

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER
(Application No. 7118/2023)**

**On the application submitted by
Sahir Patel (PAN-AADPP0411F)
[Settlement Order No.: SO/AK/AS/2023-24/7118]**

Settlement Order in the matter of ABC Bearings Ltd

1. On July 05, 2017 at 02:09 AM, ABC Bearings Ltd (hereinafter referred to as “**ABC**”) made a corporate announcement on BSE relating to merger of ABC with Timken India Ltd (hereinafter referred to as “**TIL**”) through a scheme of Amalgamation and Arrangement. It was observed that the price of the scrip of ABC moved from a closing price of Rs.238.10 on July 04, 2017 to the closing price of Rs. 285.70 on July 05, 2017 on BSE, registering an increase of 19.99% in one trading day. Thereafter, SEBI conducted detailed investigation in the matter to ascertain whether trading was done in the scrip of ABC by certain suspected entities on the basis of unpublished price sensitive information (hereinafter referred to as “**UPSI**”) relating to merger of ABC with TIL. Investigation Period was from January 25, 2017 to July 05, 2017 (hereinafter referred to as the “**Investigation Period**”).
2. On the basis of the aforesaid investigation, it was alleged that, inter alia, Sahir Patel (hereinafter referred to as “**Applicant**”) violated the provisions of Regulation 3(1) of the SEBI (Prohibition of Insider Trading) Regulations,

2015 (hereinafter referred to as “**PIT Regulations, 2015**”) and Section 12A(e) of the SEBI Act, 1992.

3. Upon being satisfied that the Applicant had violated the abovementioned provisions, SEBI, in exercise of powers under Section 19 read with sub-section (1) of Section 15-I of the SEBI Act and Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as the “**Adjudication Rules**”), appointed Ms. Geetha G as the Adjudicating Officer, vide order dated December 30, 2021, to inquire into and adjudge under Section 15-I read with Section 15G of the SEBI Act, 1992 the alleged violations by the Applicant. Pursuant to the transfer of Ms. Geetha G, SEBI appointed the undersigned as Adjudicating Officer, vide order dated August 29, 2022, to inquire into and adjudge under Section 15-I read with Section 15G of the SEBI Act, the alleged violations by the Applicant.
4. Thereafter, a Show Cause Notice dated September 20, 2022 (hereinafter referred to as ‘**SCN**’) was served on the Applicant in terms of the provisions of Rule 4 of the Adjudication Rules read with Section 15-I of the SEBI Act requiring the Applicant to show cause as to why an inquiry should not be held against him in terms of Rule 4 of Adjudication Rules read with Section 15-I of SEBI Act, 1992 and penalty, if any, should not be imposed on Applicant under Rule 5 of the Adjudication Rules and under Section 15G of the SEBI Act, 1992 for the aforesaid alleged contraventions done by the Applicant.
5. The Applicant, vide email dated October 18, 2022, informed that he had filed a Settlement Application under the provisions of SEBI (Settlement

Proceedings) Regulations, 2018 (hereinafter referred to '**Settlement Regulations**'). The Internal Committee (hereinafter referred to as '**IC**') in its meeting held on March 08, 2023, deliberated and recommended the settlement amount of ₹44,20,000/- (Rupees Forty-Four Lakh Twenty Thousand Only) as the indicative amount. Thereafter, Applicant vide Revised Settlement Terms ('RST') dated March 20, 2023, proposed a settlement amount ₹44,20,000/- (Rupees Forty-Four Lakh Twenty Thousand Only) towards a full and final settlement of alleged default contained in the SCN.

6. Subsequently, the High Powered Advisory Committee on Settlement (hereinafter referred to as '**HPAC**') considered the proposed settlement terms on June 17, 2023, and recommended the settlement of instant proceedings upon payment of ₹44,20,000/- (Rupees Forty-Four Lakh Twenty Thousand Only) towards settlement charges. The Panel of Whole Time Members of SEBI approved and accepted the said recommendation of the HPAC on July 05, 2023, and the same was communicated to the Applicant on July 25, 2023. Pursuant to the same, Applicant vide its e-mail dated August 17, 2023, informed SEBI about the remittance of the settlement amount, the receipt of which has been confirmed.
7. Therefore, in view of the acceptance of the settlement terms by the Panel of Whole Time Members and receipt of the settlement amount by SEBI, the instant proceedings initiated against the Applicant vide Show Cause Notice dated September 20, 2022, are disposed of, as per approved settlement terms mentioned above in terms of Section 15JB of the SEBI Act, 1992 read with Section 19 of SEBI Act, 1992 read with Regulation 23(1) of the Settlement Regulations.

8. This order is without prejudice to the right of SEBI to take enforcement actions, in terms of Regulation 28 of the Settlement Regulations, including restoring or initiating the proceedings in respect to which the settlement order was passed against the Applicant, if:
- a. any representation made by the Applicant in the settlement proceedings is subsequently found to be untrue; or
 - b. 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, copies of this order are being sent to the Applicant and also published on the SEBI website.

Date: September 18, 2023

Place: Mumbai

AMIT KAPOOR

ADJUDICATING OFFICER