

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

**ON THE APPLICATION SUBMITTED BY
SPA CAPITAL SERVICES LTD.**

**IN THE MATTER OF
NON-DISCLOSURE UNDER TAKEOVER REGULATIONS
(CONSENT APPLICATION No.1307 of 2009)**

1. SPA Capital Services Ltd. (hereinafter referred to as 'the applicant') was incorporated on July 20, 1984 under the name of 'Aristocrat Leasing and Finance Limited'. Its name was changed to 'SPA Capital services Limited' on September 06, 2002 pursuant to the Scheme of Amalgamation approved by the Hon'ble High Court of Delhi vide order dated January 10, 2002. The shares of the applicant is listed on Delhi Stock Exchange (hereinafter referred to as DSE). On June 30, 2002, the applicant had made preferential allotment to the promoters pursuant to the scheme of amalgamation as a result of which the promoters shareholding had increased from 52.61% to 67.99% of the paid-up capital of the company. Though the preferential allotment was exempted under Regulation 3(1) (j) (ii) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "Takeover Regulations") for the purpose of making a public announcement to acquire further shares, the disclosure under Regulation 7(3) of the said Regulations was not made to DSE. Further, the applicant had failed to file the disclosures with the DSE under Regulations 6(2), 6(4), 7(3) and 8(3) of Takeover Regulations from the year 1997 onwards till the year 2003 and therefore became liable for appropriate enforcement actions for non-disclosures under the Takeover Regulations from 1997 till 2003.
2. The applicant, vide letter dated April 27, 2009 proposed settlement of the enforcement actions that may be initiated by SEBI for the aforesaid failure, through a consent order in terms of SEBI Circular No. EFD/ED/Cir.-1/2007 dated April 20, 2007. It proposed revised consent terms vide letter dated May 28, 2009. The

High Powered Advisory Committee constituted by SEBI in its meeting held on June 12, 2009 considered the consent terms proposed by the applicant and recommended the case for settlement on payment of Rs.2,50,000/- (Rupees two lakh and fifty thousand only) as settlement charges. SEBI accepted the said recommendations and communicated the same to the applicant vide letter dated July 20, 2009.

3. Accordingly, the applicant, without admitting or denying the charges, has remitted a sum of Rs.2,50,000/- (Rupees two lakh and fifty thousand only) vide demand draft no.885382 dated July 24, 2009 drawn on ABN-AMRO Bank payable at Mumbai.
4. In view of the above, it is hereby ordered that SEBI shall not proceed with any enforcement action against the applicant for its non compliance of the Takeover Regulations as aforesaid.
5. This order is without prejudice to the right of SEBI to initiate enforcement actions, including commencing appropriate proceedings against applicant for the aforesaid non-compliance, if:
 - a. any representation made by the applicant in this consent proceedings is subsequently discovered to be untrue, or
 - b. the applicant breaches any of the clauses/conditions of undertakings/waivers filed in this consent proceeding.
6. This consent order is passed on this day, the 6th of August, 2009 and shall come into force with immediate effect.

M. S. Sahoo
Whole Time Member

K.M. Abraham
Whole Time Member