

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

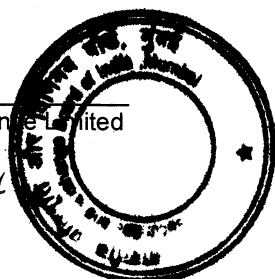
On the Application No. 2799 of 2014

submitted by

POTENTIAL INVESTMENTS AND FINANCE LIMITED

(PAN : AAFCP5174L)

1. Potential Investments and Finance Limited (hereinafter referred to as 'the applicant') having its office at 143, Jagriti Enclave, New Delhi-110092, had filed an application dated December 31, 2013 in terms of the SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007 modified by the circular dated May 25, 2012, which is replaced by the SEBI (Settlement of Administrative And Civil Proceedings) Regulations, 2014 proposing to settle, through a settlement order, any anticipated proceedings for the delayed compliance of the provisions of Regulations 6(2), 6(4) and 8(3) of the Securities and Exchange Board of India (Substantial acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as 'the Takeover Regulations').
2. The applicant has admitted that there was delayed compliance of the provisions of Regulations 6(2) and 6(4) of the Takeover Regulations as also a delay of 5726 days, 5361 days, 4995 days, 4630 days, 4265 days, 3900 days, 3534 days, 3169 days, 2804 days, 2439 days, 2073 days, 1708 days and 1343 days in filing the requisite annual information under Regulation 8(3) of the Takeover Regulations for the years 1998 to 2010. The applicant submitted that the share capital of the company is less than Rs. 10 crores.
3. The representatives of the applicant had a meeting with the Internal Committee of SEBI where the terms of settlement were deliberated upon. It was noted that since considerable time has passed since the Takeover Regulations came into force, the non-compliances of Regulations 6(2) and 6(4) of the Takeover



Regulations would not be considered for the purpose of formulating the settlement amount. In so far as the delayed compliance of Regulation 8(3) of the Takeover Regulations is concerned, the applicant vide its letter dated April 18, 2014 proposed to pay a sum of Rs. 6,05,625/- (Rupees Six Lakh Five Thousand Six Hundred and Twenty Five only) as settlement charges to settle any anticipated proceedings for the same.

4. The High Powered Advisory Committee (HPAC), considered the consent terms proposed by the applicant and recommended the case for settlement upon payment of Rs. 6,05,625/- (Rupees Six Lakh Five Thousand Six Hundred and Twenty Five only) as settlement charges. The Panel of Whole Time Members of SEBI accepted the said recommendations of the HPAC and the same was communicated to the applicant vide e-mail dated August 08, 2014.
5. Accordingly, the applicant has, vide Demand Draft No. 012410 dated August 12, 2014 drawn on Yes Bank Ltd. and payable at Mumbai, remitted a sum of Rs. 6,05,625/- (Rupees Six Lakh Five Thousand Six Hundred and Twenty Five only) as the settlement charges.
6. In view of the above, the delayed compliance of the provisions of Regulations 8(3) of the Takeover Regulations is settled according to the settlement terms mentioned above and SEBI shall not initiate any enforcement action against the applicant for the said delayed compliance.
7. This consent order is passed on this the 5th day of SEPT, 2014 and shall come into force with immediate effect.


RAJEEV KUMAR AGARWAL
WHOLE TIME MEMBER


PRASHANT SARAN
WHOLE TIME MEMBER

