

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI
CONSENT ORDER

On the Application submitted by

Mr. J M PATEL PAN No ADNPP4773H

Mr. R J PATEL PAN No AADPP5075F

Mrs. N R PATEL PAN No AAHPP6550D

Mr. B H PATEL PAN No AABPP8592M

Mrs. B B PATEL PAN No AABPP8598B

In the matter of Rohit Pulp and Paper Mills Limited

CO/CFD/1780/AO/VSS/43/2008

1. On examination of the report filed under regulation 3(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as “**SAST**”) in respect of the acquisition of 17.25% shares of Rohit Pulp and Paper Mills Limited (hereinafter referred to as “**RPPML**”) on September 18, 2002 by way of inter-se transfer of shares amongst the promoters by J M Patel, R J Patel, N R Patel, B H Patel and B B Patel (hereinafter collectively referred to as “**Noticees**”), it was alleged that the Noticees had failed to notify the details of the acquisition to the stock exchanges at least 4 working days prior to the acquisition in terms on regulation 3(3) of SAST. Further, it was alleged that the Noticees had failed to submit the report to Securities and Exchange Board of India within the prescribed time under regulation 3(4) read with 3(5) of SAST. Therefore, adjudication proceedings were initiated against the Noticees to inquire and adjudge the alleged violation of the provisions of regulations 3(3), 3(4) and 3(5) of SAST under sections 15A (a) and (b) read with section 15I of Securities and Exchange Board of India Act, 1992. Consequently, Show Cause Notice/s dated April 28, 2008 were issued to the Noticees

under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995.

2. In the meantime, the Noticees made an application dated June 7, 2008 and an affidavit of “undertakings and waivers” in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20th April, 2007 for Consent Order in respect of the aforesaid SCN before SEBI and proposed consent terms, stating reasons of the delay and subject to clauses of the undertakings and waivers, and submitting that they were willing to pay a sum of Rs.20,000/- (Rupees Twenty Thousand only) towards consent terms. Thereafter, the Noticees vide letter dated August 4, 2008 proposed to offer a sum of Rs.1,00,000/- (Rupees One Lakh only) towards revised consent terms. The revised consent terms as proposed by the Noticees were placed before the High Powered Advisory Committee (hereinafter referred to as ‘**HPAC**’) on August 25, 2008. The HPAC considered the facts and circumstances of the case, revised consent terms offered by the Noticees and the material brought before them by SEBI and recommended that the case may be settled on payment of Rs.1,00,000/- (Rupees One Lakh only). The recommendations of HPAC were placed before the panel of two Whole Time Members of the SEBI Board who have agreed to the terms of consent as recommended by the HPAC.
3. SEBI vide letter dated September 22, 2008 communicated to the Noticees, the recommendations of HPAC that the case may be settled on payment of Rs.1,00,000/-. The Noticees, vide letter dated October 3, 2008, in pursuance of the aforesaid, remitted a sum of Rs.1,00,000/- (Rupees One Lakh only), vide Demand Draft No.335196 dated October 1, 2008 drawn on Vijaya Bank, Fort, Mumbai, towards the terms of consent in the matter.

4. In view of above, it is hereby ordered that,

- i) This consent order disposes of the said proceedings pending against the Noticees under Securities and Exchange Board of India Act, 1992 in the matter of RPPML, and
- ii) Passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the pending proceedings against the Noticees, if SEBI finds that
 - a. any representation made by the Noticees in the consent proceedings is subsequently discovered to be untrue.
 - b. the Noticees has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

5. This consent order is passed on October 29, 2008 and shall come into force with immediate effect.

V S Sundaresan
Adjudicating Officer