

BEFORE THE ADJUDICATING OFFICER
THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI
SETTLEMENT ORDER NO. EAD/BJD/BKM/1/2017

SETTLEMENT ORDER

In respect of application nos., 3272/2017

Submitted by Clarence Investment Limited in the matter of Saurashtra Cement Limited.

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') has initiated Adjudicating proceedings against Clarence Investment Ltd (hereinafter referred to as '**the Applicant / Noticee**') in the matter of Saurashtra Cement Ltd for alleged violations of Regulations 29(2) read with 29(3) of SEBI (SAST) Regulations, 2011.
2. Earlier, Shri Anita Kenkare was appointed as the Adjudicating Officer vide order dated February 25, 2016 to inquire into and adjudge the matter for the alleged violations committed by the Noticee. Pursuant to internal restructuring, the undersigned was appointed as Adjudicating Officer vide order dated October 4, 2017 in the matter.
3. Show Cause Notice reference no. EAD-6/AK/RSL/12308/2016 dated April 29, 2016 (hereinafter referred to as '**SCN**') was issued to the Applicant / Noticee. It was alleged that Clarence Investment Ltd, consequent to inter-se transfer of 44,00,000 shares, failed to disclose reduction in its holding from 25.17% to 16.57% of share capital of Saurashtra Cement Ltd (**Company**) to the Company and stock exchange under SEBI (Substantial Acquisition of Shares & Takeovers [SAST]) Regulations, 2011. Thus, it was alleged that the Applicant / Noticee had violated the provisions of Regulation 29 (2) read with 29 (3) of SEBI (SAST) Regulations, 2011.
4. While the Adjudication proceedings were in progress, the Applicant / Noticee submitted an application for settlement of the proceedings, in terms of SEBI

(Settlement of Administrative and Civil Proceedings) Regulations, 2014 (hereinafter referred to “**Settlement Regulations**”).

5. A meeting of the Internal Committee (**IC**) of SEBI was held on August 11, 2017 and thereafter the Applicant / Noticee had proposed the settlement terms vide their letters dated August 14, 2017.
6. The settlement terms as proposed by the Applicants / Noticees were considered by the IC and placed the same before the High Powered Advisory Committee (**HPAC**) in its meeting held on September 4, 2017. After considering the facts / circumstances of the case, material brought before it, the Committee recommended that the aforesaid violations, in the facts of the case, may be settled on payment of ₹ 3,31,500/- (Rupees Three Lakh Thirty One Thousand Five Hundred only) by Clarence Investment Ltd.
7. The recommendation of HPAC were approved by a Panel of the Whole Time Members of SEBI on October 5, 2017 and the same was communicated to the Applicant/Noticee vide email dated October 11, 2017. The Applicants viz., letter dated October 16, 2017 submitted the demand drafts, the details of which are furnished hereunder, towards the settlement of actions in the case.

Name of the applicant	Demand Draft No.,	Demand draft date	Drawn on (Name of the Bank)	Amount remitted in ₹
Clarence Investment Ltd	801507	16/10/2017	Afrasia Bank Ltd	3,31,500/-

8. In view of the acceptance of the settlement terms as proposed by the Applicant/Noticee and upon receipt of aforesaid Demand Draft by SEBI, the pending Adjudication Proceedings initiated against the Applicant / Noticee under the aforesaid SCN dated April 29, 2016, is hereby disposed of in terms of regulation 15(1) of the Settlement Regulations.
9. This Order is without prejudice to the right of SEBI to initiate Enforcement actions including commencing / reopening of the pending proceedings against the Applicant / Noticee, if SEBI finds that:

- i. Any representations made by the Applicants in the present settlement proceedings are subsequently discovered to be untrue.
 - ii. The Applicants have breached any of the clauses / conditions of undertakings / waivers filed during the present settlement proceedings.
10. This settlement order passed on 31st day of October, 2017 shall come into force with immediate effect.
11. In terms of regulation 17 of Settlement Regulations, a copy of this order is being sent to the Applicant / Noticee and for publication on the website of SEBI.

Date: October 31, 2017

Place: Mumbai

B J DILIP

ADJUDICATING OFFICER