

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[ADJUDICATION ORDER NO. Order/BM/GN/2023-24/27904-27925]

**UNDER SECTION 15-I OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992,
READ WITH RULE 5 OF SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING
PENALTIES) RULES, 1995**

In respect of:

Noticee No.	Noticee Name	PAN
1	Karthik Perumal	AACPP2790G
2	Raghavan Sivaram	AEGPR1186Q
3	Sathya Sivaram	AAGPS1788R
4	Subbiah T N	APZPS3402A
5	Rukmani Sivaram	AAGPS0167C
6	Geetha Periasamy	AOWPG4058E
7	Mala Jayaram	AAHPJ1278L
8	S Swarna	AAGPS1769L
9	Arun Pillai M	AABPP2481M
10	Sivakami Subbiah	-
11	Vijayalakshmi Chandramohan	AHAPV3401B
12	Jayanthi S	-
13	Yamini Subbia H	-
14	Senthilanthan M	-
15	Chandra Mohan P	AKBPC5243Q
16	Ravichandran C L	AIUPR6245G
17	Kamal Babbar	AAFPB3980P
18	Yessir Holdings And Investments Pvt Ltd	AAACY2131P
19	Aarsree Apartments Pvt Ltd	-
20	Soundarajan & Company Pvt Ltd	AAACS5068H
21	Hitkari Finvest Pvt Ltd (Now Known as Anand Rathi Wealth Limited)	-

(Hereinafter collectively referred to as **Noticees**)

In the matter of

Aruna Hotels Limited

BACKGROUND:

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') conducted an examination into the scrip of Aruna Hotels Limited (hereinafter referred to as **Target Company / AHL**) to ascertain whether interse transaction among the promoter group and acquisition of shares of AHL by the promoters were in violation of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (hereinafter referred to as **SAST Regulation**).

APPOINTMENT OF ADJUDICATING OFFICER

2. SEBI, vide communique dated May 20th, 2022, appointed the undersigned as the Adjudicating Officer under Section 15-I of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as '**Adjudication Rules**') r/w Section 19 of the SEBI Act, 1992 to inquire into and adjudge under section 15A(b) and 15H(ii) of SEBI Act for Noticee 1, Noticee 2, Noticee 3, Noticee 4, Noticee 5, Noticee 6, Noticee 7, Noticee 8 Noticee 9, Noticee 10, Noticee 11, Noticee 12, Noticee 13, Noticee 14, Noticee 15, Noticee 16, Noticee 17, Noticee 18, Mr. Balasubramania Sivanthi Adityan, Sri Devi Agencies Pvt Ltd, Chandramohan R, Anita Kumaran, Jayanthi Natrajan, Gay Travels Pvt Ltd., Subasri Realty Pvt. Ltd., Rani Printers Pvt Ltd, Sovereign Media Marketing Pvt Ltd and Chithan V for the alleged violation of Regulation 3(2) read with regulation 13(1) of SAST Regulations, 2011, Regulation 29(2) read with 29(3) of SAST Regulations, 2011, Regulation 10(5) and 10(6) of SAST Regulations, 2011 and Regulation 10(7) of SAST Regulations, 2011 and for Noticee 19, Noticee 20 and Noticee 21 for the alleged violation of Regulation 3(2) read with 13(1) of SAST Regulations, 2011 and Regulation 29(2) read with 29(3) of SAST Regulations, 2011.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. Show Cause Notice (hereinafter referred to as "**SCN**") dated September 20, 2022 was issued to the Noticees and the acquirers and Person Acting in Concert (PACs) under rule 4(1) of the SEBI Rules to show cause as to why an inquiry should not be held against them in terms of Rule 4 of Adjudication Rules read with Section 15-I (1) & (2) of SEBI Act, and

penalty, if any, be not imposed on Noticees under Section 15A(b) and Section 15H(ii) of the SEBI Act.

4. The allegations levelled are summarized below:
5. Writ petition was filed before Hon'ble Bombay High Court alleging violation of SAST Regulations by promoters of Aruna Hotels Ltd., w.r.t *inter se* transfer between promoters of the target company and violation of regulation 169 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as **ICDR Regulations**), w.r.t the rights issue by the target company.
6. Hon'ble High Court vide order dated November 02, 2021 disposed of the said writ petition and *inter alia* mentioned following-
 - a) *The issues raised in the complaint shall be finally decided by SEBI within a period of 12 weeks from the date of the Order, including the issues raised by the petitioner under the takeover code i.e. Takeover Regulations.*
7. Subsequent to the order of Hon'ble High Court, Securities and Exchange Board of India (hereinafter referred to as **SEBI**) in the matter of AHL., had passed order on March 11, 2022 (herein after referred as "**SEBI Order**") Pursuant to the passing of SEBI order, following alleged violations were observed by SEBI in the order dated March 11, 2022:
 - a. *Pursuant to the MoC, though there was change in shareholding among promoter entities of AHL, Acquisition of 5,21,535 equity shares (5.79%) of AHL during the FY 2015-16 for a consideration of Rs. 300/- per equity share by Gay Travels Pvt Ltd, Subasri Realty Pvt Ltd and Rani Printers Pvt Ltd from Mr. M. Sivaram is not eligible for general exemption available under regulation 10(1)(a)(ii) of SAST Regulations from the obligation to make an open offer under regulation 3(2) of SAST Regulations.*
 - b. *Promoter group companies related to Mr. S Balasubramanian namely Subasri Realty Pvt Ltd, Gay Travels Pvt Ltd, Sovereign Media Marketing and Rani Printers had acquired 7.07% of equity shares of AHL during the FY 2013-14 which was in violation of regulations 3(2) and 29(2) of SAST Regulations.*
8. It was observed by SEBI in the SEBI order dated March 11, 2022, that "Subasri Realty Pvt Ltd submitted a report to SEBI under regulation 10(7) of SAST Regulations on January 03, 2019 in connection with acquisition of shares of AHL through *inter se* transfer during May

19, 2015 to December 24, 2018. It was inter alia mentioned in the said report that pursuant to the MoC, Sellers viz. M. Sivaram and Mr. Karthik P Sivaram had agreed to sell and the Acquirers viz. Gay Travels Pvt Ltd., Subasri Realty Pvt Ltd, Rani Printers Pvt Ltd and Sovereign Media Marketing Pvt Ltd had agreed to acquire 7,42,951 equity shares of AHL for a consideration of Rs. 300/- per equity share.” Pursuant to the said inter se transfer among the promoter group during the FY 2015-16, Gay Travels Pvt Ltd, Subasri Realty Pvt Ltd and Rani Printers Pvt Ltd have acquired 5.79% together and it crossed 5% of equity shares / voting rights of AHL on November 18, 2015, details are tabulated below:

<i>Date of transaction</i>	<i>Transferor</i>	<i>Transferee</i>	<i>No. of shares acquired / transferred</i>	<i>% of acquisition</i>	<i>Prior to acquisition of transferee</i>	<i>Post-acquisition of transferee</i>
19.05.2015	M. Sivaram	Gay Travels Pvt Ltd	33,000	0.37	2.87	3.23
18.11.2015	M. Sivaram	Gay Travels Pvt Ltd	3,00,000	3.33	3.23	6.57
18.11.2015	M. Sivaram	Rani Printers Pvt Ltd	45,093	0.50	0.18	0.68
13.11.2015	M. Sivaram	Subasri Realty Pvt Ltd	50,000	0.56	14.66	16.27
18.11.2015	M. Sivaram	Subasri Realty Pvt Ltd	93,442	1.04		
		Total acquisition in the year 2015	5,21,535	5.79		

9. In SEBI Order dated March 11, 2022 it is mentioned that “the disclosures under regulations 10(5), 10(6) and 29(2) of SAST Regulations were not made by transferees / acquirers namely Gay Travels Pvt Ltd, Rani Printers Pvt Ltd and Subasri Realty Pvt Ltd with regards to the inter se transfer of 5.79% of shares of AHL during the FY 2015-16. Further, transferor Mr. M. Sivaram also has not made disclosure under regulation 29(2) of SAST Regulations.
10. Since, the transactions are among the promoters of the target company, exemption from the obligation to make an open offer is available under regulation 10(1)(a)(ii) of SAST Regulations, subject to compliance with certain conditions, such as compliance with

Chapter V. Further, the acquirer shall, within twenty-one working days of the date of acquisition, submit a report along with supporting documents to the Board giving all details in respect of acquisitions, along with a non-refundable fee of rupees one lakh fifty thousand.

11. In the present case, in order to avail exemption under regulation 10(7) of SAST Regulations, exemption application was required to file with the Board within 21 working days from the date of acquisition i.e., by December 17, 2015 and also required to make disclosures under regulations 10(5), 10(6), 29(2) of SAST Regulations. However, said exemption application was filed on January 03, 2019 with a delay of 1,112 days and no disclosures have been made.
12. Acquisition of 5,21,535 equity shares (5.79%) of AHL during FY 2015-16 by Gay Travels Pvt Ltd, Subasri Realty Pvt Ltd and Rani Printers Pvt Ltd from Mr. M. Sivaram is not eligible to avail exemption under Regulation 10(1)(a)(ii) of SAST Regulations from the obligation to make open offer.
13. Considering the above factors, in order to ascertain the PACs, the shareholdings pattern filed by the company with BSE for the quarter ended December 31, 2015 was analysed (as the transactions resulting in breach of acquisitions of more than 5% threshold took place on November 18, 2015). The observations are as under:
 - (i) There were total 37 persons categorized under Promoter and Promoter Group of AHL.
 - (ii) Mr. M Sivaram transferred 21,535 equity shares (5.79%) of AHL to 3 Acquirers namely, Gay Travels Pvt Ltd, Subasri Realty Pvt Ltd and Rani Printers Pvt Ltd.
14. Since Mr. M. Sivaram was the only selling Promoter, remaining 33 promoters/members of promoter group shall be accordingly deemed to be alleged PACs with the aforementioned 3 acquirers.
15. In the SEBI Order, it is also observed that there has been an acquisition of 6,36,928 equity shares (7.07%) of AHL during FY 2013-14 by Gay Travels Pvt Ltd (0.01%), Subasri Realty Pvt Ltd (4.88%) and Sovereign Media Marketing Pvt Ltd (2.17%), thus resulting in breach of acquisitions of more than 5% threshold in one financial year. Additionally, the shareholdings patterns filed by the company with BSE for the Financial Year ended March 31, 2013 and March 31, 2014 were analysed. It was observed that there was acquisitions

by Noticee 17 (0.18%), Noticee 18 (0.81%), Chithan V (0.11%) and Mr. Sivaram M (0.06%), aggregating the total gross acquisitions during the FY to 8.23%.

16. Pursuant to aforementioned provisions, it is alleged that remaining promoters/members of promoter group shall be accordingly deemed to be PACs with the aforementioned 6 acquirers and Mr. Sivaram M (Deceased).
17. Though it was observed that only certain entities have acquired the shares in the SEBI Order, as per Regulation 3(2) of the SAST Regulations, Acquirer who together with persons acting in concert with him, has acquired and holds more than 25% shares or voting rights in a target company, and acquired more than 5% additional shares or voting rights in such target company within any financial year, then such acquirer has to make a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations.
18. As per Regulation 2(1)(q)(2) of SAST Regulations, Promoters and Members of Promoter Group shall be deemed to be persons acting in concert, unless the contrary is established. In this context, since the Acquirers are Promoters/members of Promoter Group of AHL, the entire Promoters and Members of Promoter Group shall be deemed to be the persons acting in concert with the Acquirers.
19. Further, in terms of Regulation 25(5) of the SAST Regulations, the acquirer and persons acting in concert with him shall be jointly and severally responsible for fulfilment of applicable obligations under said regulations.
20. The Acquirers were named as Promoters of AHL for more than eight years prior to the acquisitions. However, it has been established in the Order that the acquisitions were not eligible for general exemptions under Regulation 10(1)(a)(ii) of SAST Regulations since they failed to make the disclosures under Regulation 29(2), 10(5) and 10(6) and delayed filing of Report under Regulation 10(7) of the SAST Regulations. Therefore, it has been alleged that the Noticee 1 to Noticee 18, Mr. Balasubramania Sivanthi Adityan, Sri Devi Agencies Pvt Ltd, Chandramohan R, Anita Kumaran, Jayanthi Natrajan, Gay Travels Pvt Ltd, Subasri Realty Pvt. Ltd., Rani Printers Pvt Ltd, Sovereign Media Marketing Pvt Ltd and Chithan V have violated Regulation 3(2) read with regulation 13(1) of SAST Regulations, 2011, Regulation 29(2) read with 29(3) of SAST Regulations, 2011, Regulation 10(5) and 10(6) of SAST Regulations, 2011 and Regulation 10(7) of SAST Regulations, 2011 and Noticee No. 19 to Noticee No. 21 have allegedly violated Regulation

3(2) read with 13(1) of SAST Regulations, 2011 and Regulation 29(2) read with 29(3) of SAST Regulations, 2011.

21. The SCN dated September 20, 2022 were issued at the last known addresses of the Noticees through Speed Post Acknowledgment Due (SPAD) and through Digitally Signed E-mail dated September 26, 2022. The details of service of SCN and replies filed by the Noticees and subsequent details of hearing are as follows-

Notice e No.	Noticee Name	SCN Delivered (Mode of Delivery)	Replies / Written Submissio ns dated	Hearing Opportunity		No. of opport unity of hearin g
				Date of Hearing	Attendance	
1	Karthik Perumal	SPAD and Digitally Signed email	15/10/2022 / 27/12/2022	20/12/2022	Attended	1
2	Raghavan Sivaram	SPAD and Digitally Signed email	15/10/2022 / 27/12/2022	20/12/2022	Attended	1
3	Sathya Sivaram	SPAD	15/10/2022 / 27/12/2022	20/12/2022	Attended	1
4	Subbiah T N	SPAD	08/10/2022	20/12/2022 13/02/2023	- -	2
5	Rukmani Sivaram	SPAD and Digitally Signed email	15/10/2022 27/12/2022	20/12/2022 13/02/2023	- Attended	2
6	Geetha Periasamy	SPAD and Digitally Signed email	15/10/2022 /27/12/2022	20/12/2022	Attended	1
7	Mala Jayaram	SPAD	01/11/2022	20/12/2022	-	1
8	S Swarna	SPAD	-	20/12/2022 13/02/2023	- -	2
9	Arun Pillai M	Email	15/10/2022 / 27/12/2022	20/12/2022	-	1
10	Sivakami Subbiah	Email	08/10/2022	20/12/2022 13/02/2022	- -	2
11	Vijaylakshmi Chandramohan	Email	15/10/2022 / 27/12/2022	20/12/2022	Attended	1
12	Jayanthi S	News Paper Publication dated December 14, 2022	-	27/12/2022	-	1
13	Yamini Subbia H	SPAD	08/10/2022	20/12/2022 13/02/2023	- -	2
14	Senthilanthan M	News Paper Publication dated December 14, 2022	-	27/12/2022	-	1

15	Chandra Mohan P	Affixture	15/10/2022 / 27/12/2022	20/12/2022 05/01/2023	- -	2
16	Ravichandran C L	SPAD	-	20/12/2022 13/02/2023	- -	2
17	Kamal Babbar	SPAD and Digitally Signed email	15/10/2022 24/03/2023	20/12/2022 09/03/2023 27/03/2023	- Attended Attended	3
18	Yessir Holdings And Investments Pvt Ltd	SPAD	15/10/2022 27/12/2022	20/12/2022 13/02/2022	- Attended	2
19	Aarsree Apartments Pvt Ltd	SPAD	24/02/2023 24/03/2023	20/12/2022 05/01/2023 16/03/2023	- - Attended	3
20	Soundarajan & Company Pvt Ltd	Email	15/10/2022 / 27/12/2022	20/12/2022	Attended	1
21	Hitkari Finvest Pvt Ltd	Affixture dated November 14, 2022	06/03/2023 13/03/2023	20/12/2022 13/02/2023 09/03/2023	- - Attended	3

22. As also given in the table above-

- a) Hearing notice dated November 30, 2022 was issued to Noticee 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 13, 15, 16, 17, 18, 19, 20 and 21 advising to appear before the undersigned on December 20, 2022.
- b) Noticee 1, Noticee 2, Noticee 3, Noticee 6, Noticee 11 and Noticee 20 appeared through their authorized representative on the scheduled date and time. AR reiterated the submissions already made by the Noticee vide letter dated October 15, 2022. Additional submissions were also made by the Noticee 1, 2, 3, 5, 6, 9, 15, 18, 11 and 20 vide reply dated December 31, 2022.
- c) Noticee 4, 5, 10, 13 and 18 did not appear for hearing on the scheduled date and time, thereafter, another opportunity of hearing was provided to Noticee 4, 5, 10, 13 and 18 on February 13, 2023, however, Noticee 4, 10 and 13 did not avail another opportunity of hearing as well and Noticee 5 and 18 appeared for hearing on the scheduled date and time.
- d) Hearing notice dated November 30, 2022, was sent to Noticee 15 via SPAD for the hearing scheduled on December 20, 2022, however, the same was returned undelivered. Subsequently, HN was sent for affixture and the hearing was scheduled

on January 05, 2023 and the HN was successfully affixed, however, Noticee 15 did not attend the hearing scheduled on January 05, 2023.

- e) Vide email dated January 03, 2023, Noticee 17 sought copies of certain documents, which was provided to Noticee 26 vide email dated February 21, 2023. Thereafter, another opportunity of hearing was provided to Noticee 17 on March 09, 2023 vide email dated February 24, 2023. Subsequently, Noticee 17 sought two weeks adjournment and extension for submission of reply. Subsequently, another opportunity of hearing was provided to Noticee 17 on March 27, 2023 and Noticee made additional submission vide reply dated March 25, 2023.
- f) Hearing Notice for Noticee 19 returned undelivered, subsequently, Hearing Notice was sent for affixture, which was successful and the hearing date provided was January 05, 2023. However, the noticee did not attend the hearing on scheduled date and time. Subsequently, vide email dated February 24, 2023 noticee replied. Thereafter, another opportunity of hearing was provided to Noticee on March 16, 2023 and the hearing was conducted on scheduled date and time. Vide reply dated March 24, 2023 Noticee made the additional submission.
- g) For Noticee 21, SCN was returned undelivered. Thereafter, SCN was sent for affixture, which was successfully affixed. Subsequently, opportunity of hearing was provided to Noticee on January 05, 2023, however, the delivery of same failed through SPAD as well as through affixture. Thereafter the opportunity of hearing was provided to Noticee 21 through New Paper Publication on February 13, 2023, in reply, the Noticee sought inspection of documents. Inspection of documents was provided to Noticee on February 17, 2023 and another opportunity of hearing was provided to Noticee on March 09, 2023. Noticee made additional submission on March 13, 2023.
- h) Vide letter dated November 01, 2022, Husband of Noticee 7 informed about the death of the Noticee 7, and provided the Notarized copy of the death certificate issued by Corporation of Chennai, death certificate shows that the Noticee died on July 29, 2010.
- i) SCN sent to Noticee 12 and Noticee 14 returned undelivered, Subsequently SCN was sent for affixture, which also failed. Thereafter, SCN was served through publication in news paper dated December 14, 2022 for Noticee 12 and Noticee 14 and in the same publication, opportunity of hearing was also provided to the Noticee 12 and Noticee 14 on December 27, 2022.

21. As can be observed, multiple opportunities of hearings was given to all the entities. However, Noticee 4, 8, 10,12, 13, 14, 15 and 16 still failed to appear for the hearing, despite of repeated opportunities provided to them. Due delivery of hearing notices and rescheduled hearings was done, and is available on record.
22. It was observed that Noticee 8, 12, 14 and 16 neither submitted reply, nor did they appear for hearing granted to them in the present matter. As can be seen in the preceding paragraphs, all efforts were diligently made to provide hearings to all the Noticees. However, Noticee 8, 12, 14 and 16 did not reply to any communication sent to them in the captioned matter. I am of the view that the principles of natural justice have been adhered to, as the SCN and the Hearing Notices were duly served upon the Noticee 8, 12, 14 and 16 and sufficient opportunity was granted to them to reply to the SCN and appear for the personal hearing.
23. I note that Noticee 1, Noticee 2, Noticee 3, Noticee 5, Noticee 6, Noticee 9, Noticee 11, Noticee 15, Noitcee 18 and Noticee 20 made a common submission and interalia stated -
- a) *that 7,72,714 equity shares of the Company were acquired through an inter-se transfer in accordance with Memorandum of Compromise (MOC) dated February 12, 2015 ("MOC")*
 - b) *that, as a result of the MOC and the resulting transfer of shares outlined hereinabove, the Sellers stepped down from Company's management with effect from March 02, 2015 and ceased to have any control over the Company's affairs as well as interest in the Company (except for the miniscule shares held in the Company).*
 - c) *that after leaving the Company's management, the Sellers wrote to the Company several times, requesting that their names be removed from the promoters category, which has yet to be implemented. Mr. M Sivaram, one of the Sellers, wrote to the Bombay Stock Exchange, with a copy to SEBI, on September 2, 2016, requesting that they and his immediate relatives be reclassified as public category shareholders as they were no longer in effective control / management of the Company. However, this was not done by the Company. This clearly demonstrates that the Seller had no intention of ever retaining control of the Company. It also shows that the Sellers could not be regarded as being persons acting in concert with the Acquirers as they were two distinct groups with different ownership and objectives.*
24. I note that Noticee 4, Noticee 10 and Noticee 13 have made a common submissions and the same is summarized below-

- a) *Noticees submitted that they have sold their shares to Mr. Balasubramania Sivanthi Adityan on October 2017 for the value of Rs.10 / share, for Rs. 5,83,000 and we have declared it in my 2017 Tax Returns.*

25. Noticee 17 vide reply dated October 15, 2022 made the submissions and interalia stated

- a) *that he was at some stage employed a Joint Managing Director of AHL has been estranged from the original promoter group being Mr M Sivaram and his family for many years before the purported transactions in FY 2013-14 and FY 2015-16 and had even instituted proceedings at the Company Law Board in respect of mismanagement and oppression against AHL and its then management comprised of Mr M Sivaram and others even before the transactions in question were effected and as such the question of him even remotely being considered as a person acting in concert with the said past promoter group would not arise.*
- b) *that he has never had any association with the present promoters and has in fact been battling them in various forums to protect his rights against the transgressions and frauds of the present promoters and has instituted mismanagement and oppression proceedings against AHL and the present promoters which are pending at NCLT Chennai presently.*

26. Noticee 19, vide email dated March 08, 2023 interalia stated

- a) *that it acquired shares in AHL on 22nd May 2003 and is not connected with any of the promoters of the company in any ways.*
- b) *It attached shareholding pattern extract from [bseindia.com](https://www.bseindia.com) as on March, 2014, and submitted that it is not forming part of promoters group and it is disclosed under "Shareholding belonging to the category "Public" and holding more than 1% of the Total No. of Shares. Since 2009 and till December 2013 it was wrongly grouped under the category of Promoters/Promoters Group and this was rectified by AHL Management during quarter ending March 2014 by categorizing AAPL under the public category. The compliance of disclosing the quarterly shareholding pattern as 'Promoter and Promoter Group' as per BSE listing agreement is the responsibility and wholly under the control of the Company (i.e., AHL in this case). It did not have any control over such reporting by AHL, categorizing it under the Promoter Group, which we believe was wrongly reported.*

27. Noticee 21 interalia submitted

- a) *that it had acquired 6,20,718 shares (i.e 6.89%) of the target company, i.e. AHL from secondary market over the period 1998-99 to 2004-2005.*
- b) *that it was wrongly categorized as promoter' and 'promoter group'. This was the position until quarter ending September 2013. It is noteworthy to mention here that the Noticee in and around October 2013 informed the company secretary / compliance officer of AHL to change and rectify categorization of shareholding as the Noticee was wrongly categorized as 'promoter' and 'promoter group'. The company secretary / compliance officer of AHL while acknowledging that they have taken steps for rectification of Noticees' categorization informed that the change in categorization will appear on BSE when it will submit the clause 35 shareholding pattern for the quarter ended December 31, 2013. As per shareholding pattern of AHL pertaining to quarter ending December 2013, the Noticee was correctly categorized as 'public' holding more than 5% of the total number of shares of the AHL. Thus, reference of shareholding pattern of AHL as on March 2013 annexed to SCN as Annexure- 5 is of no relevance as the same is prior to rectification / correction.*

CONSIDERATION

28. I observe that pursuant to MOC there was interse transfer of 5,21,535 equity shares (5.795) of AHL during FY 2015-16 for a consideration of Rs 300/- per equity share by Gay Travels Pvt Ltd, Subasri Realty Pvt Ltd and Rani Printers Pvt Ltd from Mr M Sivaram (since deceased). Pursuant to the above interse the disclosures under Regulation 29(2), 10(5) and 10(6) were not made. Further there was delay of 1112 days in filing of Report under Regulation 10(7) of the SAST Regulations. It was also observed that there has been an acquisition of 6,36,928 equity shares (7.07%) of AHL during FY 2013-14 by Gay Travels Pvt Ltd (0.01%), Subasri Realty Pvt Ltd (4.88%) and Sovereign Media Marketing Pvt Ltd (2.17%), thus resulting in breach of acquisitions of more than 5% threshold in one financial year.

29. With respect to Noticee 19 and 21 BSE has already taken on record that they are reclassified under the public category hence no further action under the SCN lies.

30. I note that the issues related to acquisition of shares of AHL by Mr. Balasubramania Sivanthi Adityan and its companies Gay Travels Pvt. Ltd., Subasri Realty Pvt. Ltd., Rani Printers Pvt. Ltd. Sovereign Media Marketing Pvt. Ltd. Sri Devi Agencies Pvt Ltd,

Chandramohan R , Anita Kumaran, Jayanthi Natarajan and Chithan V have been dealt with in the settlement order no. SO/BM/GN/2023-24/7053 order dated June 07 , 2023

31. As per regulation 25(5) of the SAST regulation acquirer and person acting in concert has joint and several liability for the obligations arising under SAST regulation. The SCN in this matter was also issued on the similar grounds. The acquirer and persons acting in concert with him shall be jointly and severally responsible for fulfilment of applicable obligations under said regulations. While the acquirers have already settled by paying the settlement amount given the joint and several liability in the matter with respect to the PACs, I am of the view that no action now lies against the PACs i.e. Noticee No 1 to 18 and 20.

ORDER

32. In view of the above the SCN dated September 20, 2022 is disposed of off against the Noticees mentioned in this order.

33. In terms of the provisions of rule 6 of the Adjudication Rules, a copy of this order is being sent to the Noticees and also to the Securities and Exchange Board of India.

Place: Mumbai

Date: June 30, 2023

**BARNALI MUKHERJEE
ADJUDICATING OFFICER**