

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

in Settlement Application No.

4205 of 2020 filed by Minebea Mitsumi Inc.

in the matter of Jay Ushin Limited

1. Minebea Mitsumi Inc. (hereinafter referred to as the ‘applicant’), 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, after admitting the findings of fact and conclusions of law, through a settlement order, the probable enforcement proceedings, to be initiated, for the delay in making a public offer in respect of the acquisition of shares in Jay Ushin Limited (hereinafter referred to as the ‘Target Company’) resulting in the alleged violation of Regulation 3(1), 4, 5(1), 13(2)(e) and 15(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as the ‘SAST Regulations’).
2. The applicant, which is a company incorporated in Japan, in a meeting of its Board of Directors held on November 07, 2018 resolved to make a tender offer, under the relevant laws of Japan, to acquire all of the issued shares of the common stock of U – Shin Limited, which holds 26% of the shares of the Target Company. Subsequently, U – Shin Limited undertook a share consolidation exercise, making the applicant the sole shareholder in U – Shin Limited.
3. Prior to the transactions mentioned at para 2, the applicant did not hold any shares/voting rights/control in the Target Company. But pursuant to the aforesaid transactions, the applicant became entitled to indirectly exercise voting rights and control over the Target Company and thus triggered the requirement to make an open offer

under Regulation 4 and 5(1) of SAST Regulations. The said open offer was made only on May 20, 2020 to acquire 10,04,770 shares constituting 26% of the voting share capital of the Target Company at a price of ₹589.94/- which included the interest at the rate of 10% from November 07, 2018 (date of intention to acquire control over the Target Company) till May 28, 2020 (date of publication of Detailed Public Statement to the shareholders of the Target Company).

4. Pursuant to the application, the authorized representatives of the applicant had a meeting with the Internal Committee of SEBI on December 17, 2020 and deliberated on the settlement terms. Thereafter, the applicant vide their letter dated December 31, 2020, proposed the revised settlement terms to settle the defaults as mentioned above.
5. The High Powered Advisory Committee (hereinafter referred to as the “HPAC”) in its meeting held on January 25, 2021 considered the proposed settlement terms made by the applicant and recommended the case for settlement upon payment of ₹17,06,250 (Rupees Seventeen Lakh Six Thousand Two Hundred and Fifty only) as the settlement amount towards the settlement terms.
6. The applicant vide RTGS dated February 18, 2021 remitted ₹17,06,250 (Rupees Seventeen Lakh Six Thousand Two Hundred and Fifty only) towards the settlement terms as proposed by them for the settlement of the proceedings that could have been initiated against them and intimated SEBI vide e-mail dated February 19, 2021. Upon verification, receipt of the above payment was confirmed.
7. 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 read with Regulation 28 of the Settlement Regulations, it is hereby ordered that the

proceedings that may have been initiated for the defaults as mentioned in paragraph 1 be settled *qua* the applicant and as per the following terms:

- i. SEBI shall not initiate enforcement action against the applicant for the said defaults;
 - ii. this order disposes of the proceedings that may be initiated for the said defaults as mentioned above, in respect of the applicant; and
 - iii. passing of this order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations 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; and
 - c. there was a discrepancy while arriving at the settlement terms.
8. This settlement order is passed on this 19th day of April, 2021 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