

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On Settlement Application No. 3890 of 2019

Filed by Castor Investments Limited [PAN : AAFCC9163J]

1. Castor Investments Limited (hereinafter referred to as the “applicant”) had filed a *suo motu* settlement application in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the “Settlement Regulations”) proposing to settle, without admitting the findings of fact and conclusions of law, through a settlement order, the probable enforcement proceedings for the alleged violation of Regulation 7(2) (a) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as ‘PIT Regulations’) and Regulation 29 (2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (hereinafter referred to as the “SAST Regulations”) in respect of the acquisition of shares in STEL Holdings Limited (hereinafter referred to as ‘the company’).
2. During the period from October-to December 2018, the applicant along with PAC acquired a total of 2,56,443 shares of the company, which is equivalent to 1.39% of the share capital of the company. Similarly, the applicant has acquired a total of 106,481 shares, equivalent to 0.58 % in the share capital of the company as on January 11, 2019 and on January 14, 2019, the applicant had acquired another 16,082 shares, equivalent to 0.09 % of the share capital of the company. Pursuant to the aforementioned transactions, the change in shareholding of the applicant exceeded 2% of the share capital of the company. As per Regulation 29(2) of the SAST Regulations, the applicant was required to disclose the same to the concerned Stock Exchange/s within two working days. Further, the total value of the shares held by the applicant exceeded Rs. 10 Lakh during the calendar quarter, which

required the applicant to make the necessary disclosure to the company as per Regulation 7(2) (a) of the PIT Regulations within two days. However, the applicant inadvertently failed to make the disclosures within the stipulated period of two days and instead made the required disclosures after 30 days.

3. During the meeting with the Internal Committee of SEBI on November 22, 2019, the authorized representatives of the applicant deliberated upon the settlement terms. Thereafter, the applicant, vide letter dated November 25, 2019, proposed the revised settlement terms to settle the defaults mentioned above.
4. The High Powered Advisory Committee (hereinafter referred to as 'HPAC') in its meeting held on December 27, 2019 considered the proposed settlement terms by the applicant and recommended the case for settlement upon payment of Rs.6,62,695/- (Rupees Six Lakh Sixty Two Thousand Six Hundred and Ninety Five only) towards settlement terms.
5. The applicant vide letter dated January 28, 2020 submitted a Demand Draft bearing no. 608654 dated January 27, 2020 for an amount of Rs.6,62,695/- (Rupees Six Lakh Sixty Two Thousand Six Hundred and Ninety Five only) towards the settlement terms as proposed by them for the settlement of the aforesaid proceedings.
6. In view of the above, in exercise of the powers conferred under Section 15JB of the SEBI Act, 1992 and in terms of Regulations 23 and 28 read with Regulation 34 of the Settlement Regulations, it is hereby ordered that the proceedings that may have been initiated for the defaults as mentioned in paragraph 1 above are settled *qua* the applicant and as per the following terms:
 - i. SEBI shall not initiate any enforcement action against the applicant for the said defaults,
 - ii. passing of this order is without prejudice to the right of SEBI 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.

7. This settlement order is passed on this 3rd day of February, 2020 and shall come into force with immediate effect.

8. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the applicant and also be published on the website of SEBI.

Sd/-

S. K. MOHANTY
WHOLE TIME MEMBER

Sd/-

ANANTA BARUA
WHOLE TIME MEMBER