

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SUMMARY SETTLEMENT ORDER
On Summary Settlement Application no. 10 of 2019

In respect of JF Asset Management Limited

1. Securities and Exchange Board of India ("SEBI") had conducted an examination in the matter of acquisition of shares of Multi Commodity Exchange of India Limited ("MCX"). The examination *prima facie* revealed that JF Asset Management Limited (hereinafter referred to as 'applicant') along with persons acting in concert ("PACs") [namely Abu Dhabi Investment Authority – Jhelum, Active Emerging Markets Equity Fund, JF India Active Open Mother Fund, JP Morgan Eastern Smaller Companies Fund, JP Morgan India Smaller Companies Fund, JP Morgan Indian Investment Company (Mauritius) Limited, KB India Equity Fund and Strathclyde Pension Fund] had acquired certain shares of MCX on January 27, 2017, which increased its shareholding in MCX beyond 2%. For the same, the applicant was required to apply for the approval of SEBI within fifteen days, in terms of Regulation 19(2) of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 ("SECC Regulations") rescinded and replaced with Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018. The application for approval was forwarded to SEBI only on March 08, 2018 i.e. after a period of more than one year.
2. Before proceeding further and initiating appropriate proceedings under Regulation 49 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 read with Section 23A of the Securities Contracts (Regulation) Act, 1956, a 'Notice of Summary Settlement' dated January 15, 2019 ('notice') was issued to the applicant, intimating thereby that the aforesaid default, may be settled and disposed of upon filing of a settlement application under the SEBI (Settlement Proceedings) Regulations, 2018 ('Settlement Regulations') along with remittance of settlement amount of ₹5,15,625/- (Rupees Five Lakh Fifteen Thousand Six Hundred Twenty Five only) to SEBI, in terms of Regulation 16 of the Settlement Regulations within 30 calendar days from the date of receipt of the notice.
3. In reply, the applicant filed an application in terms of Chapter VII of the Settlement Regulations, without admitting or denying the findings of fact and conclusions of law,

proposing to settle the defaults as discussed in para 1 above, through a settlement order on February 11, 2019. Along with the said application, the applicant also forwarded a demand draft bearing number 199626 dated February 08, 2019 drawn on J.P. Morgan Chase Bank N.A. remitting a sum of ₹5,15,625/- (Rupees Five Lakh Fifteen Thousand Six Hundred Twenty Five only) towards the settlement charges.

4. In view of the above, in exercise of the powers conferred under Section 15JB of the Securities and Exchange Board of India Act, 1992 and in terms of Regulations 23 and 28 of the SEBI (Settlement Proceedings) Regulations, 2018, it is hereby ordered that:
 - i. the proposed proceedings that could have been initiated for the default as discussed in paragraph 1 above, are settled *qua* the applicant as per the above terms,
 - ii. SEBI shall not initiate any enforcement action against the applicant for the said defaults,
 - iii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing proceedings against the applicant, if SEBI finds that:
 - a. any representation made by the applicant in the present settlement proceedings is subsequently discovered to be untrue;
 - b. the applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.
5. This settlement order is passed on this 5th day of March, 2019 and shall come into force with immediate effect.
6. In terms of Regulation 25 of the SEBI (Settlement Proceedings) Regulations, 2018, a copy of this order shall be sent to the applicant and be published on the website of SEBI.

-Sd-
S.K. MOHANTY
WHOLE TIME MEMBER

-Sd-
ANANTA BARUA
WHOLE TIME MEMBER