

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

**On the Application submitted by**

**M/s Pinetree Properties Limited**

**In the matter of M/s Dharani Sugars & Chemicals Limited.**

***CO/ISD/1979/AO/PB/75/2010***

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1. Upon examination into the affairs relating to buying and selling or dealing in the shares of Dharani Sugars & Chemicals Limited (hereinafter referred to as “**Dharani**”), Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) observed that the five entities namely RajKumar Seksaria, Madhuri Seksaria, Smriti Seksaria, M/s Universal Cine Trades Pvt. Ltd. and M/s Pinetree Properties Ltd. (hereinafter referred to as “**Seksaria Group**”) who are related to each other through a common address and are persons acting in concert (PACs) had acquired shares of Dharani in 2009.
2. SEBI alleged that Seksaria Group's shareholding as on September 06, 2009, was 4.98% of the issued capital. Upon acquisition of 18,374 shares on September 07, 2009 by the Seksaria Group, their shareholding increased from 12,64,967 shares representing 4.98% of issued capital to 12,83,341 shares representing 5.05% of issued capital which is more than the threshold limit specified in regulation 7(1) read with 7(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as “**SAST Regulations**”). However, no disclosure was made by M/s Pinetree Properties Limited (hereinafter referred to as “**Noticee**”), to the company and to the stock exchange within stipulated time as

mentioned in regulation 7(1) read with 7(2) of SAST Regulations. SEBI further alleged that as on November 20, 2009 the shareholding of the Seksaria Group had further increased to 16,16,000 shares representing 6.36% of issued capital. However, it is seen that at this stage also, no disclosure within stipulated time as mentioned in regulation 7(1) read with 7(2) of SAST Regulations was made by the Noticee. Thus, it was alleged that Noticee had violated provisions of regulation 7(1) read with 7(2) of SAST Regulations.

3. Therefore, adjudication proceedings were initiated against the Noticee to inquire and adjudge under section 15 I of the Securities and Exchange Board of India Act, 1992 for the alleged violation of the provisions of regulation 7(1) read with 7(2) of SAST Regulations. Consequently, a Show Cause Notice No. EAD-7/PB/AK/2160/2010 dated April 22, 2010 (hereinafter referred to as '**SCN**') was issued under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, by the undersigned.
4. While the adjudication proceedings were pending, the Noticee made an application dated May 05, 2010 and an affidavit of "undertakings and waivers" in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated April 20, 2007 for Consent Order in respect of the aforesaid SCN before SEBI.
5. Subsequently, the Noticee proposed consent terms, without admitting or denying the guilt and subject to clauses of the undertakings and waivers, submitting that they were willing to pay a sum of Rs.50,000/- (Rupees fifty thousand only) towards consent terms. The terms as proposed by the Noticee was placed before

the High Powered Advisory Committee (hereinafter referred to as '**HPAC**') on June 16, 2010. The HPAC considered the facts and circumstances of the case, consent terms offered by the Noticee and the material brought before it by SEBI and recommended that the case may be settled on payment of Rs.50,000/- (Rupees fifty thousand only) towards settlement charges. The recommendations of HPAC were placed before the panel of Whole Time Members of SEBI.

6. The acceptance of consent proposal was communicated to the Noticee by SEBI vide letter dated July 16, 2010. In pursuance of the aforesaid consent terms, the Noticee has remitted a sum of Rs.50,000/- (Rupees fifty thousand only), vide Demand Draft No. 282268 dated July 20, 2010 drawn on Bank of Baroda, Tardeo Road Branch, Mumbai- 400 034, towards the terms of consent in the matter.
7. In view of above, it is hereby ordered that,
  - i) This consent order disposes of the said proceedings pending against the Noticee under Securities and Exchange Board of India Act, 1992, 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 Noticee, if SEBI finds that
    - a. any representation made by the Noticee in the consent proceedings is subsequently discovered to be untrue.
    - b. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

8. This consent order is passed on August 17, 2010 and shall come into force with immediate effect.
9. In terms of rule 6 of SEBI (Procedure for Holding Inquiry and Imposing Penalty by Adjudicating Officer) Rules, 1995, copies of this order are sent to the Noticee and also to the SEBI.

**Parag Basu**  
**Adjudicating Officer**