

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI
SETTLEMENT ORDER NO. EAD-5/BS/1-6/2017-18

Sr. No.	Settlement Application No.	Name of the Entity	PAN No.
1	3162 of 2016	Nirmal Kumar Agarwal	ACNPA0783F
2	3163 of 2016	Mohan Lal Agarwal	ACVPA7179F
3	3164 of 2016	Jugal Kishore Agarwal	ADCPA9670K
4	3165 of 2016	Manoj Kumar Agarwal	ABDPA8890N
5	3166 of 2016	Mahesh Kumar Agarwal	ABCPA9259J
6	3167 of 2016	Ghanshyam Das Agarwal	ACUPA0872G

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1. Securities and Exchange Board of India (**SEBI**) conducted investigation into the alleged irregularities in the scrip of Adhunik Metaliks Limited (hereinafter referred to as “**AML/Company**”) for the period September 01, 2009 to January 29, 2010. Shri Nirmal Kumar Agarwal, Shri Mohan Lal Agarwal, Shri Jugal Kishore Agarwal, Shri Manoj Kumar Agarwal, Shri Mahesh Kumar Agarwal and Shri Ghanshyam Das Agarwal (hereinafter collectively referred to as “**Applicants**”) are Directors and promoters of the company as per the Annual Report of the year 2009-10 and shareholding pattern for the quarter ended December 2009 and March 2010 respectively. The shares of the company are listed at BSE and NSE.
 2. Investigation revealed that during Quarter ended March 31, 2010, there was an increase of 40,33,322 equity shares in the promoter’s holding of the company pursuant to Scheme of amalgamation of Vedvyas Ispat Ltd and Sri M.P. Ispat & Power Pvt. Ltd with AML, as approved by Hon'ble High Court of Orissa at Cuttack & Hon'ble High Court at Calcutta respectively. The shareholding of the Applicants, who are promoters/directors in AML,

increased by more than 25,000 shares due to the amalgamation. The details are given below:

S. No.	Promoter /Director	Increase in shareholding
1	Nirmal Kumar Agarwal	230325
2	Mohan Lal Agarwal	235375
3	Jugal Kishore Agarwal	101032
4	Manoj Kumar Agarwal	286890
5	Mahesh Kumar Agarwal	241436
6	Ghanshyam Das Agarwal	362648

3. As there was increase of more than 25,000 shares in the shareholding of the Applicants in the company they were required to disclose the change to the company and also to the exchanges where the shares of the company are listed as stipulated under Regulation 13(4) read with Regulation 13(5) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as "**PIT Regulations, 1992**"). However, disclosures as stipulated under the Regulations were not made by the Applicants to the company and BSE/NSE.
4. In view of the above, SEBI initiated adjudication proceedings against the Applicants and vide order dated July 08, 2015, Shri S.V.Krishnamohan was appointed as Adjudicating Officer to inquire into and adjudge under Section 15A(b) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act**"), the alleged violations of provisions of Regulation 13(4) read with Regulation 13(5) of PIT Regulations, 1992 by the Applicants.
5. Accordingly, Show Cause Notice nos. EAD-5/ADJ/SVKM/AA/OW/5262, 5264-68/1/2016 dated February 24, 2016 ("**SCN**") were issued to the

Applicants under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 (hereinafter referred to as “**Rules**”) alleging that they have violated the provisions of Regulation 13(4) read with Regulation 13(5) of PIT Regulations, 1992 by failing to make disclosure regarding change in their shareholding exceeding 25,000 shares of the company to the company and the stock exchanges within 2 working days.

6. While the adjudication proceedings pursuant to the said SCN were in progress, Applicants, vide separate letters dated September 20, 2016 had submitted applications with SEBI in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 Limited (hereinafter referred to as the “**Settlement Regulations, 2014**”) proposing to settle, through settlement order, the aforementioned adjudication proceedings for the alleged violations.
7. The settlement terms of ₹ 2,00,000/- (Rupees Two Lakh only) **each**, as proposed by the Applicants, were placed before the High Powered Advisory Committee (hereinafter referred to as ‘**HPAC**’) on May 29, 2017. The HPAC, after considering the facts and circumstances of the matter, settlement terms proposed by the Applicants and the materials brought before it by SEBI, recommended that the aforesaid adjudication proceedings may be settled on payment of ₹ 2,00,000/- (Rupees Two Lakh only) **each** towards settlement charges as proposed by the Applicants. Subsequently, the Panel of Whole Time Members of SEBI approved the said recommendations of the HPAC and the same was communicated to the Applicants vide email dated July 14, 2017.

8. Accordingly, the Applicants vide separate letters dated July 18 & 19, 2017 forwarded Demand Drafts for a sum of ₹ 2,00,000/- (Rupees Two Lakh only) *each* towards settlement charges. The details of Demand Drafts submitted by the Applicants are as under:

Name	Demand Draft No.	Date	Drawn on
Nirmal Kumar Agarwal	004543	17.07.2017	HDFC Bank
Mohan Lal Agarwal	004544	17.07.2017	HDFC Bank
Jugal Kishore Agarwal	004547	19.07.2017	HDFC Bank
Manoj Kumar Agarwal	004548	19.07.2017	HDFC Bank
Mahesh Kumar Agarwal	004540	15.07.2017	HDFC Bank
Ghanshyam Das Agarwal	004542	17.07.2017	HDFC Bank

9. The undersigned has been appointed as Adjudication Officer in the present matter vide order dated September 15, 2017 in the place of Shri S.V.Krishnamohan.
10. In view of above, in terms of Regulation 15(1) of Settlement Regulations, 2014, it is hereby ordered that this settlement order disposes of the aforesaid adjudication proceedings initiated against Applicants herein namely i) Shri Nirmal Kumar Agarwal, ii) Shri Mohan Lal Agarwal, iii) Shri Jugal Kishore Agarwal, iv) Shri Manoj Kumar Agarwal, v) Shri Mahesh Kumar Agarwal and vi) Shri Ghanshyam Das Agarwal vide Show Cause Notice nos. EAD-5/ADJ/SVKM/AA/OW/5262, 5264-68/1/2016 dated February 24, 2016.
11. This order is without prejudice to the right of SEBI to take enforcement actions including restoring or initiating the proceedings in respect to which this settlement order was passed against the Applicants, if :
- a. any representation made by the Applicants in the settlement proceedings is subsequently found to be untrue; or

b. the Applicants breaches any of the clauses / conditions of undertakings / waivers filed during the current settlement proceedings.

12. This Settlement Order is passed on this *19th day of September 2017* and shall come into force with immediate effect.

Place: Mumbai

Biju. S
Adjudicating Officer