

SECURITIES AND EXCHANGE BOARD OF INDIA**SETTLEMENT ORDER****IN RESPECT OF**

SETTLEMENT APPLICATION NO.	APPLICANT	PAN NO.
7628/2024	Nivrutti Pandurang Kedar	AIUPK3004G

IN THE MATTER OF R M DRIP AND SPRINKLERS SYSTEMS LIMITED

1. Nivrutti Pandurang Kedar (hereinafter referred to as “Applicant”) filed a *suo motu* settlement application in terms of the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “Settlement Regulations”) proposing to settle by neither admitting nor denying the findings of fact and conclusions of law, the enforcement proceedings that may be initiated against him for the violation of Regulations 10(5), 10(6) and 10(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as “SAST Regulations”).
2. Brief facts of the case are as follows:
 - 2.1 The Applicant is one of the promoters of R M Drip and Sprinklers Systems Limited (hereinafter referred to as the “Target Company”) since 2014.
 - 2.2 As of November 27, 2022, the Applicant was individually holding 5,47,027 equity shares representing 8.18% share capital of the Target Company and along with Persons Acting in Concert (hereinafter referred to as the “PACs”) was holding 13,61,339 equity shares representing 20.35% of the total share capital of the Target Company.
 - 2.3 Pursuant to *inter se* transfer of shares amongst the promoters, the Applicant acquired additional 21,64,000 equity shares representing 32.36% of the total share capital of the Target Company which resulted in his individual shareholding increasing to 40.52% and with PACs to

51.83% in the Target Company. The details of the said acquisition of 21,64,000 equity shares by the Applicant are as follows:

Sr.No	Date(s) of transaction	Number of shares acquired by the Applicant	% shares acquired of the Target Company	% shareholding of the Applicant in the Target Company post acquisition
1	28/11/2022	58000	0.87%	9.04%
2	29/11/2022	190000	2.84%	11.88%
3	30/11/2022	200000	2.99%	14.87%
4	01/12/2022	250000	3.74%	18.61%
5	02/12/2022	100000	1.49%	20.10%
6	02/12/2022	100000	1.49%	21.60%
7	31/01/2023	466000	6.97%	28.57%
8	03/02/2023	800000	11.96%	40.52%
Total		21,64,000	32.36%	

2.4 The acquisitions dated January 31, 2023 and February 03, 2023 resulted in the Applicant acquiring more than 25% shareholding in the Target Company. Even though the said acquisitions were exempted under Regulation 10(1)(a)(ii) of the SAST Regulations, the Applicant was required to disclose them under the provisions of Regulations 10(5), (6) and (7) of SAST Regulations. However, the requisite disclosures were made with delay. The details of the said delayed disclosures is provided below:

Date of Transaction	Filings under SAST Regulations	Due date of disclosure(s)	Actual date of disclosure(s)
31/01/2023	Reg. 10(5)	25/01/2023	02/02/2023
	Reg. 10(6)	06/02/2023	26/03/2024
	Reg. 10(7)	01/03/2023	08/05/2024
03/02/2023	Reg. 10(5)	30/01/2023	06/02/2023
	Reg. 10(6)	09/02/2023	26/03/2024
	Reg. 10(7)	06/03/2023	08/05/2024

3. In view of the aforesaid facts, the Applicant filed the present application for the purpose of settling the proceedings that may be initiated against him for the aforesaid violations of delayed disclosures.

4. Pursuant to the receipt of the application, the authorized representatives of the Applicant had meeting(s) with the Internal Committee of SEBI on March 21, 2024 and June 13, 2024, wherein the issues detailed above were deliberated along with the terms of the settlement. Thereafter, vide email dated June 21, 2024, the Applicant proposed revised settlement terms to settle any enforcement proceedings that may be initiated against him for the violations as stated above at paragraph 1.
5. The High Powered Advisory Committee (hereinafter referred to as the "HPAC") in its meeting held on July 29, 2024 considered the revised settlement terms proposed by the Applicant and recommended the case for settlement upon payment of ₹22,16,800 (Rupees Twenty Two Lakhs Sixteen Thousand Eight Hundred only). The recommendation of the HPAC was accepted by the Panel of Whole Time Members of SEBI on September 20, 2024. Subsequently, a Notice of Demand for the said amount was issued to the Applicant on September 20, 2024. The Applicant informed about the remittance of the aforesaid settlement amount on October 24, 2024 and SEBI has confirmed credit of the same.
6. On the basis of the facts stated above, in exercise of the powers conferred under Section 15JB read with Section 19 of the SEBI Act, 1992 and in terms of Regulation 23 of the Settlement Regulations, it is hereby ordered that any proceedings that may be initiated for the violations as mentioned at paragraph 1 above, are settled in respect of the Applicant on the following terms:
 - i. SEBI shall not initiate any enforcement action against the Applicant for the said violations, and
 - ii. passing of this Order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations to initiate appropriate action against the Applicant, if SEBI finds that:
 - (a) any representation made by the Applicant in the present settlement proceedings is subsequently found to be untrue;

(b) the Applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and

(c) there was a discrepancy while arriving at the settlement terms.

7. This Settlement Order is passed on this 5th day of November, 2024 and shall come into force with immediate effect.

8. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the Applicant and shall also be published on the website of SEBI.

Sd/-

AMARJEET SINGH
WHOLE TIME MEMBER

Sd/-

KAMLESH C. VARSHNEY
WHOLE TIME MEMBER