

**BEFORE THE ADJUDICATING OFFICER**  
**SECURITIES AND EXCHANGE BOARD OF INDIA**

[SETTLEMENT ORDER Ref No.: SO/SM/MG/2021-22/6323]

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**UNDER SECTION 15JB OF SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992  
READ WITH REGULATION 23(1) OF THE SEBI (SETTLEMENT OF ADMINISTRATIVE  
AND CIVIL PROCEEDINGS) REGULATIONS, 2018.**

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In respect of:

Application No. 6323/2021 submitted by

**Bajranglal Prahlad Rai HUF (PAN: AABHB8299K)**

**In the matter of Maithan Alloys Limited**

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1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') conducted an investigation in the affairs of Maithan Alloys Limited (hereinafter referred to as '**Maithan/Company**') for the period, April 13, 2015 to June 12, 2015 (hereinafter referred to as '**Investigation period**') and *inter alia* observed certain violations of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter also referred to as "**PIT Regulations**") read with SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter also referred to as "**PIT Regulations, 2015**") alleged to have been committed by Prahlad Rai Agarwalla (Bajranglal Prahlad Rai HUF) (hereinafter referred to as '**Noticee**').
  2. Pursuant to the investigation, SEBI appointed Shri Amit Pradhan as the Adjudicating Officer (hereinafter referred to as '**AO**') vide order dated September 30, 2020, under Section 19 read with Section 15I(1) of the SEBI Act, 1992 (hereinafter referred to as '**SEBI Act**') read with Rule 3 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 (hereinafter referred to as '**AO Rules**'), to inquire into and adjudge under the provisions Section 15A(b) of the SEBI Act, the violation of the provisions of PIT Regulations read with PIT Regulations, 2015, alleged to have been committed by Noticee. Thereafter, pursuant to transfer of Shri Amit Pradhan to another department, vide order dated June 18, 2021, the undersigned has been appointed as the AO in the matter, by SEBI.
  3. In this regard, a Show Cause Notice ref.no. EAD-2/AP-SKS/OW/18695/1/2020 dated November 05, 2020, (hereinafter referred to as '**SCN**') was issued to Noticee, by the erstwhile Adjudicating Officer. The major observations and allegations against Noticee in the aforesaid SCN are given hereunder in brief:
    - a) The promoter shareholding decreased from 73.86% in quarter ended March 2015 to 72.46% in

quarter ended June 2015. In this regard, it was observed that Noticee had sold 140550 shares (0.96% of total shareholding) between May 08, 2015 and May 13, 2015.

- b) It was observed that Noticee, who is part of the promoter group, had sold shares on 4 trading days between May 08, 2015 and May 13, 2015 and the transactions made by Noticee on all the aforesaid 4 days exceeded the limits prescribed in Regulation 13(4A) read with 13(5) of the PIT Regulations. Therefore, disclosures were required to be provided by Noticee to the concerned exchanges where the shares of the company are listed and to the company within 2 working days as per the provisions of PIT Regulations. However, it was observed that no disclosures were filed by Noticee with regard to the said transactions

4. I note from the records that during the course of proceedings, without admitting or denying the findings of fact and conclusions of law, the Authorized Signatory of Noticee, Mr. Prahlad Rai Agarwalla (Hereinafter referred to as '**Applicant**') proposed to settle the instant proceedings initiated against it through a settlement order and filed a settlement application dated January 16, 2021 with SEBI (reference number 6323/2021), in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as "**Settlement Regulations**").
5. After attending meeting with the Internal Committee of SEBI on March 17, 2021, in terms of the Settlement Regulations, Noticee vide letter dated March 26, 2021, proposed the revised settlement terms. The High Powered Advisory Committee ('HPAC') in its meeting held on May 28, 2021, considered the settlement terms proposed and recommended the case for settlement upon payment of ₹4,48,907/- (Rupees Four Lakh Forty Eight Thousand Nine Hundred and Seven only) towards settlement charges.
6. The Panel of Whole Time Members of SEBI approved the said recommendation of the HPAC on June 11, 2021 and the same was communicated by SEBI to Noticee vide email dated June 14, 2021. Accordingly, the applicant, vide its email dated June 22, 2021, communicated the payment details of the settlement amount towards settlement charges. The payment of aforesaid amount was confirmed by the concerned department of SEBI vide its email dated June 23, 2021
7. Therefore, in view of the acceptance of the settlement terms and receipt of settlement amount as above by SEBI, the instant adjudication proceedings initiated against Noticee vide SCN dated November 05, 2020 are disposed of in terms of section 15JB of the SEBI Act read with regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.
8. This order shall come into force with immediate effect. Further, in terms of regulation 28 of the Settlement Regulations, this order is without prejudice to the right of SEBI to take any enforcement action including restoring or initiating the proceedings in respect to which this settlement order is passed, if:

- a) Noticee fails to comply with the settlement order or at any time after the settlement order is passed,
  - b) Noticee has not made full and true disclosure or has violated the undertakings or waivers, settlement order shall stand revoked and withdrawn and the Board shall restore or initiate the proceedings, with respect to which the settlement order was passed.
9. In terms of regulation 25 of the Settlement Regulations, a copy of this order is sent for service to the applicant and the order is also published on the website of SEBI.

**Date: June 28, 2021**  
**Place: Mumbai**

**SOMA MAJJUMDER**  
**ADJUDICATING OFFICER**