

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On the Application No. 3125 of 2016

Submitted by **Swallow Associates LLP [PAN: ACGFS5041R]**

In the matter of KEC International Limited

1. Swallow Associates LLP (hereinafter referred to as ‘applicant’) having its registered office at 463, Dr. Annie Besant Road, Worli, Mumbai-400 030 vide its letter dated July 29, 2016, filed an application in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (‘Settlement Regulations’) proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a settlement order, the proposed adjudication proceedings intimated vide Notice of Approved Enforcement Action dated July 01, 2016 for their failure to make disclosure under regulation 13(4A) read with 13(5) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (‘PIT Regulations’) for the transaction dated January 09, 2014.
2. The authorised representatives of the applicant had a meeting with the Internal Committee of SEBI on November 24, 2016, wherein the settlement terms were deliberated. Thereafter, the applicant vide letter dated November 25, 2016, proposed the revised settlement terms to settle the defaults mentioned in para 1 above.
3. The High Powered Advisory Committee (‘HPAC’), considered the settlement terms proposed by the applicant in its meeting dated December 14, 2016 and recommended the case for settlement upon payment of ₹2,00,000/- (Rupees Two Lakh only) by the applicant towards settlement terms for the aforementioned defaults. The Panel of Whole Time Members of SEBI had accepted the said recommendations of the HPAC and the same was communicated to the applicant vide e-mail dated January 20, 2017.
4. The applicant vide Demand Draft no. 025794 dated January 24, 2017, drawn on ICICI Bank, payable at Mumbai has remitted a sum of ₹2,00,000/- (Rupees Two Lakh only) towards the settlement charges.

5. Accordingly, the adjudication proceedings proposed to be initiated against the applicant for the alleged violation as discussed in paragraph 1 above, are settled *qua* the applicant as per the above terms, by way of this order and SEBI shall not initiate any enforcement action against the applicant for the said defaults.
6. In view of the above, in terms of Regulation 15 and 19 of the Settlement Regulations, it is hereby ordered that:
- i. this order disposes of the said proposed adjudication proceedings in respect of the applicant as mentioned above and;
 - ii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing proceedings against the applicant, if SEBI finds that:
 - a. any representations made by the applicant in the present settlement proceedings are subsequently discovered to be untrue;
 - b. the applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.
7. This settlement order passed on this 14th day of February, 2017 shall come into force with immediate effect.
8. In terms of Regulation 17 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-

G. MAHALINGAM
WHOLE TIME MEMBER

-Sd-

S. RAMAN
WHOLE TIME MEMBER