

**BEFORE THE ADJUDICATING OFFICER
THE SECURITIES AND EXCHANGE BOARD OF INDIA,
MUMBAI**

**CONSENT ORDER No: CFD-DCR/2381/AO/EAD-2/101/2012
ON THE APPLICATION SUBMITTED BY**

**GOMTI FINLEASE (INDIA) LTD.
(PAN AAACG0540Q)**

1. While examining the offer document of M/S Chirania Trading Private Limited to acquire shares of the M/s. Gomti Finlease (India) Limited (hereinafter referred to as the 'applicant'), Securities and Exchange Board of India (hereinafter referred to as 'SEBI') observed that there was a delay in compliance of Regulations 6(2), 6 (4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (herein after referred to as 'SAST Regulations') in the year 1997, Regulation 7 (3) in the year 2002 and 8 (3) between the years 1998 to 2006 and 2008 to 2010. Hence SEBI had initiated adjudication proceedings against the applicant to inquire into and adjudge under Section 15A (b) of the SEBI Act, 1992 (hereinafter referred to as 'the said Act'), for its alleged violation of Regulations 6(2), 6 (4), 7 (3) and 8 (3) of the SAST Regulations.
2. In the course of the adjudication proceedings, a Show Cause Notice bearing no. EAD-4/ADJ/PKB/EIF-31/OW/19993/2011 dated June 22, 2011 was issued to the applicant under Rule 4 of the SEBI (Procedure for holding inquiry and imposing penalties by Adjudicating

Officer) Rules, 1995, for the applicant's alleged violations of the abovementioned provisions of law. Pending the adjudication proceedings, the applicant filed an application for consent vide letter dated July 29, 2011 and an affidavit of "Undertakings and Waivers" in the matter in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated October 07, 2009 by proposing to pay ₹ 1,00,000/- (Rupees One Lakh only) towards settlement fees, in the present matter. The applicant, vide letter dated February 16, 2012 proposed revised consent terms towards the settlement of the non-compliance on payment of ₹4,25,000/- (Rupees Four Lakh Twenty Five thousand only). The revised terms as proposed by the applicant were placed before the High Powered Advisory Committee (HPAC) meeting held on March 19, 2012 and after considering the facts and circumstances of the case, the HPAC recommended that the case may be settled on payment of ₹ 4,25,000/- (Rupees Four Lakh Twenty Five thousand only). The acceptance of the consent proposal was communicated to the applicant by SEBI vide letter dated September 06, 2012.

3. The applicant has remitted a sum of ₹ 4,25,000/- (Rupees Four Lakh Twenty Five Thousand only), vide pay order bearing no. 949301 dated November 11, 2012 drawn on Kotak Mahindra Bank and payable at Mumbai, towards the settlement charges, for the purpose of settling the adjudication proceedings by consent order.
4. In view of the above, the adjudication proceedings initiated for the delay in compliance with the provisions of Regulations 6(2), 6 (4), 7 (3) and 8 (3) of SAST Regulations as enumerated earlier, is settled as per the above

consent terms and SEBI shall not initiate any enforcement action against the applicant for the said delayed compliance.

5. 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:
 - a. any representations made by the applicant in the consent proceedings are subsequently discovered to be untrue.
 - b. the applicant has breached any of the clauses/conditions of undertakings/waivers filed during the current consent proceedings.
6. This consent order is passed on the 23rd day of November, 2012 and shall come into force with immediate effect.
7. In terms of rule 6 of the Adjudication Rules, copies of this order are being sent to the applicant and to Securities and Exchange Board of India.

P. K. KURIACHEN
ADJUDICATING OFFICER