

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

CONSENT ORDER

On the Application No. 2734 of 2013

submitted by

GOVE INVESTMENT AND FINANCE COMPANY LTD.

(PAN : AAACG2117P)

1. Gove Investment and Finance Company Ltd. (hereinafter referred to as 'the applicant') having its registered office at Gove Building, Old No. 144, New No.199, Anna Road, Chennai- 600002, had filed an application, vide its letter dated June 10, 2013 in terms of the SEBI Circular No. EFD/ED/Cir-1/2007 dated April 20, 2007 and the modifying circular dated May 25, 2012, proposing to settle, through a consent order, any anticipated proceedings for the delayed compliance of the provisions of Regulations 6(2), 6(4) and 8(3) of the Securities and Exchange Board of India (Substantial acquisition of Shares and Takeovers) Regulations,1997 (hereinafter referred to as 'the Takeover Regulations').
2. The applicant has admitted that there was a non- compliance of the provisions of Regulations 6(2) and 6(4) of the Takeover Regulations. Moreover, the applicant has also admitted that there was delay of 5506 days, 5141 days, 4775 days, 4410 days, 4045 days, 3680 days, 3314 days, 2949 days, 2584 days, 2219 days 1853 days, 1488 days, 1123 days and 758 days in filing the requisite annual information under Regulation 8(3) of the Takeover Regulations for the years 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010 and 2011 respectively.
3. Moreover, for the years 1997, 1998, 1999, 2000, 2001, 2002, 2004, 2004, 2005 2006. 2007, 2008, 2009 , 2010 and 2011 the applicant declared dividend but there were delays of 5692 days, 5327 days, 5015 days, 4630 days, 4272 days, 3909 days, 3181 days, 3160 days , 2816 days, 2456 days, 2085 days, 1712 days, 1341 days, 963 days and 646 days in filing the requisite information under Regulation 8(3) of the Takeover Regulations. For all the relevant years the change in shareholding of persons holding more that 15% of the shares or voting

rights in the applicant company was below 2% except for the year 2009 when there was a change of 11% and for the year 2011 when there was a change of 4.99% of the paid up capital of the company.

4. The representatives of the applicant had a meeting with the Internal Committee of SEBI where the terms of settlement was deliberated upon. It was noted that since considerable time has passed since the Takeover Regulations came into force, the non-compliances of Regulations 6(2) and 6(4) of the Takeover Regulations would not be considered for the purpose of calculating the settlement amount. Thereafter, the applicant vide its letter dated August 30, 2013 proposed the revised consent terms to settle any anticipated proceedings for the aforesaid delayed compliance of Regulation 8(3) of the Takeover Regulations by offering to pay a sum of Rs. 16,12,500/- (Rupees Sixteen Lakh Twelve Thousand and Five Hundred only) towards settlement charges .
5. The High Powered Advisory Committee (HPAC), considered the consent terms proposed by the applicant and recommended the case for settlement upon payment of Rs. 16,12,500/- (Rupees Sixteen Lakh Twelve Thousand and Five Hundred only) towards settlement charges. The Panel of Whole Time Members of SEBI had accepted the said recommendations of the HPAC and the same was communicated to the applicant vide letter dated November 22, 2013.
6. Accordingly, the applicant has, vide demand draft no. 103008 dated November 26, 2013 drawn on Vijaya Bank and payable at Mumbai, remitted a sum of Rs. 16,12,500/- (Rupees Sixteen Lakh Twelve Thousand and Five Hundred only) towards the settlement charges.
7. In view of the above, the delayed compliance of the provisions of Regulations 8(3) of the Takeover Regulations, as enumerated above, is settled according to the consent terms and SEBI shall not initiate any enforcement action against the applicant for the said default.
8. 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 consent

proceeding is subsequently discovered to be untrue or incorrect;
or

- b. the applicant breaches any of the consent terms or undertakings filed in this consent proceeding.

9. This consent order is passed on this the 26th day of Dec, 2013 and shall come into force with immediate effect.

RAJEEV KUMAR AGARWAL
WHOLE TIME MEMBER

PRASHANT SARAN
WHOLE TIME MEMBER