

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

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SETTLEMENT ORDER

On Settlement Application No. 3946 of 2019

Filed by Mr. Ashok Kumar Goyal (PAN-AARPG3149D), Mr. Om Prakash Agarwal (PAN-AAKPA8385Q), Mr. Satish Kumar Goyal (AAPPG6375H), Mr. Moon Goyal (PAN-ACXPG5181D), Ms. Kusum Agarwal (PAN-AAYPEA0762F) and Ms. Heera Devi (PAN-AAZPD2911Q) in the matter of O.P. Chains Limited

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1. Mr. Ashok Kumar Goyal, Mr. Om Prakash Agarwal, Mr. Satish Kumar Goyal, Mr. Moon Goyal, Ms. Kusum Agarwal and Ms. Heera Devi (hereinafter collectively referred to as the “applicants”) had filed a *suo motu* settlement application in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the “Settlement Regulations”) proposing to settle, without admitting the findings of fact and conclusions of law, through a settlement order, the probable enforcement proceedings for the alleged violation of Regulation 30 (1) and 30 (2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as the “SAST Regulations”) in respect of their shareholding in O.P. Chains Limited (hereinafter referred to as ‘the company’).
2. Securities and Exchange Board of India (hereinafter referred to as ‘SEBI’) while examining the draft letter of offer filed by the company had observed that, the applicants were holding aggregate shareholding of 38.76% in the company as on quarter ending March, 2016. The applicants are the promoter group of the company. In terms of Regulation 30 (1) of the SAST Regulations, *Every person, who together with persons acting in concert with him, holds shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company, shall disclose their aggregate shareholding and voting rights as of the thirty-first day of March, in such target company*

*in such form as may be specified. As per Regulation 30 (2) of the SAST Regulations, the promoter of every target company shall together with persons acting in concert with him, disclose their aggregate shareholding and voting rights as of the thirty-first day of March, in such target company in such form as may be specified. Regulation 30 (3) of the SAST Regulations specifies that the said disclosures shall be made within seven working days from the end of each financial year to the stock exchanges concerned and the target company at its registered office.*

3. Since the applicants are the Promoter/Promoter Group and also hold 38.76 % aggregate shareholding in the company, the applicants were required to make necessary disclosure of their aggregate shareholding and voting rights within seven working days from the end of each financial year. The due date for making the disclosure was 11.04.2016. However, the applicants made the required disclosures on 23.06.2016 i.e; with a delay of 72 days.
4. During the meeting with the Internal Committee of SEBI on November 22, 2019, the authorized representatives of the applicant deliberated upon the settlement terms. Thereafter, the applicant, vide letter dated December 04, 2019, proposed the revised settlement terms to settle the probable proceedings in respect of the defaults mentioned above.
5. The High Powered Advisory Committee (hereinafter referred to as 'HPAC') in its meeting held on March 02, 2020 considered the proposed settlement terms by the applicant and recommended the case for settlement upon payment of Rs.3,00,000/- (Rupees Three Lakh only) towards settlement terms.
6. The applicant vide email dated April 10, 2020 informed that the applicant has remitted an amount of of Rs.3,00,000/- (Rupees Three Lakh only) through RGTS dated April 09, 2020 towards the settlement terms as proposed by them for the settlement of the aforesaid proceedings. The receipt of the same was also confirmed upon verification.

7. In view of the above, in exercise of the powers conferred under Section 15JB of the SEBI Act, 1992 and in terms of Regulations 23 and 28 read with Regulation 34 of the Settlement Regulations, it is hereby ordered that the proceedings that could have been initiated for the defaults as mentioned in paragraph 1 above are settled *qua* the applicant and as per the following terms:
- i. SEBI shall not initiate any enforcement action against the applicant for the said defaults,
  - ii. 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 found to be untrue;
    - b. the applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.
8. This settlement order is passed on this 16<sup>th</sup> day of April, 2020 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 applicant and also be published on the website of SEBI.

Sd/-

**S. K. MOHANTY**  
**WHOLE TIME MEMBER**

Sd/-

**ANANTA BARUA**  
**WHOLE TIME MEMBER**