

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On Application No. 3839/2019

Filed by

1. Mr. T. Valsaraj [PAN: ACAPV2793F]
2. Ms. Jeeja Valsaraj [PAN: AAHPV7534K]
3. Mr. Kambhampati Hari Babu [PAN: AAMPH6509B]
4. Kambhampati Hari Babu (HUF) [PAN:AABHK6483N]
5. Ms. Jayasree K [PAN: AERPK1813J]
6. Ms. Chetna Kambhampati [PAN: AMMPK8331Q]
7. Ms. Chandana Kambhampati [PAN: BBIPK6096A]
8. Ms. Vijeta Valsaraj [PAN: AFSPV9350F]
9. Ms. Vineesha Valsaraj [PAN: AKSPV9104G]
10. Mr. T. Viswanath [PAN: ACMPJ3061C]
11. Mr. K. Venkatesh [PAN: AXKPK8325K]
12. M/s. TVR Estates & Resorts Private Limited [PAN: AAACK9381P]

In the matter of Coastal Corporation Limited

1. Mr. T. Valsaraj, Ms. Jeeja Valsaraj, Kambhampati Hari Babu, Kambhampati Hari Babu (HUF), Ms. Jayasree K, Ms. Chetna Kambhampati, Ms. Chandana Kambhampati, Ms. Vijeta Valsaraj, Ms. Vineesha Valsaraj, Mr. T. Viswanath, Mr. K. Venkatesh and M/s. TVR Estates & Resorts Private Limited (hereinafter referred to as “applicants”) filed a *suo-moto* application proposing to settle, without admitting the findings of fact and conclusions of law, through a settlement order, the delayed compliance of disclosure requirements under Regulation 7(1) read with Regulation 7(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as “SAST, 1997”) and Regulation 30(2) read with Regulation 30 (3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as “SAST, 2011”) .
2. The applicants in their application submitted that Mr. K Hari Babu, one of the members of the promoter group of the Coastal Corporation Ltd. (hereinafter referred to as the “target company”), acquired 58,100 shares (representing 4.47% shares) of the target company on August 19, 2009. The disclosure under Regulation 7(1) of SAST, 1997 for the aforesaid acquisition was required to be made by August 21, 2009. However the said disclosure was made with delay on November 29, 2018. Further, the applicants made

delayed continual disclosures under Regulation 30(2) read with Regulation 30 (3) of the SEBI SAST, 2011 on 3 instances during the period 2012 to 2014.

3. The authorized representatives of the applicant had a meeting with Internal Committee on March 19, 2019. During the meeting, as the application was fulfilling the requirement of Chapter VII of the SEBI (Settlement Proceedings) Regulations, 2018, (hereinafter referred to as “Settlement Regulations”), the Internal Committee felt it appropriate that the application may be processed as per the Summary Settlement Procedure. Accordingly, a notice of summary settlement was issued on March 20, 2019 in terms of Regulation 16(1) (Summary Settlement Procedure) of Settlement Regulations intimating the applicant that the aforesaid default may be settled and disposed of upon remittance of settlement amount of Rs.13,12,188/- (Rupees Thirteen Lakh Twelve Thousand One Hundred and Eighty Eight Only) (amount arrived in terms of Settlement Regulations) within 10 working days from the date of receipt of the notice.
4. In reply, the applicant vide email dated March 25, 2019, informed that it had remitted a sum of Rs. 13,12,188/- towards settlement charges.
5. Accordingly, the possible proceedings that may be initiated for the defaults as discussed in paragraph 1 above, are settled qua the applicant as per the above terms, by way of this order and SEBI shall not initiate any enforcement action against the applicant for the said defaults.
6. 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 read with Regulation 34 of the Settlement Regulations, it is hereby ordered that:
 - i. the proposed adjudication proceedings for the alleged 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. this order disposes of the said proposed adjudication proceedings in respect of the applicant as mentioned above and;

- iv. 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.
- 7. This settlement order is passed on this 29th day of March, 2019 and shall come into force with immediate effect.
- 8. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the applicant and shall also be published on the website of SEBI.

Sd/-

S.K. MOHANTY
WHOLE TIME MEMBER

Sd/-

ANANTA BARUA
WHOLE TIME MEMBER