

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[SETTLEMENT ORDER NO. SO/SM/DD/2021-22/6390]

**UNDER SECTION 15JB OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992
READ WITH REGULATION 23(1) OF THE SEBI (SETTLEMENT OF ADMINISTRATIVE
AND CIVIL PROCEEDINGS) REGULATIONS, 2018.**

In respect of:

Application No. 6390/2021 submitted by

Shri Aayush Agarwal (PAN: AJNPA5555E)

In the matter of Ajanta Pharma Limited

-
1. Securities and Exchange Board of India ('SEBI'), conducted investigation in the affairs of the company during the period from January 01, 2013 to December 31, 2014. Pursuant to investigation, SEBI observed certain disclosures violations under SEBI(Prohibition of Insider Trading) Regulations, 1992(herein after referred to as "PIT Regulations") alleged to have been committed by Mr. Aayush Agarwal (herein after referred to as "**Noticee/ Applicant/ Aayush**")
 2. Pursuant to the examination above, SEBI vide its order dated December 14, 2020, appointed Shri Amit Pradhan, as the Adjudicating Officer(hereinafter referred to as '**AO**') under section 19 read with section 15-I of the SEBI Act, 1992 (hereinafter referred to as '**SEBI Act**') and rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as '**SEBI Adjudication Rules**'), to inquire into and adjudge under section 15A(b) of the SEBI Act, the aforesaid alleged violations committed by Noticee. Pursuant to transfer of Shri Amit Pradhan, the undersigned was appointed as the AO in the said matter by SEBI vide order dated June 18, 2021.
 3. In this regard, a Show Cause Notice dated January 07, 2021 (hereinafter referred to as '**SCN**') was issued to the Noticee. The observations and allegations levelled against the Noticee in the aforesaid SCN are given hereunder in brief:
 - a) On analysis of transaction statement of Mr. Aayush Agrawal (hereinafter referred to as 'the Noticee'), the promoter of the company and counter party of Ms. Vimal

Agrawal, it was observed that there were *inter se* transfer of shares between them on May 03, 2013 and May 06, 2013. However, disclosure under the provisions of Regulation 13(4A) read with 13(5) of the PIT Regulations was not made by the Noticee as the change exceeds Rs. 5 lakh in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower, from the last disclosure, required under Regulation 13 (4A) read with 13 (5) of the PIT Regulations.

- b) Similarly, the *inter se* transfer of the Noticee with Mr. Purushottam B Agrawal on May 03, 2013 and disclosure of the said transaction under the provisions of Regulation 13(4A) read with 13(5) of the PIT Regulations was not made by the Noticee as the change exceeds Rs. 5 lakh in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower, from the last disclosure, required under Regulation 13 (4A) read with 13 (5) of the PIT Regulations.
 - c) The details of disclosures made by Noticee were sought from the company. From the reply received from the company vide letter dated January 15, 2015, it was observed that no disclosures were filed by the Noticee with regard to the said transactions.
 - d) In view of the above, it has been alleged that the Noticee has violated the provisions of Regulation 13(4A) read with 13(5) of the PIT Regulations for not submitting the requisite disclosures to the stock exchanges and to the company.
4. Pending adjudication proceedings, the Noticee(applicant), vide its settlement application dated February 12, 2021, proposed to settle the instant proceedings initiated against it, without admitting or denying the findings of fact and conclusions of law, through a settlement order and filed settlement application (reference no. 6390/2021) with SEBI in terms of Regulations 3(1) and 3(2) of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2018 (hereinafter referred to as '**Settlement Regulations**'))
5. After attending meeting with the Internal Committee of SEBI on April 27, 2021 in terms of the Settlement Regulations, the Applicant vide email dated April 27, 2021, proposed the revised settlement terms. The High Powered Advisory Committee ('**HPAC**') in its meeting held on May 28, 2021, considered the settlement terms proposed and recommended that the case may be settled upon payment of Rs. 6,24,750/- (Rupees Six

lakh Twenty Four Thousand Seven Hundred and Fifty only) by applicant as settlement amount towards the settlement terms.

6. The Panel of Whole Time Members of SEBI approved the said recommendation of the HPAC on June 11, 2021 and the same was communicated by SEBI to applicant vide email dated June 14, 2021. Accordingly, as communicated by applicant to SEBI, the settlement amount was remitted to SEBI on June 17, 2021 and duly received by SEBI.
7. Therefore, in view of the acceptance of the settlement terms and the receipt of settlement amount as above by SEBI, the instant adjudication proceedings initiated against Shri. Aayush Agarwal vide SCN dated January 07, 2021 are disposed of in terms of Section 15JB of the SEBI Act, 1992 read with Regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.
8. This order shall come into force with immediate effect. Further, in terms of Regulation 28 of the Settlement Regulations, this order is without prejudice to the right of SEBI to take any enforcement action including restoring or initiating the proceedings in respect to which this settlement order is passed, if:
 - i. Any representation made by the Applicant in the settlement proceedings are subsequently discovered to be untrue; or
 - ii. The Applicant breaches any of the clauses/conditions of undertakings/waivers filed during the current settlement proceedings.
9. In terms of Regulation 25 of the Settlement Regulations, a copy of this order is sent to the Applicant and the order is also published on the website of SEBI.

Date: June 28, 2021

Place: Mumbai

SOMA MAJUMDER

Adjudicating Officer