

BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CO/IVD/2329/2011/AK/AO/PG/EAD-5/58/2012

CONSENT ORDER

In respect of

M/s Netvision Web Technologies Limited (PAN: AABCN6164G)

In the matter of M/s Netvision Web Technologies Limited

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') conducted an investigation into the affairs relating to dealing in the shares of M/s Netvision Web Technologies Limited (hereinafter referred to as '**NWTL**'/'**Company**'). During the investigation, following was observed:
 - NWTL was incorporated on 26th October 1999 and was in the business of providing computer education and developing software. With effect from 1st April 2000 it merged with an already listed company M/s Indotech Capital Market Ltd. which was in the business of investment in shares and consultancy, etc. related to financial investment. After merger the business related to financial investment was discontinued. The name of the listed company was then changed to NWTL, doing the business of providing computer education and developing software. Total paid up capital of NWTL was 2,53,99,600 shares as on quarter ending December 2008.

- Shareholding pattern of NWTL for the quarters ended December 2004, March 2005 and June 2005 is as follows:

Category	December 31 2004		March 31 2005		June 30 2005		% of holdings changed from Dec 2004 to June 2005
	No. of Shares	(%)	No. of Shares	(%)	No. of Shares	(%)	
Promoters:							
- Bharat Jivanlal Patel	6245500	24.59	6245500	24.59	3705500	14.59	10.00
- Ritaben Bharatbhai Patel	3500000	13.78	3500000	13.78	3000001	11.81	1.97
- Jivanlal Prabhudas Patel	2000000	7.87	2000000	7.87	1500279	5.91	1.96
- Shantaben Jivanlal Patel	2000000	7.87	2000000	7.87	1500000	5.91	1.96
- Bharat J. Patel - HUF	1500000	5.91	1500000	5.91	1500000	5.91	-
- Jay Pankajbhai Shah	509100	2.00	-	-	-	-	2.00
- Hemantbhai J. Patel	2000000	7.87	2000000	7.87	1500000	5.91	1.96
- Kalpesh R. Sheth	-	-	-	-	1900000	7.48	7.48
- Others	273836	1.09	422936	1.67	195000	0.75	-
Sub Total	18028436	70.98	17668436	69.56	14800780	58.27	11.29
Banks, Financial Institution	-	-	360000	1.42	360000	1.42	-
Private Corporate Bodies	224659	0.88	1094292	4.31	2467054	9.71	-
Public	6965653	27.42	5937935	23.38	7619320	30.00	-
NRIs /OCBs	78500	0.31	78510	0.31	62835	0.25	-
Clearing Members	102352	0.41	260427	1.02	89611	0.35	-
TOTAL paid up equity capital	25399600	100.00	25399600	100.00	25399600	100.00	-

(Source : BSE Website)

- From the above table it was observed that there was a change in the shareholding pattern of the promoters between quarter ended December 2004 to June 2005. Promoters had reduced their holdings by 11.29% in the said quarter. Shri Bharat Jivanlal Patel, CMD & promoter of the Company had reduced his holdings by 10% whereas, Shri Kalpesh R Sheth, who was introduced as a promoter, acquired 7.48% shareholding in the company at the end of quarter June 2005.

- Bharat Jivanlal Patel vide letter dated March 1, 2008 to SEBI, had submitted that he had disclosed his shareholding to the Company as per regulation 13(4) of SEBI (Prohibition of Insider Trading), Regulations, 1992 (hereinafter referred to as “**PIT Regulations**”).
 - Further, Ahmedabad Stock Exchange vide its letter dated February 3, 2009 to SEBI confirmed that it had received a disclosure under regulation 13(6) of PIT Regulations from NWTL.
 - Further, NWTL informed to SEBI that it had made required disclosures to Bombay Stock Exchange (BSE) vide its letter dated March 01, 2008 to BSE. However, BSE vide its letter June 26, 2008 informed SEBI that it had not received any disclosures under regulation 13(6) of PIT Regulations from NWTL.
2. Thus, adjudication proceedings were initiated against NWTL to inquire into and adjudge under section 15A(b) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”) for the alleged violation of the provisions of regulation 13(6) of PIT Regulations. Consequently, a Show Cause Notice No. EAD-5/PG/TT/8398/2011 dated March 14, 2011 (hereinafter referred to as ‘**SCN**’) was issued under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 to NWTL.
 3. While the adjudication proceedings were in progress, an application for consent dated June 8, 2011 received on June 14, 2011 in respect of the aforesaid proceedings before SEBI was submitted by NWTL along with the Undertaking / Waivers in terms of SEBI Circular No. EFD/ Cir.-1/2007 dated 20th April, 2007. NWTL vide letter dated October 15, 2011 proposed ₹2,00,000/-(Rupees two lakh only) as revised consent terms.

4. The revised terms as proposed by NWTL were placed before the High Powered Advisory Committee (hereinafter referred to as 'HPAC') on May 30, 2012. The HPAC, after considering the facts and circumstances of the matters under consent, consent terms offered by NWTL & the materials brought before it by SEBI, recommended that the case may be settled on payment of ₹2,00,000/- (Rupees two lakh only) towards settlement charges as proposed by the applicant. The recommendations of HPAC were subsequently approved by the panel of Whole Time Members of SEBI.
5. Thereafter, SEBI vide its letter dated September 3, 2012 communicated to NWTL about acceptance of its revised consent terms and advised it to pay the amount accordingly. NWTL has remitted a sum of ₹2,00,000/- (Rupees two lakh only), vide Demand Draft no. 037874 dated September 28, 2012 drawn on Bank of Baroda, towards the terms of consent in the matter.
6. In view of above, it is hereby ordered that,
 - i) This consent order disposes of the said proceedings pending against NWTL under SEBI Act 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 NWTL, if SEBI finds that
 - a. any representation made by NWTL in the consent proceedings is subsequently discovered to be untrue.
 - b. NWTL has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

7. This consent order is passed on October 12, 2012 and shall come into force with immediate effect.
8. In terms of rule 6 of the Adjudication Rules, copies of this order are being sent to NWTL and to SEBI.

Date: October 12, 2012
Place: Mumbai

Piyoosh Gupta
Adjudicating Officer