

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On Settlement Application Nos. 3965 of 2019

Filed by Genus Prime Infra Limited [PAN : AABCG3955E]

In the matter of alleged violation of Minimum Public Shareholding (MPS) norms

1. Genus Prime Infra Limited (hereinafter referred to as the “applicant”) had filed a *suo motu* settlement application in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the “Settlement Regulations”) proposing to settle, without admitting the findings of fact and conclusions of law, through a settlement order, the probable enforcement proceedings for the alleged violation of Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 21 of the Securities Contracts (Regulation) Act, 1956, Rule 19A of the Securities Contracts (Regulation) Rules, 1956, and Regulation 7(4) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as the “SAST Regulations”) in the matter of alleged violation of Minimum Public Shareholding (hereinafter referred to as the “MPS”) norms.
2. The promoters of the applicant, Mr Rajendra Kumar Agarwal, Mr Jitendra Kumar Agarwal and Mr Amit Agarwal entered into a Share Purchase Agreement (hereinafter referred to as the “SPA”) with the erstwhile promoters of the applicant for acquiring 67.13 % of the total issued subscribed capital of the company.
3. Consequent to the SPA, an open offer was made by the promoters in compliance with the SAST Regulations. The offer opened on March 03, 2015 and closed on March 18, 2015. Total 16,60,562 shares of Rs. 2/- each representing 11.80 % of the capital of the applicant were validly tendered and acquired under the said open

offer. Upon conclusion of the process, the public shareholding of the applicant fell from 32.02 % to 20.22 %.

4. The applicant opted for an Offer for Sale in the year 2016 for complying with the MPS norms, which failed. Thereafter in the month of May 2019 through a rights issue, the applicant became compliant with the MPS norms.
5. Pursuant to the application, during the meeting with the Internal Committee of SEBI on September 18, 2019, the authorized representatives of the applicant deliberated upon the settlement terms. Thereafter, the applicant, vide letter dated September 30, 2019, proposed the revised settlement terms to settle the defaults mentioned above.
6. The High Powered Advisory Committee (hereinafter referred to as 'HPAC') in its meeting held on November 21, 2019 considered the proposed settlement terms by the applicant and recommended the case for settlement upon payment of Rs.7,92,000/- (Rupees Seven Lakh Ninety-Two Thousands only) towards settlement terms.
7. The applicant vide UTR Number: PUNBR52019121710827242 dated December 17, 2019 remitted Rs.7,92,000/- (Rupees Seven Lakh Ninety-Two Thousands only) towards the settlement terms as proposed by them for the settlement of the aforesaid proceedings and intimated the same to SEBI vide e-mail dated December 18, 2019.
8. In view of the above, in exercise of the powers conferred under Section 15JB of the SEBI Act, 1992 and in terms of Regulations 23 and 28 read with Regulation 34 of the Settlement Regulations, it is hereby ordered that the proceedings that may have been initiated for the defaults as mentioned in paragraph 1 above are settled *qua* the applicant and as per the following terms:
 - i. SEBI shall not initiate any enforcement action against the applicant for the

said defaults,

- ii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing proceedings against the applicant, if SEBI finds that:
 - a. any representation made by the applicant in the present settlement proceedings is subsequently found to be untrue;
 - b. the applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.

9. This settlement order is passed on this 23rd day of January, 2020 and shall come into force with immediate effect.

10. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the applicant and also be published on the website of SEBI.

Sd/-

S. K. MOHANTY
WHOLE TIME MEMBER

Sd/-

ANANTA BARUA
WHOLE TIME MEMBER