

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER No.: SO/AS/VC/2024-25/7406**

In respect of:

Sr. No.	Settlement Application No.	Name of the Applicant	PAN
1	7406/2023	Hikal Limited	AAACH0383A

In the matter of Hikal Limited

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) initiated adjudication proceedings under Section 15A(b) the SEBI Act, 1992 and Section 23A(a) of the Securities Contracts (Regulation) Act, 1956 (hereinafter referred to as ‘**SCRA, 1956**’) against Hikal Limited (hereinafter referred to as “**Noticee / Applicant**”) for alleged violation of the provisions of the following SEBI Regulations and circulars:
 - (a) Regulation 4(1)(c), (e), (i) and (j) read with Regulation 30(3) and (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘hereinafter referred to as ‘**LODR Regulations**’);
 - (b) Regulation 4(1)(d) and (e) read with Regulation 30(12) of the LODR Regulations;
 - (c) Regulations 4(1)(d) and (e), 30(3), (4) and (7) read with Clause 8 of Para B of Part A of Schedule III of the LODR Regulations and SEBI Circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015; and
 - (d) Regulation 4(1)(d) and (e) read with Regulation 30(7) of the LODR Regulations.
2. *Vide* order dated June 30, 2023, Mr. Shashikumar Valsakumar was appointed as the Adjudicating Officer (hereinafter referred to as “**AO**”), under Section 15-I of the SEBI Act, 1992 read with Rule 3 of SEBI (Procedure for Holding Inquiry and

Imposing Penalties) Rules, 1995 (hereinafter referred to as '**SEBI Adjudication Rules**') read with Section 19 of the SEBI Act, 1992, and, under Section 23-I of the SCRA, 1956 read with Rule 3 of the Securities Contract (Regulation) (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 (hereinafter referred to as '**SCR Adjudication Rules**'), to inquire into and adjudge under the provisions of the Section 15A (b) the SEBI Act, 1992 and Section 23A (a) of the SCRA, 1956, for the violations alleged to have been committed by the Noticee. Thereafter, pursuant to transfer of erstwhile AO, undersigned was appointed as AO in the matter *vide* order dated July 22, 2024.

3. A Show Cause Notice bearing reference no. SEBI/HO/EAD-8/SKV/VC/33899/2023 dated August 22, 2023 (hereafter referred to as "**SCN**") was issued to the Noticee in terms of the provisions of Rule 4(1) of the SEBI Adjudication Rules read with Section 15-I of the SEBI Act, 1992 and SCR Adjudication Rules read with Section 23-I of the SCRA, 1956, calling upon the Noticee to show cause why an inquiry should not be held and penalty not be imposed, under Section 15A(b) the SEBI Act, 1992 and Section 23A(a) of the SCRA, 1956 for violating the abovementioned provisions of SEBI Regulations and circulars. The said SCN was issued to the Noticee on account of allegations of its failure to disclose information, failure to give adequate and timely disclosures and giving false and misleading disclosure to the stock exchanges with respect to seven events related to an incident which occurred due to illegal discharge of a hazardous chemical, Sodium Hydrosulphide (NaHS), from a tanker.
4. Pending Adjudication Proceedings, the Noticee proposed to settle the instant proceedings initiated against it, without admitting or denying the findings of facts and conclusions of law, through a settlement order and filed settlement application no. 7406/2023 dated October 30, 2023 with SEBI in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as "**Settlement Regulations**").

5. Pursuant to the meetings with the Internal Committee of SEBI on January 19, 2024, July 11, 2024, August 06, 2024 in terms of the Settlement Regulations, Noticee *vide* letter dated August 12, 2024, proposed Revised Settlement Terms. The High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) in its meeting held on August 28, 2024 considered the settlement terms proposed and recommended the case for settlement as follows:
- (a) The applicant will pay ₹43,97,250/- (Rupees Forty Three Lakh Ninety Seven Thousand Two Hundred Fifty Only) as settlement amount towards the settlement terms, and
- (b) The applicant may be advised to take appropriate action against the officer-in-default for the irregularities, under intimation to SEBI.
6. In terms of Regulation 14(3) of the Settlement Regulations, the recommendations of the HPAC were placed before the Panel of Whole Time Members of SEBI. The recommendations of the HPAC were accepted by the Panel of Whole Time Members of SEBI on October 08, 2024. In view thereof, *vide* e-mail dated October 10, 2024, the applicant was advised to identify the individuals responsible for the irregularities and take appropriate action against them. Accordingly, applicant, *vide* e-mail dated October 23, 2024, submitted the certified copy of the details of action taken against the concerned individual.
7. Thereafter, the Panel of Whole Time Members of SEBI approved the recommendation of the HPAC on November 05, 2024. Subsequently, the applicant, *vide* e-mail dated November 21, 2024, informed about the remittance of the said settlement amount. The credit of said amount has been confirmed by the concerned department of SEBI.
8. Therefore, in view of the acceptance of the settlement terms and the receipt of settlement amount as above by SEBI, the instant adjudication proceedings initiated against the Noticee *vide* SCN bearing reference no. SEBI/HO/EAD-8/SKV/VC/33899/2023 dated August 22, 2023 is disposed of in terms of Section

15JB of the SEBI Act, 1992 read with Regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.

9. This order is without prejudice to the right of SEBI to take enforcement actions, in terms of Regulation 28 of the Settlement Regulations, including restoring or initiating the proceedings in respect to which the settlement order was passed against the applicant, if:
- i. any representations made by the Applicant in the settlement proceedings are subsequently found to be untrue; or
 - ii. the Applicant breaches any of the clauses / conditions of undertakings waivers filed during the current settlement proceedings.
10. This settlement order is passed on this day of **November 28, 2024** and shall come into force with immediate effect.
11. In terms of Regulation 25 of the Settlement Regulations, copies of this order are being sent to the Applicant viz. Hikal Limited and also to SEBI.

Date: November 28, 2024
Place: Mumbai

ASHA SHETTY
ADJUDICATING OFFICER