

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On the Application No. **2837 of 2014**

filed on

Behalf of the Promoters of M/s. Rama Paper Mills Limited viz;

Mr. Pramod Agarwal, Pramod Agarwal - HUF, Mr. Arun Goel, Arun Goel - HUF, Ms. Sunita Agarwal, Ms. Rachna Goel, Mr. Apurve Goel, Ms. Deepti Goel, Ms. Vandini Goel, Mr. Harshal Goel, M/s Ram Fin Fortune Pvt. Ltd., M/s AAA Paper Marketing Ltd., Mr. Ankur Agarwal, Ms. Sudha Agarwal, Mr. Amol Kumar, Mr. Amar Mittal, Ms. Kusum Lata and Mr. Arvind Kumar Agarwal

Consent Order No: CFD/EAD-6/AO/AK/13-30/2016

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') had initiated adjudication proceedings against the promoters of M/s Rama Paper Mills Limited namely; Mr. Pramod Agarwal, Pramod Agarwal - HUF, Mr. Arun Goel, Arun Goel - HUF, Ms. Sunita Agarwal, Ms. Rachna Goel, Mr. Apurve Goel, Ms. Deepti Goel, Ms. Vandini Goel, Mr. Harshal Goel, M/s Ram Fin Fortune Pvt. Ltd., M/s AAA Paper Marketing Ltd., Mr. Ankur Agarwal, Mr. Ashok Mittal, Ms. Sudha Agarwal, Mr. Amol Kumar, Mr. Amar Mittal, Ms. Kusum Lata and Mr. Arvind Kumar Agarwal (hereinafter referred to as '**Noticees**') to inquire into and adjudge under Sections 15H(ii) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') for the alleged violation/contravention of the provisions of Regulation 11(1) read with Regulation 14 of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 (hereinafter referred to as '**Takeover Regulations**') and the undersigned was appointed as Adjudicating Officer (AO) vide order dated November 11, 2013 under section 15 I of the SEBI Act.

2. A Show Cause Notice dated January 15, 2014 was issued to the Noticees under rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 seeking their submission as to why an inquiry should not be held in respect of the violations alleged to have been committed by the Noticees. The SCN *inter alia* alleged that the shareholding of the Noticees in the company had increased by 16.21% pursuant to preferential allotment, which was in excess of the creeping acquisition of 5%, thereby attracting the obligation to make an open offer under Regulation 11(1) of the Takeover Regulations, however, no open offer was made by the Noticees.
3. While the adjudication proceedings pursuant to the said SCN were in progress, the following promoters of M/s Rama Paper Mills Limited namely; Mr. Pramod Agarwal, Pramod Agarwal - HUF, Mr. Arun Goel, Arun Goel - HUF, Ms. Sunita Agarwal, Ms. Rachna Goel, Mr. Apurve Goel, Ms. Deepti Goel, Ms. Vandini Goel, Mr. Harshal Goel, M/s Ram Fin Fortune Pvt. Ltd., M/s AAA Paper Marketing Ltd., Ms. Sudha Agarwal, Mr. Amol Kumar, Mr. Amar Mittal, Ms. Kusum Lata and Mr. Arvind Kumar Agarwal (hereinafter referred to as '**Applicants as per the first consent application**') vide letter dated April 21, 2014 filed an application with SEBI in terms of the SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007, read with circular dated May 25, 2012, subsequently replaced with the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014, proposing to settle through a consent order, the aforementioned adjudication proceedings for the non-compliance of the provisions of Regulation 11(1) read with Regulation 14 of the Takeover Regulations. At the time of registration of the consent application, the applicants as per the first consent application vide letter dated April 21, 2014 *inter alia* submitted that the Noticees namely, Mr. Ankur Agarwal and Mr. Ashok Mittal had passed away. Subsequently, it was informed to SEBI that the death of Mr. Ankur Agarwal was inadvertently mentioned. In view of the same, the matter was placed before the Panel of Whole Time Members and it was decided that the applicants may be asked to include the name of Mr. Ankur Agarwal as per SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014. Accordingly, a revised application was filed by Mr. Pramod Agarwal, Pramod Agarwal - HUF, Mr. Arun Goel, Arun Goel - HUF, Ms. Sunita Agarwal, Ms. Rachna Goel, Mr. Apurve Goel, Ms. Deepti Goel, Ms. Vandini Goel, Mr. Harshal Goel, M/s Ram Fin Fortune Pvt. Ltd., M/s AAA Paper Marketing Ltd., Mr. Ankur Agarwal, Ms. Sudha Agarwal, Mr. Amol Kumar, Mr. Amar Mittal, Ms. Kusum Lata

and Mr. Arvind Kumar Agarwal (hereinafter referred to as '**Applicants**'), which was discussed in the Internal Committee meeting where the terms of settlement were deliberated upon. The Internal Committee of SEBI then recommended for consideration of the application.

4. Thereafter, the applicants vide its letter dated January 30, 2016 proposed the revised consent terms to settle the aforesaid adjudication proceedings for failing to make an open offer under Regulation 11(1) read with Regulation 14 of the Takeover Regulations by offering to pay a sum of Rs. 21,25,000/- (Rupees Twenty One Lakh Twenty Five Thousand only) towards settlement charges.
5. The High Powered Advisory Committee (hereinafter referred to as '**HPAC**') considered the settlement terms proposed by the applicants and recommended the case for settlement upon payment of **Rs. 21,25,000/- (Rupees Twenty One Lakh Twenty Five Thousand only)** towards settlement charges. The Panel of Whole Time Members of SEBI accepted the said recommendations of the HPAC and the same was communicated to the applicants vide an e-mail dated May 20, 2016. Accordingly, the applicants vide demand draft No. '572064' dated June 02, 2016 drawn on 'RBL Bank' and payable at Mumbai, remitted a sum Rs. 21,25,000/- (Rupees Twenty One Lakh Twenty Five Thousand only) towards the settlement charges. It is observed that the applicants had submitted that one of the Noticees, namely, Mr. Ashok Mittal had passed away. Vide Adjudication Order dated December 19, 2014, the adjudication proceeding against Late Mr. Ashok Mittal was disposed of in the matter.
6. In view of the above, in terms of Regulation 15 (1) of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 it is hereby ordered that:
 - i. this Consent Order disposes of the said Adjudication Proceedings pending 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 / reopening of the pending proceedings against the Applicants, if SEBI finds that:

- a. any representations made by the Applicants in the consent proceedings are subsequently discovered to be untrue;
 - b. the Applicants have breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.
- 7. This consent order is passed on this **Thirtieth day of June, 2016** and shall come into force with immediate effect.
- 8. In terms of Regulation 17 of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014, copies of this order are sent to the Applicants and also to Securities and Exchange Board of India, Mumbai.

Place: Mumbai

Anita Kenkare
Adjudicating Officer