
BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER
IN SETTLEMENT APPLICATION NOS.
6888/2022 FILED BY MR. KUNAL N. GANDHI [PAN: AJDPG3112D]
AND
7008/2022 FILED BY MS. NEHAL N. GANDHI [PAN: AEJPG2346C]
IN THE MATTER OF LYKA LABS LIMITED

1. Mr. Kunal N. Gandhi and Ms. Nehal N. Gandhi (“**Applicants**”) who are the promoters of Lyka Labs Limited (“**Target Company**”) filed separate *suo motu* Settlement Applications (“**Applications**”) in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (“**Settlement Regulations**”) proposing to settle by neither admitting nor denying the findings of fact and conclusions of law, the enforcement proceedings that may be initiated against them, for the violation of Regulation 31(1) and Regulation 31 (2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**SAST Regulations**”).
2. Ipca Laboratories Limited made an open offer for the purchase of shares of Target Company under the SAST Regulations in November, 2021. During the course of Open Offer, certain instances of delayed disclosures by the promoters of the Target Company under Regulations 31 of the SAST Regulations were intimated by the Merchant Banker to SEBI. It was observed that there were three instances of delayed disclosure in respect of which the disclosures were made with a delay of 20 days, 32 days and 37 days respectively.
3. Pursuant to the receipt of the Applications, the authorized representatives of the Applicants had a meeting with the Internal Committee of SEBI on

November 16, 2022. The Internal Committee deliberated on the aspect of the delayed disclosures and suggested the terms of the settlement. Thereafter, the Applicants proposed revised settlement terms dated November 17, 2022 which was received by SEBI on December 02, 2022, to settle the proceedings that may be initiated against them.

4. The applications were placed before the High Powered Advisory Committee (“HPAC”) in its meeting held on December 14, 2022, which considered the facts of the case and the revised settlement terms proposed by the applicant and recommended the case for settlement upon payment of Rs. 3,07,500/- (Rupees Three Lakh Seven Thousand Five Hundred only) on the basis of joint and several liability. The recommendation of the HPAC was accepted by the Panel of WTMs on January 18, 2023 and the Notice of Demand was issued to the Applicants on February 02, 2023. The Applicants vide email dated March 09, 2023 informed that the aforesaid settlement amount was remitted on February 28, 2023 and SEBI has confirmed receipt of the same.
5. On the basis of the facts stated above, in exercise of the powers conferred under Section 15JB read with Section 19 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 proceedings that may be initiated for the violations as mentioned at paragraph 1 above are settled *qua* the Applicants as per the following terms:
 - i. SEBI shall not initiate any other enforcement action against the Applicants for the said violations; and
 - ii. passing of this Order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations to initiate any enforcement action against the Applicants, if SEBI finds that:
 - (a) any representation made by the Applicants in the present settlement proceedings is subsequently found to be untrue;

- (b) the Applicants have breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and
- (c) there was a discrepancy while arriving at the settlement terms.

6. This Settlement Order is passed on this 20th day of March, 2023 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 Applicants and shall also be published on the website of SEBI.

Sd/-

**ANANTH NARAYAN G.
WHOLE TIME MEMBER**

Sd/-

**ASHWANI BHATIA
WHOLE TIME MEMBER**



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