

**BEFORE THE ADJUDICATING OFFICER  
SECURITIES AND EXCHANGE BOARD OF INDIA  
SETTLEMENT ORDER  
(Application No. 6432/2021)**

**On the application submitted by  
Elcid Investments Limited (PAN: AAACE1611Q)  
(Settlement Order No.: SO/PM/SM/2021-22/6432)**

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1. Securities and Exchange Board of India (hereinafter be referred to as **SEBI**) received a complaint dated July 20, 2020 against Elcid Investments Limited (**Noticee/EIL/Company**), wherein it was alleged that the promoters of EIL have direct shareholding of 74.88% but indirectly holds 79.62% of the shareholding in EIL. Based on the same, an investigation was carried out by SEBI for the period from January 01, 2018 to July 20, 2020 ("Investigation period"). The company is listed at Bombay Stock Exchange Limited (**BSE**). During investigation, it was observed that the Noticee failed to comply with Regulation 31(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**LODR Regulations, 2015**") r/w SEBI circular no. CIR/CFD/CMD/13/2015 dated November 30, 2015 r/w Regulation 2(1)(pp) of the SEBI (Issue of Capital and Disclosure Requirements), Regulations 2018 (hereinafter referred as "**ICDR Regulations, 2018**") r/w Regulation 2(1)(zb) of the ICDR Regulations, 2009 r/w Clause 2 of Listing Agreement dated December 28, 2015, signed between EIL and BSE.
2. SEBI appointed Shri Amit Pradhan as the Adjudicating Officer, under section 15-I of The Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the **SEBI Act, 1992**) r/w rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (herein after referred to as Adjudication Rules, 1995) to inquire into and adjudge under

section 15A(b) of the SEBI Act, 1992, the alleged violation of Regulation 31(1)(b) of the LODR Regulations, 2015 r/w SEBI circular no. CIR/CFD/CMD/13/2015 dated November 30, 2015 r/w Regulation 2(1)(pp) of the ICDR Regulations, 2018 r/w Regulation 2(1)(zb) of the ICDR Regulations, 2009 r/w Clause 2 of Listing Agreement dated December 28, 2015, signed between EIL and BSE. Subsequently, the matter was transferred to me and the undersigned had been appointed as the Adjudicating Officer vide order dated June 18, 2021.

3. A Show Cause Notice having ref. EAD-2/AP/AKS/9983/2021 dated May 06, 2021 (hereafter referred to as **SCN**) was issued by the earlier AO to the Noticee in terms of the provisions of rule 4 of the Adjudication Rules, 1995 requiring the Noticee to show cause as to why an inquiry should not be held against it and why penalty, if any, should not be imposed on it under the provision of section 15A(b) of the SEBI Act, 1992, for the alleged violations of the aforesaid provisions of LODR Regulations, 2015, SEBI circular dated November 30, 2015, ICDR Regulations, 2018, ICDR Regulations, 2009 and Clause 2 of Listing Agreement. It has been alleged in the SCN that Mr. Jatin Saraiya, brother of one of the promoter of the Company namely Ms. Dipika Vakil is holding 200 shares of the Company. Mr. Jatin Saraiya being immediate relative of Ms. Dipika Vakil becomes a part of promoter group of EIL. However, it was observed that the shareholding of Mr. Jatin Saraiya was not disclosed as part of promoter/promoter group by the Company. Therefore, it is alleged that by not disclosing Mr. Jatin Saraiya as part of promoter group of the Company and his shareholding in EIL, the Noticee failed to comply with Regulation 31(1)(b) of LODR Regulations, 2015 r/w SEBI circular no. CIR/CFD/CMD/13/2015 dated November 30, 2015 r/w Regulation 2(1)(pp) of the ICDR Regulations, 2018 r/w Regulation 2(1)(zb) of the ICDR Regulations, 2009 r/w Clause 2 of Listing Agreement dated December 28, 2015, signed between EIL and BSE.

4. Pending Adjudication Proceedings, the Noticee (applicant) proposed to settle the instant proceedings initiated against it, without admitting or denying the findings of fact and conclusions of law, through a settlement order and filed a settlement application with SEBI having ref. 6432/2021 dated May 14, 2021, in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as '**Settlement Regulations**').
5. After attending meeting with the Internal Committee of SEBI on June 11, 2021 in terms of the Settlement Regulations, the applicant vide email dated June 11, 2021, proposed revised settlement terms. The High Powered Advisory Committee (hereinafter referred to as 'HPAC') in its meeting held on August 09, 2021, considered the settlement terms proposed and recommended that the case may be settled upon payment of 18,11,775/- (Rupees Eighteen Lakh Eleven Thousand Seven Hundred Seventy Five only) by the applicant as settlement amount towards the settlement terms.
6. The Panel of Whole Time Members of SEBI approved the said recommendation of the HPAC on August 23, 2021 and the same was communicated by SEBI to applicant vide email dated August 23, 2021. Accordingly, as communicated by applicant to SEBI, the settlement amount was remitted to SEBI on August 27, 2021 and duly received by SEBI.
7. Therefore, in view of the acceptance of the settlement terms and the receipt of settlement amount as above by SEBI, the instant adjudication proceedings initiated against the Noticee vide SCN dated May 06, 2021 are disposed of in terms of Section 15JB of the SEBI Act, 1992 r/w regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.
8. This order is without prejudice to the right of SEBI to take enforcement actions, in terms of Regulation 28 of the Settlement Regulations, including restoring or

initiating the proceedings in respect to which the settlement order was passed against the applicant, if:

- i. any representations made by the applicant in the settlement proceedings is subsequently found to be untrue; or
- ii. the applicant breaches any of the clauses / conditions of undertakings / waivers filed during the current settlement proceedings.

9. This settlement order is passed on this September 01, 2021 and shall come into force with immediate effect.

10. In terms of Regulation 25 of the Settlement Regulations, copies of this order are being sent to the applicant viz Elcid Investments Limited and also to the Securities and Exchange Board of India.

**Place: Mumbai**

**Date: September 01, 2021**

**Prasanta Mahapatra**

**Adjudicating Officer**