

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER
IN SETTLEMENT APPLICATION NO. 6519 OF 2021
FILED BY JUDE TERRENCE D'SOUZA [PAN: AACPD9301M]
IN THE MATTER OF SPARC SYSTEMS LIMITED.

1. Mr. Jude Terrence D' Souza ("**Applicant**") had filed a *suo motu* Settlement Application ("**Application**") in terms of the SEBI (Settlement Proceedings) Regulations, 2018 ("**Settlement Regulations**") proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a Settlement Order, the enforcement proceedings that may be initiated against him, for the alleged violation of Regulations 10(6), 10(7), 29(2) and 31(4) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SAST Regulations, 2011**").
2. The facts in brief are as follows:
 - (a) The applicant who is a promoter of the Sparc Systems Limited ("**Target Company**") entered into *inter se* transfer of shares of the Target Company with other promoters for acquisition of 20,900 shares (0.42%) on October 03, 2017 and a total of 3,77,300 shares (7.72%) on December 30, 2017. The aforesaid transactions triggered disclosure requirements under Regulations 10(6), 10(7), 29(2) and 31(4) of the SAST Regulations, 2011.
 - (b) The acquisition of a total of 3,77,300 shares (7.72%) of the Target Company by the applicant on December 30, 2017 triggered disclosure requirement under Regulation 29(2) of SAST Regulations, 2011. Although, the due date for making the requisite disclosure was January 01, 2018, the same was made on January 04, 2018 with a delay of 3 days.
 - (c) The due dates for making disclosure under Regulation 31(4) of SAST Regulations, 2011 for the Financial Years 2019-20 and 2020-21 were June 01, 2020 and April 12, 2021. However, the disclosures were made on July 01, 2020 and May 14, 2021 with a delay of 31 days and 32 days respectively.

3. Pursuant to the receipt of the application, the authorized representative of the Applicant had a meeting with the Internal Committee of SEBI on February 23, 2022 and deliberated on the terms of the settlement. Thereafter, the Applicant vide e-mail dated March 08, 2022, proposed revised settlement terms to settle the proceedings that may be initiated against him.
4. The High Powered Advisory Committee (“**HPAC**”) in its meeting held on April 05, 2022, considered the revised settlement terms proposed by the Applicant and recommended the case for settlement upon payment of Rs. 3,00,000/- (Rupees Three Lakhs only). The aforesaid amount was remitted by the Applicant on May 24, 2022. The receipt of the above payment to SEBI is confirmed.
5. In view of the 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 have been initiated for the alleged defaults as mentioned at paragraph 1 above are settled *qua* the Applicant as per the following terms:
 - i. this Order disposes of the proceedings that may be initiated for the said default as mentioned above, in respect of the Applicant;
 - ii. SEBI shall not initiate enforcement action against the Applicant for the said default; and
 - iii. passing of this Order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations to take enforcement actions including commencing proceedings against the Applicant, if SEBI finds that:
 - (a) any representation made by the Applicant in the present settlement proceedings is subsequently found to be untrue;
 - (b) the Applicant has 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 31st day of May, 2022 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 Applicant and shall also be published on the website of SEBI.

-sd-

S.K. MOHANTY
WHOLE TIME MEMBER

-sd-

ANANTA BARUA
WHOLE TIME MEMBER