

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

in Summary Settlement Application No. SS – 33 of 2020

filed by Savi Portfolio Management Services Limited [PAN: AAJCS1704P]

in the matter of Karma Industries Limited

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had conducted an examination in the matter of Karma Industries Limited (hereinafter referred to as 'the Company'). During the said examination, it was observed that Savi Portfolio Management Services Limited (hereinafter referred to as 'the applicant') had delayed making disclosures as required under Regulation 29(1) read with Regulation 29(3) of the SEBI (Substantial Acquisition of Shares and Takeovers), 2011 (hereinafter referred to as the 'SAST Regulations'), in respect of change in their shareholding in the Company.
2. It was observed from the examination of the Company that on September 28, 2016, the applicant acquired 1.25% equity shares of the Company, which led to an increase in their shareholding from 4.52% to 5.77%. The same was required to be disclosed to the Stock Exchange within two working days under Regulation 29(1) read with Regulation 29(3) of the SAST Regulations. However, it was observed that the said disclosure was made only on September 05, 2019 i.e. with a delay of 1069 days.
3. Before initiating proceedings under Section 15A(b) of the SEBI Act, 1992, a 'Notice of Summary Settlement' dated January 31, 2020 (hereinafter referred to as 'notice'), was issued to the applicant, intimating thereby that the proceedings (to be initiated), may be settled and disposed of upon filing of a settlement application under Chapter-II of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as 'Settlement

Regulations’) along with remittance of settlement amount of Rs. 3,00,000/- (Rupees Three Lakh only) to SEBI in terms of Chapter VII of the Settlement Regulations, within 30 calendar days from the date of receipt of the notice.

4. In reply, the applicant has filed an application for settlement, in terms of Chapter VII of the Settlement Regulations, without admitting or denying the findings of fact and conclusions of law, proposing to settle the defaults as discussed in para 1 above, through a settlement order. The applicant along with the said application remitted a sum of Rs. 3,00,000/- (Rupees Three Lakh only) towards the settlement charges, vide NEFT dated September 11, 2020. The receipt of same was also confirmed upon verification.
5. In view of the above, in exercise of the powers conferred under Section 15JB of the Securities and Exchange Board of India Act, 1992 and in terms of Regulations 23 read with Regulation 28 of the Settlement Regulations, it is hereby ordered that the proposed proceedings that could have been initiated for the defaults as discussed in paragraph 1 above are settled *qua* the applicant as per the following terms;
 - i. SEBI shall not initiate any enforcement action against the applicant for the said defaults;
 - ii. this order disposes of the proceedings that may be initiated for the defaults as mentioned above, in respect of the applicant; and
 - iii. passing of this Order is without prejudice to the right of SEBI to take enforcement actions including commencing proceedings against the applicant, if SEBI finds that:
 - a. any representation made by the applicant in the present settlement proceedings is subsequently found to be untrue;
 - b. the applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.

6. This settlement order is passed on this 21st day of October, 2020 and shall come into force with immediate effect.
7. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the applicant and also be published on the website of SEBI.

Sd/-

S.K. MOHANTY
WHOLE TIME MEMBER

Sd/-

ANANTA BARUA
WHOLE TIME MEMBER