

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

CONSENT ORDER

On Application No. 2541 of 2012 submitted by

Mr. Akshay Poddar (PAN:AFUPP0096C), Mrs. Shraddha Agarwal (PAN:ACTPA8806F), Ayesha Poddar (PAN:BBQPP2525K), Anisha Agarwala (AMHPA8862B), Aasthi Agarwala (PAN:AMHPA8940L), Indrakshi Trading Co. Pvt. Ltd. (PAN:AAACI5318Q) and Greenland Trading Pvt. Ltd. (PAN:AABCG9846J) in the matter of **M/s Gobind Sugar Mills Ltd.**

1. Mr. Akshay Poddar, Mrs. Shraddha Agarwal, Ayesha Poddar, Anisha Agarwala, Aasthi Agarwala, Indrakshi Trading Co. Pvt. Ltd. and Greenland Trading Pvt. Ltd. {hereinafter collectively referred to as '**the applicants**'} acquired 1,60,000 shares of M/s Gobind Sugar Mills Ltd. (**GSML/ Target Company**) from Uttar Pradesh Trading Company Ltd (**UPTCL**) in the month of February, 2010. The said shares constituted 5% of the total capital of the Target Company.
2. In this regard, Securities and Exchange Board of India (**SEBI**) had initiated adjudication proceedings against the applicants for the alleged violation of Regulations 3(i) and 4 of SEBI (Prohibition of Insider Trading) Regulations, 1992 and Regulations 7(1) and 11(2) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ('**the Takeover Regulations**'). Upon conclusion of the proceedings, the Adjudicating Officer vide his order dated September 7, 2011, *inter alia* held that the violation of the aforesaid provisions do not stand established but made an observation that "...the acquisition of 1,60,000 shares of *GSML* by them is exempt under Regulation 3(1)(e)(iii)(b) of *SAST Regulations* as the transactions are inter-se transfer amongst the qualifying promoters and that they

have also submitted a report under Regulation 3(4) to SEBI on April 5, 2011."

3. In this context, the applicants admitted that there was delay of 410 days in filing the report under Regulation 3(4) of the Takeover Regulations with respect to their acquisition of 1,60,000 shares of GSML in the month February 2010 and hence filed a suo moto application, vide letter dated March 19, 2012 in terms of the SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007, proposing to settle, through a consent order, any proceedings that may be initiated for the aforesaid delayed compliance.
4. The representatives of the applicants had a meeting with the Internal Committee of SEBI on January 7, 2013. Pursuant thereof, the applicants vide their letter dated January 8, 2013 proposed revised consent terms to settle any anticipated proceedings for the aforesaid delay in compliance by offering to pay a sum of ₹2,00,000/- (Rupees Two Lakhs only) towards settlement charges .
5. The proposal of the applicants was placed before the High Powered Advisory Committee (HPAC). The Committee considered the consent terms proposed by the applicants vide letter dated January 8, 2013 and after taking into account the facts and circumstances of the case, recommended the case for settlement upon payment of ₹2,00,000/- (Rupees Two Lakh Only) towards settlement charges. The Panel of Whole Time Members of SEBI approved the said recommendations of the HPAC and the same was communicated to the applicants vide letter dated March 21, 2013.
6. Accordingly, the applicants vide Demand Draft no. '998367' dated March 22, 2013 drawn on Royal Bank of Scotland and payable at Mumbai, remitted a sum of ₹2,00,000/- (Rupees Two Lakhs Only) towards the settlement charges.
7. In view of the above, any enforcement proceedings that may be initiated

against the applicants for the aforesaid non compliance of the provisions of the Regulations, shall be settled and SEBI shall not initiate any enforcement action against the applicants for the said default.

8. This order is without prejudice to the right of SEBI to initiate enforcement actions against the applicants for the abovementioned non compliance, if:

a. any representation made by the applicants in this consent proceeding is subsequently discovered to be untrue or incomplete; or

b. the applicants breach any of the consent terms or undertakings filed in this consent proceeding.

9. This consent order is passed on this day, the 8th day of APRIL, 2013 and shall come into force with immediate effect.


RAJEEV KUMAR AGARWAL
WHOLE TIME MEMBER


PRASHANT SARAN
WHOLE TIME MEMBER