

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

on Application No. 3670 of 2018 (*suo motu*) filed by Stovec Industries Limited in the matter of Stovec Industries Limited.

1. Stovec Industries Limited (hereinafter referred to as the ‘applicant’) had filed a *suo motu* application dated September 14, 2018 in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 which is repealed and replaced with SEBI (Settlement Proceedings) Regulations, 2018 with effect from January 01, 2019 (hereinafter referred to as ‘Settlement Regulations’), proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a settlement order, the delayed compliance of Regulations 8(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as ‘SAST’).
2. The applicant failed to make the requisite disclosures within the stipulated time on three occasions (due date of the compliances was April 30, 2007 for all the occasions) and the disclosures were made subsequently after a delay 14 days, 105 days and 2 days respectively.
3. The Panel of Whole Time Members of SEBI, vide noting dated September 12, 2018, had approved that the settlement applications filed for the minor defaults/defaults involving disclosure matters may be

processed as per “Summary Settlement Procedure” for expeditious disposal. It was observed that the captioned case may be considered for summary settlement as per the provisions of Regulation 16 of the SEBI (Settlement Proceedings) Regulations, 2018. In view of the above, the applicant was called for an IC meeting on March 29, 2019, and was given an option of preferring a summary settlement procedure by paying the summary settlement amount. The applicant opted for the summary settlement route and agreed upon to pay the settlement amount of ₹5,84,350/- (Rupees Five Lakhs Eighty Four Thousand Three Hundred and Fifty only) towards settlement terms as proposed by the applicant for the aforementioned default, within 10 working days from the date of the IC meeting.

4. The applicant vide Demand Draft No. 048083 dated April 08, 2019 drawn on Axis Bank Limited has remitted ₹5,84,350/- (Rupees Five Lakhs Eighty Four Thousand Three Hundred and Fifty only) towards the settlement charges. The Panel of Whole Time Members of SEBI approved the said settlement terms for the summary settlement of the captioned matter.
5. In view of the above, in exercise of the powers conferred under Section 15JB of the Securities and Exchange Board of India Act, 1992 and in terms of Regulations 23 and 28 read with Regulation 34 of the Settlement Regulations, it is hereby ordered that:
 - i. the proceedings that may be initiated for the default as discussed in paragraph 1 above, are settled *qua* the applicant as per the following terms,
 - ii. SEBI shall not initiate any enforcement action against the applicant for

the said default,

- iii. this order disposes of the proceedings that may be initiated for the default as mentioned above, in respect of the applicant and;
 - iv. 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 discovered to be untrue;
 - b. the applicant has breached any of the clauses/conditions of undertakings/ waivers filed during the present settlement proceedings.
6. This settlement order is passed on this 15th day of April, 2019 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