

SECURITIES AND EXCHANGE BOARD OF INDIA

ADDENDUM

IN THE MATTER OF KLG CAPITAL SERVICES LIMITED

1. Securities and Exchange Board of India (SEBI) had passed an order dated November 05, 2019, bearing reference number WTM/GM/EFD/DRA-I/43/2019-20 read with Addendums dated February 14, 2020 (bearing reference number WTM/GM/EFD/DRA-I/43A/2019-20) and July 24, 2020 (bearing number WTM/GM/EFD/DRA-I/43C/2020-21) (hereinafter collectively referred to as "*the Order*") in the matter of KLG Capital Services Limited, whereby *inter alia* Anita Ravichandran and Priyanka Singhvi (together referred to as "*the Applicants*") were restrained / prohibited from buying, selling or dealing in or accessing the securities market for a period of five years from the date of the Order and were directed to disgorge ill-gotten gains of Rs.4,12,000 and Rs.4,37,550 made by them respectively, along with interest thereon, calculated @12% per annum for the period from February 29, 2008 to the date of the Order. Pursuant to the Order, while Anita Ravichandran has disgorged the ill-gotten gains of Rs.4,12,000 vide Demand Draft bearing number 038788 dated December 17, 2019, Priyanka Singhvi has failed to the disgorge the ill-gotten gains of Rs.4,37,550 till date. Further, the Applicants have also failed to pay the above-mentioned interests on their respective ill-

gotten gains as directed in the Order and the same remain unpaid to SEBI as on date.

2. SEBI is in receipt of a letter dated July 30, 2020 from the Applicants whereby they have *inter alia* requested SEBI to permit them to sell the securities held by them to disgorge the amounts which remain unpaid to SEBI, in terms of the directions contained in the Order. After due consideration of their request, I hereby grant the following limited relaxation to the Applicants:

- (a) The Applicants are permitted to sell/liquidate the securities held by them as on the date of the Order, for the limited and sole purpose of utilizing the sale proceeds thereof for disgorging the abovementioned ill-gotten gains and / or the interest amount(s) which still remain unpaid to SEBI, in terms of the directions contained in the Order. The value of securities sold / liquidated for the above purposes by the Applicants shall not exceed the respective amounts remaining unpaid on their individual part in terms of the directions in the Order.

- (b) The sale / liquidation of securities as permitted at sub-para (a) above shall be completed and the amounts realized by the Applicants therefrom shall be remitted to SEBI within one month of the date of this order.

- (c) In case the Applicants fail to disgorge the respective amounts remaining unpaid, wholly or partially, in terms of the directions in the Order, within the time limit as specified under sub-para (b) above, the interest at the rate

of 12% per annum on their respective amounts of ill-gotten gains shall be payable from February 29, 2008 till the date of actual payment of such dues.

- (d) In the event of the Applicants effecting payment of the abovementioned due amounts, within the time as specified in sub-para (b) above, the direction for additional period of restraint / prohibition of 5 years, as contained in Para 26 (f) of the Order, shall not be given effect to. In case of failure to effect such payments within the prescribed time, the Applicants shall remain restrained / prohibited till the date of full and final payment of such dues or till the date of expiry of the period of restraint / prohibition, as directed under Para 26 (a) of the Order, whichever is later. Further, in case of such failure, the Applicants shall also be liable for recovery proceedings.
- (e) Further, the period of restraint / prohibition in respect of buying, selling or dealing in the securities market in any manner whatsoever, or accessing the securities market, directly or indirectly, already undergone by the Applicants under the directions issued vide SEBI orders dated September 22, 2009 and July 24, 2014, before these SEBI orders were set aside by the Hon'ble SAT vide its orders dated October 21, 2010 and February 05, 2015 respectively (i.e. the respective periods during which the said SEBI orders remained in force before being set aside by the Hon'ble SAT), shall be set off against the period of restraint / prohibition directed under Para 26(a) of the Order.

(f) The above mentioned directions shall be read along with the other directions contained in the Order.

3. This order shall come into force with immediate effect.
4. The depositories, the exchanges and the RTAs are directed to take note of the limited relaxations granted above and take necessary action for giving effect to the same.
5. A copy of this order shall be served upon the depositories, the exchanges and the RTAs.

Place: Mumbai
Date: August 13, 2020

G. MAHALINGAM
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA