BEFORE THE ADJUDICATING OFFICER

SECURITIES AND EXCHANGE BOARD OF INDIA

(ADJUDICATION ORDER NO: Order/SM/AR/2018-19/626)

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

In respect of:

Shri Madan Monga
Khasra No. 230/232,
Westend Marg, Saidulajab,
New Delhi - 110030

In the matter of:
M/s Emmsons International Ltd

FACTS OF THE CASE

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI')** while examining the Letter of Offer dated August 30, 2012 filed by the promoters / persons acting in concert with the promoters (**PACs**) of M/s Emmsons International Ltd (hereinafter referred to as '**EIL**'/ '**Company'**), observed that Shri Madan Monga (hereinafter referred to as '**Noticee**'), who was part of the promoter/promoter group of EIL, had allegedly failed to comply with the requirements of Regulation 11(1) r/w Regulation 14(1) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as '**SAST Regulations, 1997**').

2. It was observed that as a consequence of the forfeiture of 7,89,100 equity shares by the company on August 23, 2005, the collective shareholding of the Noticee along with the shareholding of other promoters/PACs of EIL increased by 7.66% during August 2005, which resulted in the shareholding of the Noticee along with that of the promoters/PACs of EIL, crossing the prescribed creeping acquisition limit of 5% under the provisions of Regulation 11(1) of the SAST Regulations, 1997. The Noticee along with the promoters/PACs were therefore under an obligation to make a Public Announcement of open offer in terms of Regulation 11(1) r/w Regulation 14(1) of the SAST Regulations, 1997. It is alleged that Noticee along with the promoters/PACs have failed to comply with the above requirements and therefore, had allegedly violated the provisions of Regulation 11 (1) read with Regulation 14(1) of the SAST Regulations, 1997. SEBI has, therefore, initiated adjudication proceedings against the Noticee under section 15H(ii) of the SEBI Act, 1992 (hereinafter referred to as '**SEBI Act'**) for his alleged violation of the abovementioned provisions of the SAST Regulations, 1997.

APPOINTMENT OF ADJUDICATING OFFICER

3. Shri D. Ravikumar was appointed as the Adjudicating Officer vide Order dated April 26, 2013 under Section 15-I of the SEBI Act read with Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as '**Adjudication Rules**') to inquire into and adjudge under the provisions of Section 15H(ii) of the SEBI Act w.r.t the alleged failure on the part of the Noticee to comply with the provisions of Regulation 11(1) r/w Regulation 14(1) of the SAST Regulations, 1997. Pursuant to the transfer of Shri D. Ravikumar, the undersigned was appointed as the Adjudicating officer in the matter, vide order dated June 22, 2015.

SHOW CAUSE NOTICE, REPLY AND PERSONAL HEARING:

4. Show Cause Notice reference no. A&E/EAD-3/SBM/19209/2015/3 dated July 08, 2015 (hereinafter referred to as '**SCN**') was issued to the Noticee in terms of Rule 4 of the Adjudication Rules read with Section 15 I of the SEBI Act, to

show cause as to why an inquiry should not be held and penalty be not imposed on the Noticee under the provisions of Section 15H(ii) of the SEBI Act, for the aforementioned alleged contravention of the provisions of law by the Noticee.

5. During the course of adjudication proceedings, vide letter dated August 10, 2015, it was informed by one Mr Pawan Kumar Goel, the authorized representative (AR) on behalf of the promoters of EIL viz. Mr Anil Aggarwal and Mr Sanjeev Monga, that Shri Madan Monga (i.e the Noticee in the present proceedings) had expired on August 24, 2008 and in this regard, the AR submitted a copy of Death Certificate dated September 23, 2008 issued by the Municipal Corporation of Delhi. Subsequently, vide letter dated March 23, 2018, one of the promoter and whole time director of EIL viz, Shri Rajesh Monga, submitted another copy of the aforementioned death certificate of the Noticee, which was also duly certified by the company. It is observed that Noticee had expired even before the initiation of the present adjudication proceedings against him. Accordingly, the present adjudication proceedings against Late Shri Madan Monga stands abated in view of the observations of Hon'ble Supreme Court, in the matter of Girijanandini vs. Bijendra Narain (AIR 1967 SC 2110), wherein the Hon'ble Supreme Court observed that in case of personal actions, i.e. the actions where the relief sought is personal to the deceased, the right to sue will not survive to or against the representatives and in such cases the maxim *actio personalis moritor cum persona (personal action dies with the death of the person)* would apply. Relying on the aforementioned Order of Hon'ble SC, I am of the view that the adjudication proceedings initiated against the Noticee will not survive and is liable to be abated without going into the merits of the case. Consequently, no penalty is imposed on the Noticee who is since deceased and the Adjudication Proceedings against the Noticee stand abated.

ORDER

6. In view of my observations in the preceding paragraphs, I hereby dispose of the Adjudication Proceedings initiated against the Noticee viz. Late. Shri Madan Monga under section 15H (ii) of the SEBI Act for his violation of Regulation 11(1) read with Regulation 14(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 read with Regulation 35 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

7. In terms of the provisions of Rule 6 of the Adjudication Rules, a copy of this order is sent to M/s Emmsons International Ltd (as the Noticee was a promoter of the company) and also to Securities and Exchange Board of India.

Place: Mumbai
Date: May 31, 2018

SURESH B MENON
ADJUDICATING OFFICER