

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SO/SG-AK/EAD/19/2016

SETTLEMENT ORDER

On the Application No. 2981 of 2015

Submitted by

Mrs. Kasturi K Mahadevia

(PAN: AAOPM2666E)

In the matter of:

M/s Tak Machinery and Leasing Limited

1. An open offer was made by E-Ally Consulting (India) Private Limited and Shree Jaisal Electronics & Industries Limited along with the Persons Acting in Concert in terms of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (**SAST Regulations, 1997**), to the shareholders of M/s Tak Machinery & Leasing Limited (hereinafter referred to as "**TMLL**") a company listed on BSE Limited and Ahmedabad Stock Exchange Limited.
2. Upon perusal of open offer and documents available on record, it was observed that Mrs. Kasturi K Mahadevia (hereinafter referred to as "**Kasturi**"/"**Noticee**") was the member of erstwhile promoter group of TMLL and the total shareholding of the erstwhile promoter group of TMLL as on September 10, 2010 and February 08, 2011 was 51.99% and 52.02% respectively.
3. Shri Piyoosh Gupta was appointed as the Adjudicating Officer vide order dated June 27, 2013 under section 15-I of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act**") to inquire and adjudge under Section 15A(b) of the SEBI Act, the alleged violations of provisions of regulation 7(1A) read

with regulation 7(2) of SAST Regulations, 1997 committed by the Noticee. Consequent, upon transfer of Shri Piyoosh Gupta, Shri Jayanta Jash was appointed as Adjudicating Officer vide order dated November 08, 2013 to inquire and adjudge the matter. Accordingly, a Show Cause Notice no. EAD/JJ/AK/4019/2014 dated February 05, 2014 **(SCN)** in terms of the provisions of Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 was issued to the Noticee, seeking reply of the Noticee as to why an inquiry should not be held in respect of the violations alleged to have been committed by the Noticee.

4. It was alleged in the SCN that on September 10, 2010, Kasturi had acquired 17,890 shares of TMLL, constituting 2.54 % of then total share capital of TMLL. As the said transaction resulted into the acquisition of more than 2% of shares of TMLL by Kasturi, she was required to make the disclosures as stipulated under regulation 7(1A) read with regulation 7(2) of SAST Regulations, 1997 to the company and to the stock exchanges, within two days from the date of acquisition of shares, which she had failed to do.
5. Further, it was also alleged in the SCN that on February 08, 2011, Kasturi had acquired 17,890 shares of TMLL, constituting 2.54 % of then total share capital of TMLL. As the said transaction resulted into the acquisition of more than 2% of shares of TMLL by Kasturi, she was required to make the disclosures as stipulated under regulation 7(1A) read with regulation 7(2) of SAST Regulations, 1997 to the company and to the stock exchanges, within two days from the date of acquisition of shares, which she had failed to do.
6. Pursuant to the transfer of Shri Jayanta Jash, the undersigned has been appointed as Adjudicating Officer vide order dated June 22, 2015 to inquire and adjudge the matter.

7. While the Adjudication Proceedings were in progress, an application 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”**) proposing to settle the aforementioned adjudication proceedings on payment of ₹ 1,00,000 (Rupees One Lakh only) towards settlement terms.
8. Pursuant to the meeting of the Internal Committee of SEBI held on November 19, 2015, AZB & Partners, Advocates & Solicitors, the authorized representatives of the Noticee vide letter dated November 20, 2015 confirmed the revised settlement terms to settle the aforesaid adjudication proceedings by offering to pay a sum of ₹ 4,95,975/- (Rupees Four Lakhs Ninety Five Thousand Nine Hundred and Seventy Five only).
9. The revised settlement terms as proposed by the Noticee were placed before the High Powered Advisory Committee (**HPAC**) on March 09, 2016 and HPAC after deliberation recommended the case for settlement on payment of ₹ 4,95,975/- (Rupees Four Lakhs Ninety Five Thousand Nine Hundred and Seventy Five only) towards settlement terms. The Panel of Whole Time Members of SEBI accepted the said recommendations of the HPAC. Thereafter, the same was communicated to Kasturi vide email dated May 20, 2016.
10. Accordingly, the Noticee has remitted a sum of ₹ 4,95,975/- (Rupees Four Lakhs Ninety Five Thousand Nine Hundred and Seventy Five only) in favour of “Securities and Exchange Board of India” vide 4 demand drafts of ₹ 1,23,993.75/- (Rupees One Lakh Twenty Three Thousand Nine Hundred and Ninety Three and Seventy Five Paise only) each, having nos. 533094 dated May 27, 2016 drawn on Standard Chartered Bank, 201024 dated May 27, 2016 drawn on UCO Bank, 024554 dated May 30, 2016 drawn on HDFC Bank Ltd. and 024557 dated May 30, 2016 drawn on HDFC Bank Ltd.

11. In view of the above, in terms of regulation 15 (1) and regulation 19 of Settlement Regulations it is hereby ordered that:

- A) this Settlement Order disposes of the aforesaid Adjudication Proceedings pending in respect of the Noticee and;
- B) passing of 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:
 - a. any representations made by the Noticee in the settlement proceedings are subsequently discovered to be untrue.
 - b. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current settlement proceedings.

12. This Settlement Order passed on this the 30th day of June, 2016 shall come into force with immediate effect.

13. 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.

Place: Mumbai

**Suresh Gupta
Adjudicating Officer**