Pvt. Ltd. (hereinafter referred as 'Noticee') acquired 22,98,733 shares (i.e. 5.86% of shareholding of the Company) of the Company on April 14, 2015. The details of aforesaid acquisition are as follows:

Date of Acquisition	No of shares held - pre Acquisition/ disposal	% of shareholding held - pre Acquisition	No of shares Acquired	No of shares held - post Acquisition	% of shareholding held - post Acquisition	Change in shareholding from previous disclosure as % of paid up capital	Mode
14/04/2015	Nil	Nil	22,98,733	22,98,733	5.86%	5.86%	On Market

3. In view of the aforesaid acquisition, it was observed that the Noticee acquired 5.86% shareholding in the Company on April 14, 2015 and therefore, in terms of provisions of Regulation 29(1) read with 29(3)

of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as 'SAST Regulations') and Regulation 13(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as 'PIT Regulations, 1992') read with Regulation 12 of PIT Regulations, 2015, it was under the obligation to disclose its aggregate shareholding in the Company to the Company and /or stock exchange within two days of such acquisition, which it allegedly failed to comply with.

4. In view of above, SEBI had initiated adjudication proceedings against the Noticee under section 15A(b) of Securities and Exchange board of India Act, 1992 (hereinafter referred as 'SEBI Act') for the alleged non-disclosure of change in their shareholding in the Company and appointed undersigned as Adjudicating Officer in the matter by a *communication-order* dated January 22, 2020.
5. Accordingly, in terms of Rule 4(1) of the Adjudication Rules read with section 15I of the SEBI Act, the notice to show cause no. EAD-2/AP/AKS/4141/1-2/2020 dated January 31, 2020 (hereinafter referred as 'SCN') was issued to the Noticee, calling upon it to show cause as to why an inquiry should not be held against it in terms of Rule 4 of the Adjudication Rules and penalty be not imposed under Section 15A(b) of the SEBI Act for the aforesaid alleged violations of the SAST Regulations and the PIT Regulations charged in this case.
6. Vide letter dated February 12, 2020, the Noticee submitted that it had *suo moto* proceeded and filed the Settlement Application bearing reference number 3737/2019 dated October 30, 2019 under SEBI (Settlement Proceedings Regulations, 2018 (hereinafter referred as 'Settlement Regulations'). Accordingly, a confirmation was sought from Settlement Division with respect to the Noticee's aforesaid submission. Vide e-mail dated February 12, 2020 the Settlement Division confirmed the receipt of Settlement Application from the Noticee.
7. Thereafter, vide e-mail dated December 02, 2020, Settlement Division informed that a Settlement Order – SO/EFD-2/SD/359/November/ 2020 dated November 18, 2020 has been passed in respect of the Noticee, *viz.* Elevator Builders Pvt. Ltd. in the matter of Negotium International Trade Limited.
8. I note that in terms of Rule 4(3) of the Adjudication Rules, I am mandated to initiate inquiry and issue a notice fixing a date of personal hearing, if I am of the opinion that inquiry in the matter should be held. In the instant proceedings, I note that a Settlement Order dated November 18, 2020, has already been passed thereby settling the violations under the SCN and the Noticee has paid settlement amount of Rs. 9,52,837/- (Rupees Nine Lakh Fifty-Two Thousand Eight Hundred and Thirty-Seven Only) towards the settlement terms.

9. In view of above facts and circumstances of the case, I am of the opinion that no further inquiry is required under Rule 4(3) of the Adjudication Rules in the matter and accordingly, the SCN in this case is disposed of.
10. In terms of Rule 6 of the Adjudication Rules, copy of this order are sent to the Noticee and also to SEBI.

Date: December 04, 2020

Place: Mumbai

Amit Pradhan
Adjudicating Officer