

CO/CFD/70/AUG/2014

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On Application No. 2506 of 2012 filed by

MR. SANTHOSH J. KARIMATTOM

(PAN: BKWPS1385K)

1. Mr. Santhosh J. Karimattom (hereinafter referred to as 'the applicant') is one of the promoters of Cityman Ltd. (hereinafter referred to as 'the company'), had filed a voluntary settlement application, vide his letter dated February 6, 2012 in terms of SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007 as modified by the circular dated May 25, 2012, which is rescinded by the Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014, proposing to settle, through a settlement order, any anticipated proceedings for the possible violation of Regulations 6(3), 7(1) and 8(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as 'Takeover Regulations') due to delayed compliance of Regulation 6(3) for the year 1997 and Regulation 7(1) for the year 2010 and Regulation 8(2) for the years 1998 to 2009 under Takeover Regulations.
2. The applicant's representatives met with the Internal Committee of SEBI on December 4, 2013. The Internal Committee, in its meeting, observed that the company had settled delayed compliance of Regulations 6(2), 6(4) and 8(3) of Takeover Regulations by way of settlement order dated April 4, 2013 and three promoters of the company had settled Regulation 3(3), 3(4), 6(3), 7(1A), 8(2) and 10 of Takeover Regulations by way of settlement order June 28, 2013. In view of the said settlement orders and the disclosures made under Regulation 8(2) of Takeover Regulations and which are covered under the settlement order dated

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June 28, 2013 include the shareholdings of the Persons Acting in Concert as well as that of the Promoters, the Internal Committee observed that only the delay from December 27, 2010 to January 07, 2012 in filing requisite disclosure under Regulation 7(1) of the Takeover Regulations remains to be settled in this case. The Internal Committee has also observed that Regulation 13(1) and 13(4) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as 'Insider Trading Regulations') are also required to be settled for the delay from December 27, 2010 to December 20, 2013 in filing the requisite disclosures under Regulations 13(1) and 13(4) of the Insider Trading Regulations. Accordingly, the settlement terms for the said possible violations is calculated and derived at ₹ 6,16,875/- (Rupees Six Lakh Sixteen Thousand Eight Hundred Seventy Five only). Thereafter, the applicant, vide letter dated December 6, 2013, proposed revised settlement terms to settle any anticipated proceedings for the aforementioned non-compliances, by offering ₹ 6,60,875/- (Rupees Six Lakh Sixty Thousand Eight Hundred Seventy Five only) towards settlement charges.

3. 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 ₹ 6,16,875/- (Rupees Six Lakh Sixteen Thousand Eight Hundred Seventy Five 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 through letter dated June 9, 2014. Thereafter, the applicant had requested time upto July 31, 2014 to make the payment and the said request was allowed by the panel of Whole Time Members on July 9, 2014.
4. Accordingly, the applicant has, vide demand draft No. '029841' dated July 19, 2014, drawn on 'Bank of Baroda' and payable at Mumbai, remitted a sum of ₹ 6,16,875/- (Rupees Six Lakh Sixteen Thousand Eight Hundred Seventy Five only) towards the settlement charges.

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5. In view of the above, the delayed compliance of the provisions of Regulation 7(1) of the Takeover Regulations and Regulation 13(1) and 13(4) of the Insider Trading Regulations are settled according to the settlement terms mentioned above and SEBI shall not initiate any enforcement action against the applicant for the said delayed compliance.
6. This order is without prejudice to the right of SEBI to initiate enforcement actions against the applicant for the abovementioned delay in compliance, if:
- a. any representation made by the applicant in this settlement proceeding is subsequently discovered to be untrue or incorrect; or
 - b. the applicant breaches any of the settlement terms or undertakings filed in this settlement proceeding.
7. This settlement order is passed on this the 20th day of AUGUST, 2014 and shall come into force with immediate effect.


RAJEEV KUMAR AGARWAL

WHOLE TIME MEMBER




PRASHANT SARAN

WHOLE TIME MEMBER