

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

On the Application No. 3044 of 2016

Submitted by

Earthstone Holding (Two) Limited

In the matter of Sutej Textiles and Industries Limited

(PAN: AACCE1490K)

1. Earthstone Holding (Two) Limited (hereinafter referred to as 'the applicant') having its registered office at 9th Floor, Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi - 110001 vide its letter dated September 28, 2015 filed an application in terms of the Securities and Exchange Board of India (Settlement of Civil and Administrative Proceedings) Regulations, 2014 (**'Settlement Regulations'**) proposing to settle, through a settlement order, the adjudication proceedings proposed to be initiated against it for the delayed disclosure made under Regulations 13(4) of SEBI (Prohibition of Insider Trading) Regulations, 1992 and Regulation 29(1) read with 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for the transaction dated February 05, 2014.
2. The representatives of the applicant had a meeting with the Internal Committee of Securities and Exchange Board of India (**'SEBI'**) on March 31, 2016 wherein the settlement terms proposed by the applicant was deliberated. Thereafter, the applicant vide its letter dated April 13, 2016 proposed the revised settlement terms to settle the default mentioned in para 1 above.
3. The High Powered Advisory Committee (HPAC), considered the settlement terms proposed by the applicant in its meeting dated May 30, 2016 and recommended the case for settlement upon payment of ` 3,25,000/- (Rupees Three Lakh Twenty Five Thousand only) by the applicant towards settlement terms for the aforementioned default. The Panel of Whole Time Members of SEBI had accepted the said recommendations of the HPAC and the same was communicated to the applicant vide email dated October 06, 2016.
4. Accordingly, the applicant has, vide Demand Draft No. 621845 dated October 14, 2016 drawn on Kotak Mahindra Bank payable at Mumbai, *inter alia* remitted a sum of ` 3,25,000/- (Rupees Three Lakh Twenty Five Thousand only) towards the settlement charges.
5. In view of the same, the adjudication proceedings proposed to be initiated against the applicant for the delayed compliance of Regulations 13 (4) of SEBI (Prohibition of Insider Trading) Regulations, 1992 and Regulation 29(1) read with 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 for the transaction dated February 05, 2014 as discussed above, is settled *qua* the applicant as per the above terms by way of this order and SEBI shall not initiate any enforcement action against the applicant for the said default.

6. In view of the above, in terms of Regulation 15 (1) and Regulation 19 of Settlement Regulations it is hereby ordered that:
 - i. this order disposes of the said proposed adjudication proceedings in respect of the applicant as mentioned above and;
 - ii. passing of this order is without prejudice to the right of SEBI to take enforcement actions including commencing the said proceedings against the applicant, if SEBI finds that:
 - a. any representations made by the applicant in the present settlement proceedings are subsequently discovered to be untrue;
 - b. the applicant has breached any of the clauses / conditions of undertakings / waivers filed during the current settlement proceedings.
7. This settlement order passed on this the 20th day of December, 2016 shall come into force with immediate effect.
8. In terms of Regulation 17 of Settlement Regulations, a copy of this order shall be sent to the applicant and shall also be published on the website of SEBI.

S. RAMAN
WHOLE TIME MEMBER

G. MAHALINGAM
WHOLE TIME MEMBER