

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

Settlement Application bearing No. 6776/2022 filed by Chartered Capital and Investment Ltd (PAN: AAACC6247L) in the matter Mazda Limited

1. Chartered Capital filed a settlement application in terms of the SEBI (Settlement Proceedings) Regulations, 2018 ("**Settlement Regulations**") proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a Settlement Order, the pending enforcement proceedings initiated vide Adjudication Show Cause Notice ("**SCN**") bearing no. SEBI/EFD2/BS/SJ/36287/2021 dated December 08, 2021, for the alleged violation of:
 - i. Regulation 21A of SEBI (Merchant Bankers) Regulations 1992.
2. SEBI had conducted an investigation in the scrip of Mazda Ltd. Based on the findings of the said investigation, enforcement proceedings were initiated for the alleged violations as stated at paragraphs 1.
3. Investigation conducted by SEBI noted that the Board Meeting intimation for considering proposal of Buyback of Equity Shares of the company (Mazda Limited) which was published on February 28, 2019 (BSE at 17:07 hrs. and NSE at 17:30 hrs.) via corporate announcement. It was also observed that Equirus Capital Pvt Ltd. (hereinafter referred to as 'ECPL') was appointed as the Merchant Banker in respect of the said Buy Back of the equity shares of the company. SEBI further observed that the applicant, a Merchant Banker by profession is connected to the company viz. Mazda Limited. The applicant was actively involved in the buy-back of the shares of the company by providing advice / guidance / controlling the functions of the ECPL without being officially appointed as Merchant banker to the said buy back issue. The same is alleged to be in violation of Regulation 21 A of the MB Regulations.

4. Pursuant to the receipt of the settlement application, the authorized representatives of the applicants had a meeting with the Internal Committee of SEBI on May 19, 2022 and deliberated on the terms of settlement. Thereafter, the applicants proposed the Revised Settlement Terms (RST) to settle the proceedings initiated against them.
5. The High Powered Advisory Committee (“**HPAC**”) in its meeting held on June 09, 2022, considered the settlement terms proposed by the applicant and recommended the case for settlement upon payment of the settlement amount Rs.10,87,500 (Rupees Ten Lakh eighty-seven thousand five hundred only).
6. The settlement amount was subsequently remitted by the applicant on July 21, 2022 and the credit of the same to SEBI has been confirmed.
7. In view of the above, in exercise of the powers conferred under Section 15JB read with Section 19 of the SEBI Act, 1992 and in terms of Regulation 23 read with Regulation 28 of the Settlement Regulations, it is hereby ordered that the pending adjudication proceedings for the alleged defaults as mentioned at paragraph 1 are settled *qua* the applicant on the following terms:
 - i. this Order disposes of the adjudication proceedings initiated by SEBI for the defaults as mentioned earlier in respect of the applicant;
 - ii. the passing of this Order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations to take enforcement actions including continuing proceedings against the applicants, if SEBI finds that:
 - a) any representation made by the applicants in the present settlement proceedings is subsequently found to be untrue;

- b) the applicants have breached any of the clauses/ conditions of Undertakings/Waivers filed during the present settlement proceedings; and
 - c) there was a discrepancy while arriving at the settlement terms.
- 8. This Settlement Order is passed on this 22nd day of July, 2022 and shall come into force with immediate effect.
- 9. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the applicants and also be published on the website of SEBI.

BIJU S.
ADJUDICATING OFFICER