

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

in Settlement Application No.

3903 of 2019 filed by DCB Plus N Holdings [PAN: AAKFD5461C] and Mr. Prashant Jain

[partner in DCB Plus N Holdings]

in the matter of Sunrise Asian Limited

1. DCB Plus N Holdings (hereinafter referred to as “DCB”) had filed a settlement application in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the “Settlement Regulations”) proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a settlement order, the pending enforcement proceedings under Section 11 and 11B of the SEBI Act, 1992 initiated vide Show Cause Notice bearing No. EFD/DRA-4/SD/AS/16942/29/2017 dated July 17, 2017 and adjudication proceedings initiated vide Show Cause Notice bearing No. EAD/BJD/MAS/28497/87/2017 dated November 16, 2017 for the alleged violation of Regulations 3(a), (b), (c), (d) and 4(1), (2)(a) and (e) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as the “PFUTP Regulations”). An application in SEBI Special Case No. 15 of 2018 was also filed before the Hon’ble SEBI Special Court at Greater Mumbai for compounding the prosecution proceedings arising out of the same cause of action against DCB and its partner, Mr. Prashant Jain (hereinafter referred together as the ‘applicants’) for the aforesaid violation.
2. SEBI had conducted an investigation in the trading activities of certain entities in the scrip of Sunrise Asian Limited (hereinafter referred to as the “SAL”) for the period October 16, 2012 to September 30, 2015 (hereinafter referred to as the “investigation period”). It is alleged that during the investigation period, DCB had entered into synchronized trades with other entities, thereby creating artificial volume in the scrip of SAL leading to false and misleading appearance of trading

in the scrip of SAL. It was further observed that DCB was the net seller with a sell value of Rs. 25,99,75,757.60/- and is alleged to benefit substantially from the said transaction. DCB is thus alleged to have violated Regulations 3(a), (b), (c), (d) and 4(1), (2)(a) and (e) of the PFUTP Regulations.

3. Pursuant to the receipt of the settlement application, the authorized representatives of DCB deliberated upon the settlement terms with the Internal Committee of SEBI on July 22, 2020. Thereafter, the applicants vide e-mail dated July 23, 2020 and August 04, 2020, proposed the revised settlement terms to settle the proceedings that were initiated for the said default.
4. The High Powered Advisory Committee (hereinafter referred to as the “HPAC”) in its meeting held on September 22, 2020 considered the proposed settlement terms by the applicants and recommended the case for settlement upon payment of Rs. 2,23,12,500/- (Rupees Two Crore Twenty Three Lakh Twelve Thousand and Five Hundred only) as the settlement amount, inclusive of the compounding charges and Rs. 1,35,000/- (Rupees One Lakh Thirty Five Thousand only) as legal cost.
5. The Compounding Application filed by the applicants in the prosecution proceedings bearing SEBI Special Case No. 15 of 2018 were compounded by the SEBI Special Court vide its order dated January 12, 2021.
6. The applicants have remitted the amounts as proposed by them towards the settlement amount along with legal cost, as part of the settlement terms, for the settlement of the proceedings as detailed in para 1 above vide UTR No. HDFCR52020102053180739 dated October 20, 2020, and intimated the same to SEBI vide their e-mail dated October 20, 2020. Upon verification, the receipt of the same was confirmed.
7. In view of the above, in exercise of the powers conferred under Section 15JB of the Securities and Exchange Board of India Act, 1992 and in terms of Regulations 23 read with Regulation 28 of the

Settlement Regulations, it is hereby ordered that the pending enforcement proceedings for the alleged default as discussed in paragraph 1 above are settled *qua* the applicants as per the following terms;

- i. SEBI shall not initiate enforcement action against the applicants for the said defaults;
 - ii. this order disposes of the enforcement proceedings initiated by SEBI under Section 11 and 11B of the SEBI Act, 1992 vide Show Cause Notice bearing No. EFD/DRA-4/SD/AS/16942/29/2017 dated July 17, 2017 and adjudication proceedings initiated vide Show Cause Notice bearing No. EAD/BJD/MAS/28497/87/2017 dated November 16, 2017 in respect of DCB; and
 - iii. passing of this Order is without prejudice to the right of SEBI to take enforcement actions including commencing proceedings against the applicants, if SEBI finds that:
 - a. any representation made by the applicants in the present settlement proceedings is subsequently found to be untrue;
 - b. the applicants have breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and
 - c. any discrepancies in arriving at the settlement terms.
8. This settlement order is passed on this 21st day of January, 2021 and shall come into force with immediate effect.
9. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the applicants and also be published on the website of SEBI.

Sd/-
S.K. MOHANTY
WHOLE TIME MEMBER

Sd/-
ANANTA BARUA
WHOLE TIME MEMBER