

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

in Settlement Application bearing No.

- 1. 6371/2021 filed by Mr. Chirag Negandhi [PAN : ADKPN1327Q]**
- 2. 6372/2021 filed by Ms. Nidhi Negandhi [PAN :AAEPV6916G]**

in the matter of UFO Moviez India Limited

1. Mr. Chirag Negandhi and Ms. Nidhi Negandhi (hereinafter referred to as “applicants”) had filed separate *suo-motu* settlement applications in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the “Settlement Regulations”) proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a settlement order, the probable enforcement proceedings for the alleged violation of Section 12A (e) of the SEBI Act, 1992 and Regulation 3(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 by Mr. Chirag Negandhi and Section 12A (d) & (e) of the SEBI Act, 1992 and Regulation 4(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 by Ms. Nidhi Negandhi respectively.
2. UFO Moviez India Ltd. (hereinafter referred to as “UFO”) on November 02, 2017 informed the exchanges regarding press release dated November 01, 2017 titled” UFO Moviez India Ltd. and Qube Cinema Technologies Private Ltd. announcing combination of their businesses”. The said information was considered as Unpublished Price Sensitive Information (hereinafter referred to as the “UPSI”) and the period of UPSI was February 01, 2017 to November 01, 2017. Mr. Chirag Negandhi was in possession of the UPSI and communicated the same to his wife, Ms. Nidhi Negandhi. Based on the UPSI, Ms. Nidhi Negandhi bought 20,000 shares of UFO on October 31,

2017 i.e. during the UPSI period and sold the same on November 02, 2017 i.e. immediately after the announcement.

3. Pursuant to the receipt of the settlement applications, the authorized representatives of the applicant deliberated upon the settlement terms with the Internal Committee of SEBI on March 17, 2021. Thereafter, the applicants vide letter dated March 18, 2021 proposed the revised settlement terms to settle the defaults mentioned at para 1 above.
4. The High Powered Advisory Committee (hereinafter referred to as the “HPAC”) in its meeting held on May 28, 2021 considered the proposed settlement terms by the applicant and recommended the case for settlement upon payment of following settlement amount:

Sl. No.	Settlement Application no. and Name of the applicant	Settlement Terms formulated as per SEBI (Settlement Proceedings) Regulations, 2018
1.	6371/2021 - Mr. Chirag Negandhi	₹ 21,93,750/- (Rupees Twenty One Lakh Ninety Three Thousand Seven Hundred and Fifty only)
2.	6372/2021 - Ms. Nidhi Negandhi	₹19,68,750/- (Rupees Nineteen Lakh Sixty Eight Thousand Seven Hundred and Fifty only) and disgorgement of ill-gotten gains of ₹7,08,297/- (Rupees Seven Lakh Eight Thousand Two Hundred and Ninety Seven only) along with interest thereupon amounting to ₹2,87,588/- (Rupees Two Lakh Eighty Seven Thousand Five Hundred and Eighty Eight only)

5. The applicants have remitted the amounts towards the settlement amount along with the amount of ill-gotten gains to be disgorged, as part of the settlement terms with following details and intimated SEBI vide email dated June 17, 2021. The receipt of the same was confirmed upon verification.

Sl. No.	Settlement Application no. and Name of the applicant	Settlement Terms formulated as per SEBI (Settlement Proceedings) Regulations, 2018	Payment Details (UTR/Reference No.)
1.	6371/2021 - Mr. Chirag Negandhi	₹21,93,750/- (Rupees Twenty One Lakh Ninety Three Thousand Seven Hundred and Fifty only)	AXIR211665122428 dated 15/06/2021
2.	6372/2021 - Ms. Nidhi Negandhi	₹19,68,750/- (Rupees Nineteen Lakh Sixty Eight Thousand Seven Hundred and Fifty only) and disgorgement of ill-gotten gains of ₹7,08,297/- (Rupees Seven Lakh Eight Thousand Two Hundred and Ninety Seven only) along with interest thereupon amounting to ₹2,87,588/- (Rupees Two Lakh Eighty Seven Thousand Five Hundred and Eighty Eight only)	NI66211534538178, NI67211535841293 and NI67211535830356 dated 15/06/2021

6. In view of the above, in exercise of the powers conferred under Section 15JB of the Securities and Exchange Board of India Act, 1992 and in terms of Regulations 23 read with Regulation 28 of the Settlement Regulations, it is hereby ordered that the

proceedings that may have been initiated for the alleged defaults as mentioned in paragraph 1 above are settled *qua* the applicants as per the following terms:

- i. SEBI shall not initiate enforcement action against the applicants for the said defaults;
 - ii. this order disposes of the proceedings that may be initiated by SEBI for the default as mentioned above in respect of the applicants; and
 - iii. passing of this Order is without prejudice to the right of SEBI under regulation 28 of the Settlement Regulations to take enforcement actions including continuing proceedings against the applicants, if SEBI finds that:
 - a. any representation made by the applicants in the present settlement proceedings is subsequently found to be untrue;
 - b. the applicants have breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and
 - c. there was a discrepancy while arriving at the settlement terms.
7. This settlement order is passed on this 6th day of July, 2021 and shall come into force with immediate effect.
8. 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