

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

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SETTLEMENT ORDER

On Application No. 3222 of 2017

Submitted by **Mr. Sunil Krishna Khaitan in the matter of Khaitan Electricals Limited**

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1. Mr. Sunil Krishna Khaitan (hereinafter referred to as ‘applicant’) director, Khaitan Electricals Limited having address at 46C, J.L. Nehru Road, Kolkata – 700071, filed an application dated November 30, 2016, in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (‘Settlement Regulations’), proposing to settle, through a settlement order, the proposed adjudication proceedings intimated vide Notice of Approved Enforcement Action dated August 02, 2016 for the delay in making disclosures as required under regulation 13(4) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.
2. The authorised representative of the applicant had a meeting with the Internal Committee of SEBI on April 27, 2017, wherein the settlement terms were deliberated. Thereafter, the applicant, vide letter dated April 28, 2017, proposed the revised settlement terms to settle the default mentioned in para 1 above.
3. The High Powered Advisory Committee (‘HPAC’) in its meeting dated May 29, 2017 considered the settlement terms proposed by the applicant and recommended the case for settlement upon payment of ₹2,00,000/- (Rupees Two Lakh only) by the applicant towards settlement terms for the aforementioned default. The Panel of Whole Time Members of SEBI accepted the said recommendation of the HPAC and the same was communicated to the applicant vide e-mail dated July 12, 2017.
4. The applicant vide Demand Draft no. 349546 dated July 19, 2017, drawn on State Bank of India has remitted ₹2,00,000/- (Rupees Two Lakh only) towards the settlement charges.
5. Accordingly, the adjudication proceedings proposed to be initiated against the applicant for the alleged violation as discussed in paragraph 1 above, are 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 regulations 15 and 19 of the 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 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.
7. This settlement order passed on this 31<sup>st</sup> day of July, 2017 and shall come into force with immediate effect.
8. In terms of regulation 17 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.

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**G. MAHALINGAM**  
**WHOLE TIME MEMBER**

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**S. RAMAN**  
**WHOLE TIME MEMBER**