

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER NO. MC/DPS/2018-19/57

SETTLEMENT ORDER

On the Application No. 3512 of 2018

Submitted by Shri Vikas Bhawanishankar Sharma

In the matter of M/s Supreme Infra India Limited.

1. Securities and Exchange Board of India (hereinafter be referred to as, the “**SEBI**”) initiated adjudication proceedings against Shri Vikas Bhawanishankar Sharma (hereinafter referred to as, “**the Applicant**” / “**Noticee**”) and appointed Mr. Suresh Gupta as Adjudicating Officer (**AO**) under Section 15I of the Securities and Exchange Board of India Act, 1992 (hereinafter be referred to as, the “**SEBI Act**”) read with Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as, “**Adjudication Rules**”), *vide* order dated March 7, 2017 to inquire into and adjudge under section 15A(b) of the SEBI Act against the Noticee for the alleged violation of provisions of regulation 31(1) read with 31(3) of SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as ‘**SAST Regulations**’) by the applicant while dealing in the scrip of M/s Supreme Infra India Limited (hereinafter referred to as ‘**SIIL**’).
2. Subsequent to superannuation of Mr. Suresh Gupta, the undersigned was appointed as the Adjudicating Officer on May 29, 2018.
3. A Show Cause Notice Reference No. EAD/SG/VS/1125/2018 dated January 10, 2018 (hereinafter be referred to as, the “**SCN**”) was issued to the Noticee, wherein it was alleged that, the Noticee being the promoter group of SIIL, pledged shares on October 13, 2014 with SREI Infrastructure Finance Limited

(SREI) and failed to submit required disclosures to SIIL and to the exchanges i.e. BSE and NSE under regulation 31(1) read with 31(3) of SAST Regulations. The details of pledge transactions are given below:-

Date	Client Name	Counterparty Client Name	Transaction Type	Debit / Credit	Quantity
13/10/2014	Noticee	SREI	Pledge	C	1800000
13/10/2014	Noticee		Freeze	D	1800000

4. Noticee made disclosure dated October 22, 2014 under regulation 31(1) read with 31(3) of SAST Regulations to SIL evidencing the aforesaid pledge of his shares with SREI.
5. In view of the above, it was alleged in the SCN that the Noticee failed to submit disclosures to BSE and NSE under regulation 31(1) read with 31(3) of SAST Regulations. Vide letter dated January 31, 2018, Noticee submitted in its reply that the omission to make disclosure in relation to the pledge created on 13/10/2014 was purely inadvertent, unintentional and purely due to oversight. The Noticee was granted an opportunity of personal hearing by the erstwhile AO, Shri Suresh Gupta, twice on March 15, 2018 and March 23, 2018, however the Noticee requested for adjournment of hearing. Vide letter dated March 21, 2018, Noticee submitted that it will apply for Settlement proceedings for the alleged violation and requested to keep the matter in abeyance.
6. The Noticee filed settlement application (Application No. 3512/2018) in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (hereinafter be referred to as, the "**Settlement Regulations**"), received by SEBI on May 02, 2018 along with application for condonation of delay and other documents. The terms of settlement proposed by the Applicant was to settle the aforementioned adjudication proceedings initiated against it on payment of ₹ 1,00,000/- (Rupees One Lakh only). It is noted that the Applicant vide undertaking dated April 27, 2018 submitted along with the settlement application has inter alia stated that "*I neither admit nor deny the findings of the fact and conclusions of law which may be part of settlement of the order*".

Further, I also note that the Applicant has made the necessary disclosures and it has been disseminated by BSE on its website on December 05, 2018.

7. I note that SEBI approved the “Summary Settlement Procedure” for the settlement applications for defaults involving disclosure in terms of Chapter VIA of Settlement Regulations. Accordingly, the Applicant was called for an Internal Committee (IC) meeting on December 21, 2018 and given an option of either preferring a summary settlement procedure by paying the summary settlement amount of ₹3,55,806/- (Rupees Three Lakh Fifty Five Thousand and Eight Hundred Six only), or come through the normal settlement procedure. The Applicant has opted for the summary settlement procedure route and agreed to pay the settlement amount within 10 working days from the date of the IC meeting. The applicant vide letter dated January 24, 2019, submitted demand draft for ₹3,55,806/- (Rupees Three Lakh Fifty Five Thousand and Eight Hundred Six only), in favour of “Securities and Exchange Board of India” vide Demand Draft bearing No. 053152 dated January 23, 2019 drawn on Axis Bank. The aforesaid summary settlement was approved by the panel of WTMs on February 01, 2019.
8. In view of the above, in terms of Regulation 15(1) of Settlement Regulations, 2014, read with Regulations 23(1) and 34 of the SEBI (Settlement Proceedings) Regulations, 2018 it is hereby ordered that this Settlement Order disposes of the aforesaid adjudication proceedings initiated against the Applicant, namely Shri Vikas Bhawanishankar Sharma vide Show Cause Notice EAD/SG/VS/1125/2018 dated January 10, 2018.
9. This order is without prejudice to the rights of SEBI to take enforcement actions including restoring or initiating the proceedings in respect to which this settlement order was passed against the Applicant, if :
 - i. any representations made by the Applicant in the present settlement proceedings are subsequently found to be untrue; or

- ii. the Applicant breaches any of the clauses / conditions of undertakings / waivers filed during the present settlement proceedings.

10. This settlement order passed on this 8th day of February 2019 shall come into force with immediate effect.

11. In terms of Regulation 17 of Settlement Regulations, 2014 read with Regulation 25 of SEBI (Settlement Proceedings) Regulations, 2018, a copy of this order is being sent to the Applicant / Noticee and for publication on the website of SEBI.

Date: February 08, 2019

Place: Mumbai

**MANINDER CHEEMA
ADJUDICATING OFFICER**