

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER
(Application No. 3895/2019)

On the application submitted by
Anshul Specialty Molecules Private Limited
Settlement Order No: SO/PM/AN/2020-21/6246

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**'), vide communiqué dated May 04, 2016 initiated adjudication proceedings against Utkarsh Global Holdings Private Limited (hereinafter referred to as '**UGHPL**'), which was later amalgamated into Anshul Specialty Molecules Private Limited (hereinafter referred to as '**the applicant**'), to inquire into and adjudge under Section 15H(ii) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') for the alleged violation of the provisions of Regulation 3(2) and 3(3) read with Regulation 13(1) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as '**SAST Regulations**') alleged to have been committed by UGHPL.
2. In this regard, a Show Cause Notice ref. EAD-2/DSR/BKM/14053/1/2016 dated May 16, 2016 (hereinafter referred to as '**SCN**') was issued to UGHPL. It was alleged in the SCN that UGHPL had violated the abovementioned provisions of law.
3. It was observed in the SCN that SEBI had conducted examination in the scrip of Excel Industries Limited (hereinafter referred to as '**EIL**'/'**Company**') and observed that the shareholding of UGHPL, a promoter group entity of EIL was increased by more than 5% pursuant

to conversion of warrants into equity shares on December 15, 2014. This required UGHPL to make an open offer under the provisions of SAST Regulations. However, UGHPL had failed to make the said open offer, thus violating the abovementioned provisions of law. It is observed from the reply dated October 31, 2018 that, with effect from September 25, 2017, UGHPL had amalgamated with the applicant pursuant to an order dated August 23, 2017 of Mumbai Bench of Hon'ble National Company Law Tribunal.

4. Pending Adjudication Proceedings, the applicant submitted a Settlement Application no. 3895/2019, which was received by SEBI on February 25, 2019 along with an undertaking in the format prescribed by SEBI for settlement in the matter in terms of Regulations 3(1) and 3(2) of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as "**Settlement Regulations**").
5. Pursuant to the above mentioned Settlement Application made by the applicant, the Authorized Representatives of the applicant, attended a meeting with the Internal Committee on Settlement (hereinafter referred to as '**IC**') on June 30, 2020. During the aforesaid meeting, the settlement terms of Rs. 37,99,145/- (Rupees Thirty Seven Lakh Ninety Nine Thousand and One Hundred Forty Five Only) calculated as per the Settlement Regulations were communicated to the authorised representatives of the applicant. The applicant vide letter dated July 03, 2020 proposed payment of Rs. 37,99,145/- (Rupees Thirty Seven Lakh Ninety Nine Thousand and One Hundred Forty Five Only) towards full and final settlement of all regulatory, civil or criminal proceedings in relation to the facts contained in the SCN without admitting or denying any violation on the part of the applicant.
6. The settlement terms were placed before the High Powered Advisory Committee for Settlement Orders and Compounding Applications (hereinafter referred to as '**HPAC**') on July 30, 2020. The HPAC, after

considering the facts and circumstances of the case, settlement terms offered by the applicant and also the materials made available before it by SEBI, recommended that the aforesaid adjudication proceedings initiated against the applicant may be settled on payment of Rs. 37,99,145/- (Rupees Thirty Seven Lakh Ninety Nine Thousand and One Hundred Forty Five Only) towards the settlement terms. The Panel of Whole Time Members of SEBI approved the said recommendation of HPAC on August 12, 2020 and the same was communicated to the applicant vide Email dated August 13, 2020.

7. The applicant vide an Email dated August 23, 2020 informed SEBI that it has remitted a sum of Rs. 37,99,145/- (Rupees Thirty Seven Lakh Ninety Nine Thousand and One Hundred Forty Five Only) towards the settlement charges through direct credit in the account of SEBI. The concerned department of SEBI, vide their email dated August 24, 2020, has confirmed receipt of the settlement charges.
8. Therefore, in view of the acceptance of the settlement terms and receipt of settlement amount as above by SEBI, the instant adjudication proceedings initiated against UGHPL vide SCN dated May 16, 2016 are disposed of in terms of section 15JB of the SEBI Act read with Regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.
9. In terms of Regulation 28 of the Settlement Regulations, this order is without prejudice to the right of SEBI to take any enforcement action including restoring or initiating the proceedings in respect to which this settlement order is passed, if:
 - a. If the applicant fails to comply with the settlement order; or
 - b. at any time after the settlement order is passed, it comes to the notice of SEBI that the applicant has not made full and true disclosure; or

- c. the applicant has violated the undertakings or waivers filed during the settlement proceedings.

10. This settlement order is passed on the **24th day of September, 2020** and shall come into force with immediate effect.

11. In terms of Regulation 25 of the Settlement Regulations, a copy of this order is sent for service to the applicant and the order is also published on the website of SEBI.

Place: Mumbai

Date: September 24, 2020

PRASANTA MAHAPATRA

ADJUDICATING OFFICER