

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER No. EAD-2/DSR/VS/895/2018

In respect of Application No. 3148 of 2016 submitted by
Riddhi Portfolio Private Limited. (PAN No.: AABCB0768L)

In the matter of
RAMKRISHNA FORGINGS LIMITED

1. Securities and Exchange Board of India (hereinafter referred as 'SEBI') vide order dated June 02, 2016 initiated adjudication proceedings to inquire into and adjudge under section 15H(ii) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as 'SEBI Act, 1992') the violation of Regulation 3(1) read with Regulation 3(3) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as the 'SAST Regulations') by Riddhi Portfolio Pvt. Ltd. (hereinafter referred to as 'RPPL/Applicant') a promoter / Acquirer of Ramkrishna Forgings Ltd (hereinafter referred to as 'RFL/Company').
2. In this regard, a Show Cause Notice No. EAD-2/DSR/BKM/18415/2016/1 dated June 29, 2016 (hereinafter referred to as 'SCN') was served on Applicant. In the SCN, it was alleged that, RFL had issued 12, 00,000 warrants to the Applicant on July 14, 2014 and the same were converted into 12, 00,000 shares on November 7, 2015 at the price of Rs.150 per share. The details of the changes in the shareholding of the Applicant and the Promoter Group in this regard as under

Entity	Shareholding prior to November 7, 2015	Shareholding post November 7, 2015
RPPL/Acquirer	60,77,208 (22.12%)	72,77,208 (25.38%)
Promoter Group	1,32,39,958 (48.20%)	1,44,39,958 (50.37%)

3. From above table, it is observed that, the shareholding of the Promoter Group increased from 48.20% to 50.37% which is well within the creeping limit of 5%,. However, the shareholding of the Applicant has individually crossed the threshold of 25%.i.e by 0.38%. However, Applicant failed to make public

announcement. It was thus, alleged that the Applicant has violated the provisions of Regulation 3(1) read with Regulation 3(3) of SAST Regulations, 2011

4. Pending adjudication proceedings, the Applicant submitted an Application for Settlement dated August 24, 2016 and an undertaking in the format prescribed by SEBI in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (hereinafter referred to as 'Settlement Regulations') without admission of facts and conclusions of law.
5. Pursuant to the said settlement application, the Authorized Representative of the Applicant attended a meeting with the Internal Committee (hereinafter referred to as 'IC') on May 24, 2017. The revised settlement terms as proposed by the Applicant were placed before the High Powered Advisory Committee (HPAC) in its meeting held on October 09, 2017. After considering the facts and circumstances of the case, the HPAC recommended that the case may be settled on payment of ` 99,39,056/- (Rupees Ninety Nine Lakh Thirty Nine Thousand and Fifty Six only) towards settlement charges which were approved by the panel of the Whole Time Members, SEBI on December 05, 2017.
6. Accordingly, the Applicant has remitted a sum of ` 99,39,056/- (Rupees Ninety Nine Lakh Thirty Nine Thousand and Fifty Six only) vide demand draft No. 562140 dated December 18, 2017, drawn on ICICI Bank, payable at Mumbai, towards the terms of settlement in the matter.
7. In view of the above, in terms of Regulation 15(1) of Settlement Regulations, it is hereby ordered that this settlement order disposes of the adjudication proceedings initiated against the Applicant vide the Show Cause Notice dated June 29, 2016.
8. This order is without prejudice to the right of SEBI to take enforcement actions including commencing/ reopening of the pending proceedings against the Applicant, if SEBI finds that:
 - 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. This settlement order is passed on the 3rd day of January, 2018 and shall come into force with immediate effect.
10. In terms of Regulation 17 of Settlement Regulations, a copy of this order is being sent to the Applicant and is published on the website of SEBI.

Date: January 03, 2018
Place: Mumbai

D.SURA REDDY
GENERAL MANAGER &
ADJUDICATING OFFICER