

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**  
**CO/ISD/2726/2013/AO/PG/ EAD-5/66/2013**

---

**UNDER SECTION 23-I OF SECURITIES CONTRACTS (REGULATION)  
ACT, 1956 READ WITH RULE 5 OF SECURITIES CONTRACTS  
(REGULATION) (PROCEDURE FOR HOLDING INQUIRY AND  
IMPOSING PENALTIES BY ADJUDICATING OFFICER) RULES, 2005**

In respect of:  
**M/s Delta Corp Limited**  
**(Formerly Arrow Webtex limited)**

**(PAN – AAACC7260M)**

**In the Matter of UTV Software Communications Limited**

---

1. Securities and Exchange Board of India (“SEBI”) conducted examination into the affairs of UTV Software Communications Limited (**UTV**). It was observed that Shri Rohinton Screwvala, Managing Director, UTV and persons acting in concert (PACs) viz., The Walt Disney Company (South East Asia) Pte. Ltd., Unilazer Exports & Management Consultants Ltd., Unilazer (Hongkong) Ltd., had given open offer to acquire 77,45,494 equity shares of UTV. The public announcement of the open offer was

made on February 18, 2008 and the open offer took place from October 08, 2008 to October 27, 2008 after originally being planned for April 11 to April 30, 2008.

2. The examination conducted by SEBI into the matter revealed that M/s Delta Corp Ltd., formerly Arrow Webtex Limited (**Noticee**) had bought 7,50,000 warrants on February 26, 2008 at ₹. 660/- per warrant from Mr. Rohinton Screwvalla in off-market transactions. It was further revealed that the part payment towards the said purchase of warrants was done by the Noticee in three tranches, i.e, an amount of ₹. 11,25,00,000/- on February 27, 2008, an amount of ₹. 12,00,00,000/- on September 02, 2008 and an amount of ₹. 13,25,62,500/- on September 04, 2008. Since the payments towards the said purchase was made by the Noticee beyond the period prescribed in Section 2 (i) of the SCR Act, the said transaction has not met the requirements of a spot delivery contract. As per the SCR Act, any transaction in securities has to be either through stock exchange mechanism or through spot delivery contract .
3. In view of the aforesaid, it was alleged that the Noticee has violated the provisions of section 2(i) read with sections 13 and 18 of Securities Contracts (Regulation) Act, 1956 ("**SCRA**"). The undersigned was appointed as the Adjudicating Officer vide Order dated April 24, 2012 to inquire into and adjudicate under Section 23H of SCRA,

the alleged violation committed by the Noticee. Accordingly, a Show Cause Notice dated February 21, 2013 was issued to the Noticee (“SCN”) seeking reply of the Noticee as to why an inquiry should not be held in respect of the violations alleged to have been committed by the Noticee.

4. While the Adjudication Proceedings were in progress, an application dated May 02, 2013 for Consent Order in respect of the aforesaid proceedings before SEBI, was submitted by the Noticee along with the Undertaking / Waivers in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007 further amended Circular No. CIR/EFD/1/2012 dated May 25, 2012. The Noticee, vide letter dated July 01, 2013, proposed ₹ 6,80,000/- (Six Lakh Eighty thousand only) as revised consent terms.
5. The revised consent terms as proposed by the Noticee were placed before the High Powered Advisory Committee (“HPAC”) in its meeting held on July 05, 2013. HPAC after deliberation recommended the case for settlement on payment of ₹ 6,80,000/- (Six Lakh Eighty thousand only) towards settlement charges. Thereafter, SEBI vide letter dated August 05, 2013 conveyed to the Noticee that in view of the recommendations of HPAC, SEBI has in-principle agreed to accept the terms of the consent proposed by the Noticee subject to the clauses of Undertakings /Waivers mentioned in the consent

application and advised the Noticee to pay in accordance with the revised consent terms.

6. In terms of the proposal of the Noticee for the sole purpose of settling the matter on hand and without admission or denial of guilt on the part of the Noticee to the finding of fact or conclusion of law, the Noticee has remitted a sum of ₹ 6,80,000/- (Six Lakh Eighty thousand only) favoring Securities and Exchange Board of India vide Pay Order No. 688952 dated August 08, 2013 drawn on Axis Bank Ltd towards the terms of consent in the matter.

7. In view of the above, it is hereby ordered that:

- i) this Consent Order disposes of the said Adjudication Proceedings pending in respect of the Noticee under SCRA and
- ii) passing of this Order is without prejudice to the right of SEBI to take enforcement actions including commencing / reopening of the pending proceedings against the Noticee, if SEBI finds that:
  - a. any representations made by the Noticee in the consent proceedings are subsequently discovered to be untrue.
  - b. the Noticee has breached any of the clauses / conditions of undertakings / waivers filed during the current consent proceedings.

8. This Consent Order is passed on the 19th Day of August, 2013 and shall come into force with immediate effect.
9. Copy of this Order is being sent to the Noticee and also to Securities and Exchange Board of India.

**Place: Mumbai**  
**Date: August 19, 2013**

**Piyoosh Gupta**  
**Adjudicating Officer**