

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA**

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**SETTLEMENT ORDER**

On the Application No. **3084 of 2016**

Submitted by **Srinivasa Cystine (P) Limited [PAN: AADCS4063R]**

In the matter of **Avanti Feeds Limited**

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1. Srinivasa Cystine (P) Limited (hereinafter referred to as ‘applicant’) having its office at G-2, Concorde Apartments, 6-3-658, Somajiguda, Hyderabad – 500 082 vide its letter dated March 18, 2016, filed an application in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (‘Settlement Regulations’) proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a settlement order, the proposed adjudication proceedings intimated vide Notice of Approved Enforcement Action dated January 27, 2016, for the alleged violations of regulations 3(1) read with regulation 3(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (‘SAST Regulations’), with respect to the acquisition of 3,000 shares of Avantis Feeds Limited on March 17, 2014, which increased their shareholding from 24.97% to 25% and triggered the open offer requirement under SAST Regulations.
2. The authorised representatives of the applicant had a meeting with the Internal Committee of SEBI on September 22, 2016, wherein the settlement terms were deliberated. Thereafter, the applicant vide letter dated September 26, 2016, proposed the revised settlement terms to settle the defaults mentioned in para 1 above.
3. The High Powered Advisory Committee (‘HPAC’), considered the settlement terms proposed by the applicant in its meeting dated November 07, 2016 and recommended the case for settlement upon payment of ₹27,13,380/- (Rupees Twenty Seven Lakh Thirteen Thousand Three Hundred and Eighty only) by the applicant towards settlement terms for the aforementioned defaults. The Panel of Whole Time Members of SEBI had accepted the said recommendation of the HPAC and the same was communicated to the applicant vide e-mail dated January 16, 2017.

4. The applicant vide Demand Draft no. 989716 dated January 20, 2017, drawn on Axis Bank, payable at Mumbai has remitted a sum of ₹27,13,380/- (Rupees Twenty Seven Lakh Thirteen Thousand Three Hundred and Eighty only) towards the settlement charges.
5. Accordingly, the adjudication proceedings proposed to be initiated against the applicant for the alleged violation as discussed in paragraph 1 above, are settled *qua* the applicant as per the above terms, by way of this order and SEBI shall not initiate any enforcement action against the applicant for the said defaults.
6. In view of the above, in terms of Regulation 15 and 19 of the Settlement Regulations, it is hereby ordered that:
- i. this order disposes of the said proposed adjudication proceedings in respect of the applicant as mentioned above and;
  - 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 representations made by the applicant in the present settlement proceedings are subsequently discovered to be untrue;
    - b. the applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.
7. This settlement order passed on this 27<sup>th</sup> day of February, 2017 shall come into force with immediate effect.
8. In terms of Regulation 17 of the Settlement Regulations, a copy of this order shall be sent to the applicant and shall also be published on the website of SEBI.

-Sd-

**G. MAHALINGAM**  
**WHOLE TIME MEMBER**

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**S. RAMAN**  
**WHOLE TIME MEMBER**