

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CONSENT ORDER

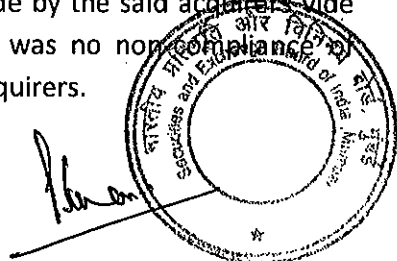
ON THE APPLICATION SUBMITTED BY

M/S SOPHIA FINANCE LIMITED


(PAN No. AAACS0452P)

(CONSENT APPLICATION NO. 2367/2011)

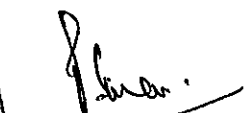
1. M/s Sophia Finance Limited (hereinafter referred to as the 'applicant') having its registered office at C-2/67, Jonapur Road, New Delhi - 110047, filed an application vide its letter dated July 12, 2011 in terms of the SEBI circular No. EFD/ED/Cir-1/2007 dated April 20, 2007. The applicant proposed settlement through a consent order in anticipation of enforcement action being initiated against it for delay in compliance of the provisions of Regulations 6(2), 6(4), 7(3) and 8(3) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 (the Takeover Regulations).
2. The applicant has admitted that there was delay of 5011 days in compliance of the provisions of regulations 6(2) and 6(4) of the Takeover Regulations for the year of 1997. There was also a delay in compliance of the provisions of Regulation 7(3) for the year 2001 for 3607 days and delay in compliance of the provisions of Regulation 8(3) for the years 1998-2010 for 1130, 765, 3965, 33, 3205, 2840, 2474, 2109, 1744, 1379, 1013, 648 and 283 days respectively.
3. The applicant has stated that there were no changes in the shareholding pattern of major shareholders (those holding 15% or more) and promoters and/or persons acting in control of the Company during the financial years 1998 to 2012, except the changes as given below:-
 - a. Mr. C. Sreedhar acquired 35,001 Equity Shares constituting 17.50% of the paid-up capital of the Company on April 7, 2001 by transfer of shares from existing members.
 - b. Mr. P.A.R. Choudhary acquired 35,000 Equity Shares constituting 17.50% of the paid-up capital of the Company on April 7, 2001 by transfer of shares from existing members.
4. The applicant has stated that an Open Offer has been made by the said acquirers vide Letter of Offer dated 19th February 2001. Hence there was no non-compliance of regulation 10 and 12 of the Takeover Regulations by the acquirers.



5. The representatives of the applicant had a meeting with the Internal Committee of SEBI on February 15, 2012 and the applicant vide its letter dated February 21, 2012 proposed the revised consent terms to settle any anticipated proceedings for the aforesaid non-compliances by offering to pay a sum of ₹5,00,000/- (Rupees Five Lakhs Only) towards settlement charges
6. The High Powered Advisory Committee considered the consent terms proposed by the applicant and, after taking into account the facts and circumstances of the case, recommended the case for settlement on payment of ₹5,00,000/- (Rupees Five Lakh Only) towards settlement charges. The Committee noted that the applicant is a defunct company with a paid up capital of only ₹20,00,000 and that the non-compliances were technical in nature. The recommendations of the Committee were communicated to the applicant vide letter dated September 5, 2012.
7. For the sole purpose of settling the matter in hand, the applicant has remitted a sum of ₹5,00,000/- (Rupees Five Lakh Only) vide Demand Draft no. '001357' dated September 12, 2012 drawn on IDBI Bank and payable at Mumbai towards the settlement charges.
8. In view of the above, the delay in compliance of the provisions of regulations 6(2), 6(4), 7(3) and 8(3) of the Takeover Regulations, as enumerated in the aforementioned consent application, is settled as per above consent terms and SEBI shall not initiate any enforcement action against the applicant for the said delay in compliance.
9. This order is without prejudice to the right of SEBI to initiate enforcement actions against the applicant for the earlier discussed delays in compliances by it, if:
 - a. any representation made by the applicant in this consent proceeding is subsequently discovered to be untrue; or
 - b. the applicant breaches any of the consent terms or undertakings filed in this consent proceeding.
10. This consent order is passed on this day, the 30th day of October, 2012 and shall come into force with immediate effect.


R. K. AGARWAL
WHOLE TIME MEMBER




PRASHANT SARAN
WHOLE TIME MEMBER