

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI**

**CONSENT ORDER**

**On the Application submitted by**

**Ms. Meenakshi Sud**

**In the matter of S R Industries Limited**

***CO/ISD /AO/BM/69/2012***

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1. The Securities and Exchange Board of India (SEBI) had initiated adjudication proceedings against Ms. Meenakshi Sud (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**") the alleged violation/contravention of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as "**PIT Regulations**") and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "**SAST Regulations**") by the Noticee.
2. It was observed that Noticee traded in the scrip of SR Industries Limited (hereinafter referred to as "**the company**"). While trading in the scrip of the company through trading member LSE Securities Limited, Noticee purchased 7,52,144 shares amounting to 5.98% of the share capital of the company and sold 24,726 shares amounting to 0.19% of the share capital of the company. It was observed that as on April 8, 2011, Noticee acquired 1,50,911 shares of the company due to which her shareholding in the company increased from 4.19% to 5.39%. Hence, her shareholding in the company crossed 5% of the paid up capital of the company as a result of which she was required to make disclosures to the company under Regulation 13(1) of PIT Regulations and; to the company and stock exchange where the shares of the company is listed under

Regulation 7(1) read with Regulation 7(2) of SAST Regulations. It was alleged that Noticee has not made necessary disclosures.

3. The undersigned was appointed as Adjudicating Officer (AO) under section 15 I of the SEBI Act to inquire into and adjudge under Sections 15A(b) of the SEBI Act for the aforesaid alleged violations. Consequently, Show Cause Notice No. EAD-6/BM/VS/36625/2011 dated October 10, 2011 was issued to the Noticee under rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as "**the Rules**").
4. While the adjudication proceedings were in progress, Noticee made an application dated June 1, 2012 along with an affidavit of "undertakings and waivers" in terms of SEBI Circular No. EFD/Cir-1/2007 dated 20<sup>th</sup> April, 2007 read with SEBI Circular No. CIR/EFD/1/2012 dated May 25, 2012 for Consent Order in respect of the aforesaid notice before SEBI. Subsequently, the Noticee vide her letter dated August 27, 2012 proposed consent terms of ₹ 7,24,625/- (Rupees Seven Lakh Twenty Four Thousand Six Hundred and Twenty Five Only) towards settlement charges in respect of the aforesaid proceedings before AO.
5. The consent terms as proposed by the Noticee were placed before the High Powered Advisory Committee (hereinafter referred to as "**HPAC**") on September 28, 2012. The HPAC after deliberation recommended that the case may be settled on the aforesaid revised consent terms proposed by the Noticee. The recommendations of HPAC were subsequently placed before the panel of Whole Time Members of SEBI. Thereafter, SEBI vide letter dated November 5, 2012 conveyed the recommendations of the HPAC to the applicant and advised the applicant to pay in accordance with consent terms

6. In terms of the proposal of the Noticee, for the sole purpose of settling the matter on hand, without admitting or denying the guilt on the part of the Noticee to the finding of fact or conclusion of law, the Noticee has remitted a sum of ₹ 3,00,000/- (Rupees Three Lakhs Only) vide demand drafts No. 045355 dated November 16, 2012 and ₹ 4,24,630 (Four Lakh Twenty Four Thousand Six Hundred and Thirty Only) vide demand drafts No. 045462 dated November 27, 2012 drawn on HDFC Bank, payable at Mumbai, towards the terms of consent in the matter.
7. In view of above, it is hereby ordered that:
- i) this consent order disposes of the said proceedings pending against the Noticee under SEBI Act
  - ii) passing of this order is without prejudice to the rights of SEBI to take enforcement actions including commencing/ reopening of the pending proceedings against the Noticee, if SEBI finds that:
    - a. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
    - b. the Noticee has breached any of the clauses/ conditions of undertakings/waivers filed during the current consent proceedings.
8. This consent order is passed on December 3, 2012.

**Adjudicating Officer**

**Place: Mumbai**

**Barnali Mukherjee**