

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On the Application No. 2908 of 2014

Submitted by **Mr. Anurag Agarwal, Mr. Omi Bagadiya,**

Ms. Shobha Bagadiya and Ms. Ritu Agarwal

In the matter of M/s Parichay Investments Limited

1. A Settlement Application dated December 10, 2014 in terms of the SEBI (Settlement of Civil and Administrative Proceedings) Regulations, 2014 (hereinafter referred to as '**Settlement Regulations**') was filed by 4 Applicants namely, 1) Mr. Anurag Agarwal, 2) Mr. Omi Bagadiya, 3) Ms. Shobha Bagadiya, and 4) Ms. Ritu Agarwal (hereinafter collectively referred to as '**Applicants**') who were Persons Acting in Concert (PACs) and the Promoters of M/s Parichay Investments Limited. The Applicants vide said settlement application proposed to settle, through a settlement order, the pending adjudication proceedings for the alleged violations of the provisions of Regulation 11(2) read with Regulation 14(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as '**SAST Regulations, 1997**') with respect to the acquisition by Mr. Anurag Agrawal along with other PACs, namely Mr. Omi Bagadiya, Ms. Shobha Bagadiya, and Ms. Ritu Agarwal of 10,800 shares (0.90% of paid-up capital) of M/s Parichay Investments Limited during the period from April 2010 to June 2010, due to which the shareholding of the PACs had increased from 74.04% to 74.94% as specified in the Show Cause Notice (SCN) dated September 25, 2014 issued to all 4 Applicants by the Adjudicating Officer.
2. The representatives of the Applicants had a meeting with the Internal Committee (hereinafter referred to as '**IC**') of SEBI on April 28, 2015 wherein it was brought to their notice that they had also not made the disclosures under Regulation 7(1A) read with Regulation 7(2) of SAST Regulations, 1997 for the sale transaction during the period from August 2010 to September 2010 due to which their shareholding fell from 74.94% to 0.01%. Accordingly, they made such disclosures on May 06, 2015 to the Bombay Stock Exchange and requested for the settlement of such default also vide pending settlement application.

3. The matter was deliberated during the next IC meeting dated April 28, 2016 wherein the settlement terms proposed by the Applicants was deliberated. Thereafter, the Applicants vide their letter dated May 05, 2016 proposed the revised settlement terms to settle the defaults mentioned in para 1 & 2 above.
4. The High Powered Advisory Committee (hereinafter referred to as '**HPAC**'), considered the settlement terms proposed by the Applicants in its meeting held on July 04, 2016 and recommended the case for settlement upon payment of Rs. 55,17,082/- (Rupees Fifty Five Lakh, Seventeen Thousand and Eighty Two only) by the Applicants towards settlement terms for the aforementioned default. The Panel of Whole Time Members of SEBI had accepted the said recommendation of the HPAC and the same was communicated to the Applicants vide e-mail dated September 16, 2016.
5. Accordingly, the Applicants vide Demand Draft no. 411912 dated October 24, 2016, drawn on Union Bank of India, payable at Mumbai have remitted a sum of Rs. 55,17,082/- (Rupees Fifty Five Lakh, Seventeen Thousand and Eighty Two only) towards the settlement charges.
6. As the instant settlement application is filed for the settlement of pending Adjudication Proceedings and also the possible proceedings that may be initiated by the SEBI for the transaction during the period from August 2010 to September 2010 as mentioned in para-2 above, in exercise of powers under Regulation 15(2) of Settlement Regulations, all the aforesaid violations are settled *qua* the Applicants as per the above terms, by way of this order and SEBI shall not proceed with or initiate any enforcement action against the Applicants for the said defaults.
7. In view of the above, in terms of regulation 15(2) and regulation 19 of the Settlement Regulations, it is hereby ordered that:
 - i. this order disposes of the said pending adjudication proceedings and also the possible proceedings in respect of the Applicants as mentioned above and;
 - ii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including reopening the pending adjudication proceedings and commencing the other possible proceedings against the Applicants, if SEBI finds that:
 - a. any representations made by the Applicants in these settlement proceedings are subsequently discovered to be untrue;

- b. the Applicants has breached any of the clauses/ conditions of undertakings/ waivers filed during the current settlement proceedings.
8. This settlement order passed on this 17th day of January, 2017 shall come into force with immediate effect.
9. In terms of Regulation 17 of the Settlement Regulations, a copy each of this order shall be sent to the Applicants and shall also be published on the website of SEBI.

S. RAMAN
WHOLE TIME MEMBER

G. MAHALINGAM
WHOLE TIME MEMBER