

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA**

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**SETTLEMENT ORDER**

On the Application No. **2828 of 2014**

filed by

Artech Power Products Limited

**(PAN no. AACCA4027G)**

**Consent Order No: CFD/EAD-6/AO/AK/209/2014**

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1. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") had initiated adjudication proceedings in respect of Artech Power Products Limited (hereinafter referred to as "**the applicant**"/ "**the company**") having its office at Anitha, 2nd Floor, S.A. Road, Ernakulam, Kochi – 682020 to inquire into and adjudge under section 15A(b) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as **SEBI Act**), for the alleged violation/ contravention of the provisions of Regulation 8(3) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations 1997 (hereinafter referred to as "**Takeover Regulations**") and the undersigned was appointed as Adjudicating Officer (AO) vide order dated September 2, 2013 under section 15 I of the SEBI Act. Consequently, Show Cause Notice dated February 11, 2014 was issued to the company under rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995, seeking reply of the company as to why an inquiry should not be held in respect of the violations alleged to have been committed by the company.
2. Subsequent to the same, the applicant vide its application dated April 30, 2014 had filed an application with SEBI in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 for proposing to settle through a Settlement order, the aforementioned adjudication proceedings for the delayed compliance of the provisions of Regulation 8(3) of the Takeover Regulations.

3. It was observed that the applicant, a listed company did not make necessary disclosures within the stipulated time as per the aforementioned provisions, details of which are as given below:

| <b>Regulation</b> | <b>Due Date of compliance</b> | <b>Date of compliance</b> | <b>Delay - in no. of days</b> |
|-------------------|-------------------------------|---------------------------|-------------------------------|
| 8(3)              | 30.04.1998                    | 20.09.2011                | 4,892                         |
| 8(3)              | 30.04.1999                    | 20.09.2011                | 4,527                         |
| 8(3)              | 30.04.2000                    | 20.09.2011                | 4,161                         |
| 8(3)              | 30.04.2001                    | 20.09.2011                | 3,796                         |
| 8(3)              | 30.04.2002                    | 20.09.2011                | 3,431                         |
| 8(3)              | 30.04.2003                    | 20.09.2011                | 3,066                         |
| 8(3)              | 30.04.2004                    | 20.09.2011                | 2,700                         |
| 8(3)              | 30.04.2005                    | 20.09.2011                | 2,335                         |
| 8(3)              | 30.04.2006                    | 20.09.2011                | 1,970                         |
| 8(3)              | 30.04.2007                    | 20.09.2011                | 1,605                         |
| 8(3)              | 30.04.2008                    | 20.09.2011                | 1,239                         |
| 8(3)              | 30.04.2009                    | 20.09.2011                | 874                           |
| 8(3)              | 30.04.2010                    | 20.09.2011                | 509                           |
| 8(3)              | 30.04.2011                    | 20.09.2011                | 144                           |

4. The representatives of the applicant had a meeting with the Internal Committee of SEBI where the terms of settlement was deliberated upon. Thereafter, the applicant vide its letter dated June 18, 2014 proposed the revised consent terms to settle the aforesaid adjudication proceedings for the delayed compliance of Regulation 8(3) of the Takeover Regulations by offering to pay a sum of Rs. 7,09,750/- (Rupees Seven Lakh, Nine Thousand, Seven Hundred and Fifty only) towards settlement charges.
5. The High Powered Advisory Committee (hereinafter referred to as "HPAC") considered the settlement terms proposed by the applicant and recommended the case for settlement upon payment of Rs. 7,09,750/- (Rupees Seven Lakh, Nine Thousand, Seven Hundred and Fifty only) towards settlement charges. The Panel of Whole Time Members of SEBI accepted the said recommendations of the HPAC and the same was communicated to the applicant vide an e-mail dated September 29, 2014.
6. Accordingly, the applicant has vide demand draft No. '090258' dated October 9, 2014 drawn on 'Federal Bank' and payable at Mumbai, remitted a sum Rs. 7,09,750/-

(Rupees Seven Lakh, Nine Thousand, Seven Hundred and Fifty only) towards the settlement charges.

7. In view of the above, in terms of Regulation 15 (1) of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 it is hereby ordered that:
  - i. this Settlement Order disposes of the said Adjudication Proceedings pending in respect of the Applicant as mentioned above 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 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.
8. This Settlement Order is passed on this Thirty First day of October, 2014 and shall come into force with immediate effect.
9. In terms of Regulation 17 of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014, copies of this order are being sent to the Applicant and also to Securities and Exchange Board of India, Mumbai.

**Place: Mumbai**

**Anita Kenkare**  
**Adjudicating Officer**