

**SECURITIES AND EXCHANGE BOARD OF INDIA
MUMBAI**

SETTLEMENT ORDER

On the application No. 2804 of 2014

filed by

Hindustan Unilever Limited (PAN- AAACH1004N)

Settlement Order No. EAD-5/ASK/03/2014-15

1. An open offer was made by Unilever PLC along with Unilever N.V to the shareholders of Hindustan Unilever Limited **(HUL/Applicant)** through a public announcement dated April 30, 2013 for acquisition of 487,004,772 equity shares of the face value of Rs. 1 each representing 22.5% of the equity share capital at a price of Rs. 600 per fully paid up equity share.
2. Securities and Exchange Board of India **(SEBI)** examined the letter of offer pertaining to the aforesaid open offer and it was observed that the applicant had not complied with the provisions of regulation 8(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 **(SAST Regulations, 1997)** within the due date for the years 2008 & 2010.
3. In view of the above, SEBI initiated adjudication proceedings in the respect of the applicant to inquire into and adjudge under section 15A (b) of the SEBI Act the alleged violation of the provisions of regulation 8(3) of SAST Regulations, 1997 for the years 2008 & 2010. Shri Piyoosh Gupta was appointed as Adjudicating Officer vide order dated

July 08, 2013 to inquire into and adjudge the alleged violation committed by the applicant. Consequent to the transfer of Shri Piyoosh Gupta, erstwhile Adjudicating Officer, the undersigned was appointed as the Adjudicating Officer in the matter vide order dated November 08, 2013. Accordingly, a Show Cause Notice dated November 29, 2013 (**SCN**) was issued to the applicant under rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 to show cause as to why an inquiry should not be initiated and penalty be not imposed under section 15A (b) of the SEBI Act, 1992 for the alleged violation specified in the SCN.

4. While the adjudication proceedings are in progress, the applicant, vide application dated February 06, 2014 filed an application with SEBI in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 proposing to settle, through a settlement order, the aforementioned adjudication proceedings for violation of the provisions of regulation 8 (3) of the SAST Regulations, 1997.
5. The Applicant had a meeting with the Internal Committee of SEBI on September 12, 2014 where the terms of settlement was deliberated upon for violation of the provisions of regulation 8(3) of SAST Regulations, 1997 for the years 2008 & 2010. Thereafter, the applicant, vide letter dated September 16, 2014 proposed revised consent terms to settle the aforesaid adjudication proceeding for violation of the provisions of regulation 8(3) of the SAST Regulations, 1997 by offering to pay a sum of Rs 2,59,250/- (Rupees Two Lakh fifty nine thousand two hundred fifty only) towards settlement charges.
6. The High Powered Advisory Committee (**HPAC**) in its meeting held on October 28, 2014 considered the settlement terms proposed by the applicant and recommended the case for settlement upon payment of

a sum of Rs 2,59,250/- (Rupees Two Lakh fifty nine thousand two hundred fifty only) by the Applicant towards settlement charges. The Panel of Whole Time Member of SEBI accepted the said recommendations of the HPAC and the same was communicated to the Applicant vide e-mail dated January 02, 2015.

7. Accordingly, the applicant has, vide letter dated January 07, 2015, submitted Pay Order No. 146059 dated January 06, 2015 drawn on 'HSBC Bank' remitting a sum of Rs. 2,59,250/- (Rupees two lakh fifty nine thousand two hundred fifty only) towards the settlement charges.
8. In view of the above, in terms of Regulation 15(1) of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 it is hereby ordered that:
 - a. This Settlement Order disposes of the said Adjudication Proceedings pending in respect of the Applicant as mentioned above and;
 - b. Passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing/reopening of the pending proceedings against the Applicant, if SEBI finds that:
 - i. Any representations made by the Applicant in the settlement proceedings are subsequently discovered to be untrue;
 - ii. The Applicant has breached any of the clauses/conditions of undertakings/ waivers filed during the current settlement proceedings.

9. This Settlement Order is passed on this Twelfth day of January, 2015 and shall come into force with immediate effect.

10. In terms of Regulation 17 of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014, copies of this order are being sent to the Applicant and also to SEBI.

DATE: JANUARY 12, 2015

PLACE: MUMBAI

A. SUNIL KUMAR

ADJUDICATING OFFICER