

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On Application No. 3126 of 2016

Filed by 1) Mr. Balkrishna Garodia (PAN No. AHUPG8198E), 2) Ms. Archana Garodia (PAN No. AEBPG0636D), 3) Ms. Aparna Garodia (PAN No. AHUPG8408P), 4) Ms. Manjari Garodia (PAN No. AHVPG4115A), 5) Ms. Meenakshi Garodia (PAN No. AHUPG8407C), 6) Ms. Shruti Garodia (PAN No. AHUPG8409N), 7) Mr. Balkrishna Garodia HUF (PAN No. AAFHB1913C), 8) M/s Archana Fibres Pvt Ltd. (PAN No. Not Available), 9) M/s Vaishali Resources Ltd. (PAN No. AABCV2519H) (Applicants)

In the matter of M/s Himachal Fibres Limited

1. (i) Mr. Balkrishna Garodia, (ii) Ms. Archana Garodia, (iii) Ms. Aparna Garodia, (iv) Ms. Manjari Garodia, (v) Ms. Meenakshi Garodia, (vi) Ms. Shruti Garodia, (vii) Mr. Balkrishna Garodia HUF, (viii) M/s Archana Fibres Pvt Ltd., (ix) M/s Vaishali Resources Limited (hereinafter referred to as ‘applicants’) filed an application dated May 04, 2016 in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (“Settlement Regulations”), proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a settlement order, the pending adjudication proceedings.
 - a) The adjudication proceedings initiated vide Show Cause Notice(s) dated August 06, 2013 had alleged delay in making disclosures under regulation 8(1) read with 8(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 by applicant no. 1-7. The adjudication proceedings initiated vide Show Cause Notice dated August 05, 2013 had alleged delay in making disclosures under regulation 8(1) read with 8(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 by Applicant no.8. The adjudication proceedings initiated vide Show Cause Notice dated August 22, 2013 had alleged delay in making disclosures under regulation 8(1) read with 8(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and regulation 7(1A) of

SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 by Applicant no. 9.

- b) The applicant no. 8 has also *suo moto* sought settlement for the delay in making disclosure as required under regulation 7(1A) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997.

2. The authorised representatives of all the applicants had meeting with the Internal Committee of SEBI on January 19, 2018 wherein the settlement terms were deliberated. Thereafter, the applicants, vide letter dated February 02, 2018, proposed the revised settlement terms to settle the defaults mentioned above.
3. The High Powered Advisory Committee ('HPAC') in its meeting held on February 26, 2018 considered the settlement terms proposed and recommended the case for settlement upon payment of a total of ₹12,48,538 (Rupees Twelve Lakh Forty Eight Thousand Five Hundred Thirty Eight Only) by the applicants [₹3,29,588/- (Rupees Three Lakh Twenty Nine Thousand Five Hundred Eighty Eight only) by applicant no.1 to 7, ₹4,18,725 (Rupees Four Lakh Eighteen Thousand Seven Hundred Twenty Five Only) by applicant no.8, ₹5,00,225 (Rupees Five Lakh Two Hundred Twenty Five Only) by applicant No.9] towards settlement charges for the aforementioned defaults. The Panel of Whole Time Members of SEBI accepted the said recommendation of the HPAC and the same was communicated to the applicants vide e-mail dated March 14, 2018.
4. The applicants vide Demand Draft no. 007218 (for ₹3,29,588/-), Demand Draft No. 007217 (for ₹4,18,725/-) and Demand Draft no. 007219 (for ₹5,00,225/-) all dated March 15, 2018 drawn on IndusInd Bank have remitted a total of ₹12,48,538/- (Rupees Twelve Lakh Forty Eight Thousand Five Hundred Thirty Eight Only) towards the settlement charges.
5. Accordingly, the pending adjudication proceedings for the alleged defaults and the proceedings that could have been initiated for the defaults as discussed in paragraph 1 above, are settled qua the applicants as per the above terms, by way of this order and SEBI shall not initiate any enforcement action against the applicants for the said defaults.

6. In view of the aforesaid, in terms of regulations 15 and 19 of the Settlement Regulations, it is hereby ordered that:
- i. this order disposes of the said pending adjudication proceedings and the proceedings that may be initiated for the defaults in respect of the applicants as mentioned above and;
 - ii. 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 discovered to be untrue;
 - b. the applicants have breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.
7. This settlement order is passed on this 26th day of March, 2018 and shall come into force with immediate effect.
8. In terms of regulation 17 of the Settlement Regulations, a copy of this order shall be sent to the applicants and shall also be published on the website of SEBI.

-Sd-

G. MAHALINGAM
WHOLE TIME MEMBER

-Sd-

MADHABI PURI BUCH
WHOLE TIME MEMBER