

CO/CFD/78/JUNE/2015

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

**CONSENT ORDER**

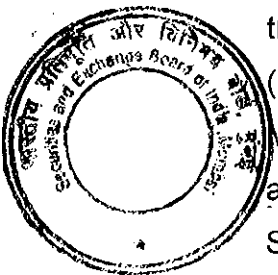
On the Application No. 2830 of 2014

submitted by

**Dr. Jagdish Sheth**

(Permanent Account Number : AYIPS5479F)

1. Dr. Jagdish Sheth (hereinafter referred to as 'the applicant') had filed an application, vide letter dated April 25, 2014 in terms of the Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014 proposing to settle, through a consent order, the adjudication proceedings initiated vide show cause notice bearing no. EAD-6/AK/VS/29296/2013 dated November 18, 2013 for the alleged violation of regulations 7(1) and 7(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (Takeover Regulations). The applicant had acquired 1,95,000 shares of Safari Industries India Limited (the company) on March 6, 2007, which resulted in the change in the shareholding of the applicant in the company from 0 to 6.52%. The said change in shareholding was required to be disclosed under regulations 7(1) and 7(2) of the Takeover Regulations by March 8, 2007. However, the same was disclosed only on March 25, 2014. Therefore, there was a delay of 2574 days in the compliance of the provisions of regulations 7(1) and 7(2) of the Takeover Regulations.
2. Further, the applicant had triggered the requirement of disclosure of the said transactions under regulation 13(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (PIT Regulations) by March 8, 2007. During the Internal Committee proceedings, the applicant was advised to confirm to SEBI, the aforesaid disclosures under the PIT Regulations. Subsequently, the applicant informed SEBI that the aforesaid disclosure was made only on July 22, 2014. Hence, there was a delay of 2693 days in compliance with regulation 13(1) of the PIT Regulations. Thereafter, vide letter dated August 7, 2014, the applicant revised the consent application seeking settlement of the alleged violation of regulation 13(1) of PIT Regulations in addition to regulations



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7(1) and 7(2) of the Takeover Regulations.

3. Pursuant to the Internal Committee meeting, vide letter dated January 12, 2015, the applicant proposed the revised consent terms to settle the aforesaid delayed compliances by offering to pay a sum of ₹ 10,39,250/- (Rupees Ten Lakh Thirty Nine thousand Two Fifty only) towards settlement charges .
4. The High Powered Advisory Committee (HPAC), considered the settlement terms proposed by the applicant and recommended the case for settlement upon payment of ₹ 10,39,250/- (Rupees Ten Lakh Thirty Nine thousand Two Fifty only) towards settlement charges and the same was approved by the Panel of Whole Time Members. Thereafter, the same was communicated to the applicant, vide letter dated May 18, 2015.
5. Accordingly, the applicant has, vide Demand Draft No. 081577 dated May 20, 2015 drawn on HDFC Bank Limited, remitted a sum of ₹ 10,39,250/- (Rupees Ten Lakh Thirty Nine thousand Two Fifty only) towards the settlement charges.
6. In view of the above, the delayed compliance of the provisions of regulations 7(1) and 7(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and of regulation 13(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, in respect of the transaction as mentioned in paragraph 1, are settled according to the aforesaid settlement terms by way of this order and the Securities and Exchange Board of India shall not initiate any enforcement action against the applicant for the said delay in compliance.
7. This settlement order passed on this the 30<sup>th</sup> day of June, 2015 shall come into force with immediate effect.

  
**RAJEEV KUMAR AGARWAL**  
**WHOLE TIME MEMBER**



  
**PRASHANT SARAN**  
**WHOLE TIME MEMBER**