

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

SO/EAD/BJD/VS/4/2018-19

SETTLEMENT ORDER

On the Application No. 3622 of 2018

Submitted by

M/s Patel Airtemp (India) Ltd.

(PAN: AABCP1375K)

1. A complaint was received by SEBI from one of the Non-executive Directors of M/s Patel Airtemp (India) Ltd. (hereinafter referred to as "Noticee") levelling certain allegations. On examination of the scrip of the Noticee, (which is listed on BSE) for the Period of Examination from September 01, 2015 to December 31, 2015, as regards to the trade by one entity named Shiv Fintrade Pvt Limited (part of the promoters/promoter group), the following was observed:

Date of transaction	Gr Buy Vol	Gr Buy Value	Cumulative Value	Transaction Type (Buy/Sale/ Pledge/ Revoke/Invoke)	Date of Intimation to Company	Reported to Exchange	Disclosure under regulation 7 (2) (b) of SEBI (PIT) Regulation,2015
23/09/2015	5228	7,54,876.00	14,77,463.60	Acquisition	24-Sep-15	12-Oct-15	Disclosure required. Promoter disclosed to the company on time. However, there was a delay of 13 days in filling the disclosure by the company.
24/09/2015	4000	5,68,000.00	20,45,463.60	Acquisition	25-Sep-15	12-Oct-15	Disclosure required. Promoter disclosed to the company on time. However, there was a delay of 11 days in filing the disclosures by the company
28/09/2015	25512	35,52,176.10	55,97,639.70	Acquisition	29-Sep-15	12-Oct-15	Disclosure required. Promoter disclosed to

							the company on time. However, there was a delay of 11 days in filing the disclosures by the company.
29/09/2015	5354	7,77,755.90	63,75,395.60	Acquisition	30-Sept-15	12-Oct-15	Disclosure required. Promoter disclosed to the company on time. However, there was a delay of 7 days in filing the disclosures by the company
30/09/2015	88	12,760.00	63,88,155.60	Acquisition	01-Oct-15	12-Oct-15	Disclosure required. Promoter disclosed to the company on time. However, there was a delay of 6 days in filing the disclosures by the company.

2. From the above table, it was alleged that on five occasions, the Noticee had made delayed disclosure to BSE under Regulation 7(2)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "PIT Regulations, 2015").
3. Further, it was also alleged that the Noticee, upon receiving the disclosure for the transactions given in the table above under Regulation 7(2)(a) of PIT Regulations, 2015 from Shiv Fintrade Pvt Limited (the promoter/promoter group), has submitted the required disclosures to BSE with a delay under Regulation 7(2)(b) of PIT Regulations, 2015 as mentioned above.
4. The undersigned was appointed as the Adjudicating Officer *vide* order dated May 22, 2017 under section 15-I(1) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "SEBI Act") and rule 3 of SEBI (Procedure for holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as "AO Rules, 1995") to inquire into and adjudge under section 15A(b) of the SEBI Act, the alleged violation of provisions of Regulations 7(2)(b) of PIT Regulations, 2015 by the Noticee.

5. Accordingly, a Show Cause Notice no. EAD/BJD/VS/23355/2018 dated August 21, 2018 (hereinafter referred to as 'SCN') in terms of the provisions of Rule 4(1) of the AO Rules, 1995 was issued to the Noticee, seeking its reply as to why an inquiry should not be held in respect of its alleged violation of Regulation 7(2) (b) of PIT Regulations, 2015 in view of the allegations as mentioned at paras 1 to 3 above.
6. While the Adjudication Proceedings were in progress, an application dated September 19, 2018 was submitted by the Noticee before SEBI in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (hereinafter referred to as "Settlement Regulations, 2014") proposing to settle the proceedings on payment of a sum of ₹ 2,00,000/- (Rupees Two Lakhs Only). It is noted that the Noticee vide its undertaking dated September 19, 2018 submitted along its settlement application has inter alia stated that *"We 'neither admit nor deny the findings of fact and conclusions of law' which may be part of settlement of the order"*. Further, from the information sheet available on record, I also note that the alleged default relates to making of disclosures and the disclosures have been made as on October 09, 2018.
7. As approved by the panel of Hon'ble WTMs on September 14, 2018, the settlement application was considered for summary settlement as the alleged defaults involved disclosures. Accordingly, the same was communicated to the Noticee stating that the if it wished to avail the benefit of summary settlement, the proceedings may be settled and disposed of upon remittance of settlement amount of ₹ 3,68,156/- /- (Rupees Three Lakh Sixty Eight Thousand One Hundred and Fifty Six only) the amount which was arrived at in terms of Settlement Regulations, 2014.
8. Accordingly, in response vide its letter dated December 14, 2018 remitted a sum of ₹ 3,68,156/- (Rupees Three Lakh Sixty Eight Thousand One Hundred and Fifty Six only) in favour of "Securities and Exchange Board of India" vide a Demand Draft bearing no. 046707 dated December 14, 2018 drawn on the Bank of Baroda payable

at Mumbai. The aforesaid summary settlement was approved by the panel of WTMs on January 10, 2019.

9. In view of the above, in terms of Regulation 15(1) of Settlement Regulations, it is hereby ordered that this settlement order disposes of the adjudication proceedings initiated against the Noticee vide the aforesaid show cause notice dated August 21, 2018.
10. This Order is without prejudice to the right of SEBI to take enforcement actions including commencing/ reopening of these proceedings against the Noticee, if SEBI finds that:
 - i. any representation made by the Noticee in the settlement proceedings is subsequently discovered to be untrue.
 - ii. the Noticee has breached any of the clauses/conditions of undertakings/waivers filed during the current settlement proceedings.
11. This Settlement Order passed on this the 11th day of January, 2019 shall come into force with immediate effect.
12. In terms of Regulation 17 of Settlement Regulations, a copy each of this order is being sent to the Noticee and for publishing on the website of Securities and Exchange Board of India.

January 11, 2019
Mumbai

B J Dilip
Adjudicating Officer