

SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER

In respect of

Applicant	Name of the Entity/Applicant	Settlement Application No.	PAN	Settlement Order No.
1.	Electrocast Sales India Ltd.	7745/2024	AAACE5671N	SO//PSD/2024-25/7745
2.	Madhav Kejriwal	7742/2024	ATWPK1505D	SO//PSD/2024-25/7742
3.	Umang Kejriwal	7743/2024	AGGPK0884Q	SO//PSD/2024-25/7743
4.	G.K. & Sons Private Ltd.	7751/2024	AAACG8389H	SO//PSD/2024-25/7751
5.	Malay Commercial Enterprises Ltd.	7750/2024	AABCM9002E	SO//PSD/2024-25/7750
6.	G.K. Investments Ltd.	7747/2024	AAACG8390A	SO//PSD/2024-25/7747
7.	Asha Kejriwal	7746/2024	AGGPK0885R	SO//PSD/2024-25/7746
8.	Murari Investment & Trading Company Ltd.	7744/2024	AACCM2608K	SO//PSD/2024-25/7744
9.	Mayank Kejriwal	7741/2024	AGGPK0882J	SO//PSD/2024-25/7741
10.	Gouri Shankar Rathi	7740/2024	ADMPR1358R	SO//PSD/2024-25/7740
11.	Quinline Dealcomm (P) Limited	7739/2024	AAACQ0498B	SO//PSD/2024-25/7739
12.	Priya Majari Todi	7737/2024	AHWPK2292B	SO//PSD/2024-25/7737
13.	Ashutosh Agarwal	7738/2024	ADBPA9564H	SO//PSD/2024-25/7738
14.	Uttam Commercial Company Ltd.	7749/2024	AAACU2823Q	SO//PSD/2024-25/7749
15.	Sree Khemisati Construction Pvt. Ltd.	7748/2024	AADCS6116M	SO//PSD/2024-25/7748

(The aforesaid entities are hereinafter referred to by their respective names and collectively as ‘the Applicants’)

IN THE MATTER OF ELECTROSTEEL CASTINGS LIMITED

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as 'SEBI') had conducted an investigation for the period May 17, 2020 to January 06, 2021 in the scrip of Electrosteel Castings Limited (hereinafter referred to as 'ECL') to ascertain whether certain entities had traded while in possession of Unpublished Price Sensitive Information (hereinafter referred to as 'UPSI') related to amalgamation of Srikalahasthi Pipes Limited (hereinafter referred to as SPL) with ECL in violation of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as 'the PIT Regulations') and SEBI Act, 1992 (hereinafter referred to as 'the SEBI Act').
2. Pursuant to the investigation, a common Show Cause Notice (SCN) dated February 26, 2024 was served on all the Applicants. The SCN, inter-alia, alleged the following:
 - 2.1. The information pertaining to announcement of proposed scheme of amalgamation between SPL and ECL on October 05, 2020 was UPSI in terms of Regulation 2(1)(n) of the PIT Regulations and UPSI period was identified as August 18, 2020 to October 05, 2020.
 - 2.2. Electrocast Sales India Ltd., G.K. & Sons Private Limited, Malay Commercial Enterprises Ltd., G.K. Investments Ltd., Murari Investment & Trading Co. Ltd., Quinline Dealcomm Pvt. Ltd., Uttam Commercial Company Ltd. and Sree Khemisati Constructions Pvt. Ltd. were connected entities and had traded in shares of ECL during UPSI period while in possession of UPSI.
 - 2.3. Madhav Kejriwal and Umang Kejriwal were insiders and they communicated UPSI to their connected entities.
 - 2.4. Mayank Kejriwal was an insider and he traded in shares of ECL while in possession of UPSI and also communicated such information to Asha Kejriwal. Asha Kejriwal is wife of Umang Kejriwal and Ultimate Beneficial Owner (UBO) in various corporate promoters of ECL/SPL. Hence, Asha Kejriwal was an insider and she traded in shares of ECL while in possession of UPSI.
 - 2.5. Priya Manjari Todi was insider and traded in shares of ECL while in possession of UPSI by procuring such UPSI.

- 2.6. Ashutosh Agarwal was insider and traded in shares of ECL while in possession of UPSI. Further, he provided information to few directors of promoter group which were not in reporting structure.
- 2.7. Gouri Shankar Rathi was insider and traded in shares of ECL while in possession of UPSI. Further, he provided information to others who were not in the reporting structure.
- 2.8. The Applicants (except Umang Kejriwal and Mayank Kejriwal who had not traded in ECL shares) made notional profit of Rs. 8,18,85,671.94 by such unlawful trading.

3. In view of the above, it was alleged that the applicants had violated the following provisions:

Table 1

Applicant	Name	Alleged violation of
1.	Electrocast Sales India Ltd.	Regulation 4(1) of the PIT Regulations and Section 12A(e) of the SEBI Act
2.	Madhav Kejriwal	Regulation 3(1) and 4(1) of the PIT Regulations and Section 12A(d) and 12A(e) of the SEBI Act.
3.	Umang Kejriwal	
4.	G.K. & Sons Private Ltd.	Regulation 4(1) of the PIT Regulations and Section 12A(e) of the SEBI Act
5.	Malay Commercial Enterprises Ltd.	
6.	G.K. Investments Ltd.	
7.	Asha Kejriwal	Regulation 3(1) and 4(1) of the PIT Regulations and Section 12A(d) and 12A(e) of the SEBI Act.
8.	Murari Investment & Trading Company Ltd.	Regulation 4(1) of the PIT Regulations and Section 12A(e) of the SEBI Act
9.	Mayank Kejriwal	Regulation 3(1) and 4(1) of the PIT Regulations and Section 12A(d) and 12A(e) of the SEBI Act.
10.	Gouri Shankar Rathi	
11.	Quinline Dealcomm (P) Limited	Regulation 4(1) of the PIT Regulations and Section 12A(e) of the SEBI Act

Applicant	Name	Alleged violation of
12.	Priya Manjari Todi	Regulation 3(2) and 4(1) of the PIT Regulations and Section 12A(d) and 12A(e) of the SEBI Act.
13.	Ashutosh Agarwal	Regulation 3(1) and 4(1) of the PIT Regulations and Section 12A(d) and 12A(e) of the SEBI Act.
14.	Uttam Commercial Company Ltd.	Regulation 4(1) of the PIT Regulations and Section 12A(e) of the SEBI Act
15.	Sree Khemisati Construction Pvt. Ltd.	Regulation 4(1) of the PIT Regulations and Section 12A(e) of the SEBI Act

4. The Applicants were called upon to show cause as to why:

- 4.1. Suitable directions under Sections 11(1), 11(4), 11B(1) and 11B(2) of SEBI Act, including directions to prohibit them from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, for a particular period and directions not to be associated with any registered intermediary/listed company/Market Infrastructure Institution and any public company which intends to raise money from public in the securities market, in any manner whatsoever or any other directions should not be issued against Applicants for the alleged violations.
- 4.2. Monetary penalty under Section 15G of the SEBI Act, 1992 should not be imposed on Applicants (except Ashutosh Agarwal and Gouri Shankar Rathi) for the alleged violations.

APPLICATIONS FOR SETTLEMENT OF PROCEEDINGS

5. All of them filed fifteen (15) separate settlement applications numbered 7737/2024 to 7751/2024 dated April 26, 2024 in terms of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the Settlement Regulations) wherein the Applicants proposed to settle the pending proceedings through a Settlement Order without admitting or denying the findings of fact and conclusions of law. While these settlement applications were pending some of the Applicants had filed replies dated June 25, 2024 in response to

the SCN. During pendency of these Settlement Applications the proceedings commenced by the SCN were continued and order was reserved as described hereinafter.

6. The Authorised Representatives of the Applicants had a meeting with the Internal Committee of SEBI (hereinafter referred to as 'IC') on August 01, 2024, wherein the terms of settlement were deliberated. The IC considered the factors enumerated under Regulation 10 and Schedule II of the Settlement Regulations and permitted the Applicants to submit revised terms of settlement. Accordingly, the Applicants filed Revised Settlement Terms vide separate letters dated August 23, 2024. The said settlement applications along with the Revised Settlement Terms were placed before the High Powered Advisory Committee (hereinafter referred to as HPAC) in its meeting held on September 06, 2024. HPAC considered the revised settlement terms proposed by the Applicants and recommended the settlement terms as follows:

Table 2

Applicant Name	Revised Settlement Terms
Electrocast Sales India Ltd.	- Rs. 2,05,36,834.5 (Rupees Two Crore Five Lakh Thirty-Six Thousand Eight Hundred Thirty-Four and Fifty Paise only) as the settlement amount. - Rs. 2,14,70,673 (Rupees Two Crore Fourteen Lakh Seventy Thousand Six Hundred Seventy-Three only) as the disgorgement amount where the illegal gain is Rs. 1,50,45,300 (Rupees One Crore Fifty Lakh Forty-Five Thousand Three Hundred Only) along with the interest of Rs. 64,25,373 (Rupees Sixty-Four Lakh Twenty-Five Thousand Three Hundred Seventy-Three Only); - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Madhav Kejriwal	- Rs. 1,01,40,000 (Rupees One Crore One Lakh and Forty Thousand only) as the settlement amount. - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Umang Kejriwal	Rs. 1,20,40,000 (Rupees One Crore Twenty Lakh and Forty Thousand only) as the settlement amount.

Applicant Name	Revised Settlement Terms
	Voluntary undertaking to be debarred from the securities market for a period of 6 months.
G.K. & Sons Private Ltd.	- Rs. 1,86,29,110.5 (Rupees One Crore Eighty-Six Lakh Twenty-Nine Thousand One Hundred Ten and Fifty Paise only) as the settlement amount. - Rs. 1,94,76,202 (Rupees One Crore Ninety-Four Lakh Seventy-Six Thousand Two Hundred Two only) as the disgorgement amount where the illegal gain is Rs. 1,36,47,700 (Rupees One Crore Thirty-Six Lakh Forty-Seven Thousand Seven Hundred only) along with interest of Rs. 58,28,502 (Rupees Fifty-Eight Lakh Twenty-Eight Thousand Five Hundred Two only) - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Malay Commercial Enterprises Ltd.	- Rs. 54,60,000 (Rupees Fifty-Four Lakh Sixty Thousand only) as the settlement amount. - Rs. 46,85,351 (Rupees Forty-Six Lakh Eighty-Five Thousand Three Hundred Fifty-One only) as the disgorgement amount where the illegal gain is Rs. 32,83,200 (Rupees Thirty-Two Lakh Eighty-Three Thousand Two Hundred only) with interest of Rs. 14,02,151 (Rupees Fourteen Lakh Two Thousand One Hundred Fifty-One Only); - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
G.K. Investments Ltd.	- Rs. 2,08,02,210 (Rupees Two Crore Eight Lakh Two Thousand Two Hundred and Ten only) as the settlement amount. - Rs. 2,34,21,048 (Rupees Two Crore Thirty-Four Lakh Twenty-One Thousand Forty-Eight Only) as the disgorgement amount where the illegal gain is Rs. 1,64,12,000 (Rupees One Crore Sixty-Four Lakh Twelve Thousand only) with interest of Rs. 70,09,048 (Rupees Seventy Lakh Nine Thousand and Forty-Eight only).

Applicant Name	Revised Settlement Terms
	Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Asha Kejriwal	- Rs. 1,09,20,000 (Rupees One Crore Nine Lakh and Twenty Thousand only) as the settlement amount. - Rs. 51,26,886 (Rupees Fifty-One Lakh Twenty-Six Thousand Eight Hundred Eighty-Six Only) as disgorgement amount where the illegal gain is Rs. 35,92,600 (Rupees Thirty-Five Lakh Ninety-Two Thousand and Six Hundred only) along with interest of Rs. 15,34,286 (Rupees Fifteen Lakh Thirty-Four Thousand Two Hundred and Eighty-Six Only). - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Murari Investment & Trading Company Ltd.	- Rs. 1,76,77,911.6 (Rupees One Crore Seventy-Six Lakh Seventy-Seven Thousand Nine Hundred Eleven and Sixty Paise only) as the settlement amount. - Rs. 1,99,03,424 (Rupees One Crore Ninety-Nine Lakh Three Thousand Four Hundred Twenty-Four Only) as the disgorgement amount where the illegal gain is Rs. 1,39,47,070 (Rupees One Crore Thirty-Nine Lakh Forty-Seven Thousand and Seventy Only) along with interest of Rs. 59,56,354 (Rupees Fifty-Nine Lakh Fifty-Six Thousand Three Hundred and Fifty-Four Only) - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Mayank Kejriwal	- Rs. 1,48,55,403 (Rupees One Crore Forty-Eight Lakh Fifty-Five Thousand Four Hundred and Three only) as the settlement amount. - Rs. 83,77,891 (Rupees Eighty-Three Lakh Seventy-Seven Thousand Eight Hundred and Ninety-One Only) as disgorgement amount where the illegal gain is Rs.58,70,700 (Rupees Fifty-Eight Lakh Seventy Thousand and Seven Hundred Only) along with

Applicant Name	Revised Settlement Terms
	interest of Rs.25,07,191 (Rupees Twenty-Five Lakh Seven Thousand One Hundred Ninety-One Only). • Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Gouri Shankar Rathi	• Rs. 1,11,80,000 (Rupees One Crore Eleven Lakh and Eighty Thousand only) as the settlement amount. • Rs. 14,17,287 (Rupees Fourteen Lakh Seventeen Thousand Two Hundred and Eighty-Seven only) as the disgorgement amount where the illegal gain is Rs. 9,93,145 (Rupees Nine Lakh Ninety-Three Thousand One Hundred and Forty-Five only) along with interest of Rs.4,24,141 (Rupees Four Lakh Twenty-Four Thousand One Hundred Forty-One only). • Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Quinline Dealcomm (P) Limited	• Rs. 54,60,000 (Rupees Fifty-Four Lakh Sixty Thousand only) as the settlement amount. • Rs. 22,36,929 (Rupees Twenty-Two Lakh Thirty-Six Thousand Nine Hundred and Twenty-Nine Only) as disgorgement amount where the illegal gain is Rs.15,67,500 (Rupees Fifteen Lakh Sixty-Seven Thousand and Five Hundred only) along with interest of Rs. 6,69,429 (Rupees Six Lakh Sixty-Nine Thousand Four Hundred and Twenty-Nine only). • Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Priya Manjari Todi	• Rs. 1,01,40,000 (Rupees One Crore One Lakh Forty Thousand only) as the settlement amount. • Rs. 4,41,106 (Rupees Four Lakh Forty-One Thousand One Hundred and Six only) as the disgorgement amount where the illegal gain is Rs. 3,09,100 (Rupees Three Lakh Nine Thousand and One Hundred only) along with interest of Rs. 1,32,006 (Rupees One Lakh Thirty-Two Thousand and Six only).

Applicant Name	Revised Settlement Terms
	Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Ashutosh Agarwal	- Rs. 1,11,80,000 (Rupees One Crore Eleven Lakh Eighty Thousand only) as the settlement amount. - Rs. 4,98,046 (Rupees Four Lakh Ninety-Eight Thousand and Forty-Six only) as disgorgement amount where the illegal gain is Rs. 3,49,000 (Rupees Three Lakh Forty-Nine Thousand only) along with the interest of Rs. 1,49,046 (Rupees One Lakh Forty-Nine Thousand Forty-Six only). - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Uttam Commercial Company Ltd.	- Rs. 54,60,000 (Rupees Fifty-Four Lakh Sixty Thousand only) as the settlement amount. - Rs. 41,42,066 (Rupees Forty-One Lakh Forty-Two Thousand and Sixty-Six Only) as disgorgement amount where illegal gain is Rs. 29,02,500 (Rupees Twenty-Nine Lakh Two Thousand and Five Hundred only) along with interest of Rs. 12,39,566 (Rupees Twelve Lakh Thirty-Nine Thousand Five Hundred and Sixty-Six only) - Voluntary undertaking to be debarred from the securities market for a period of 6 months.
Sree Khemisati Construction Pvt. Ltd.	- Rs. 50,70,000 (Rupees Fifty Lakh and Seventy Thousand only) as the settlement amount. - Rs. 56,68,316 (Rupees Fifty-Six Lakh Sixty-Eight Thousand Three Hundred and Sixteen Only) as disgorgement amount where the illegal gain is Rs. 39,72,000 (Thirty-Nine Lakh Seventy-Two Thousand Only) along with interest of Rs. 16,96,316 (Rupees Sixteen Lakh Ninety-Six Thousand Three Hundred Sixteen Only). - Voluntary undertaking to be debarred from the securities market for a period of 6 months.

7. The Panel of Whole Time Members (WTMs) of SEBI accepted and approved the recommendations of HPAC on November 06, 2024. Subsequently, a Notice of Demand for the said amount was issued to the Applicants on November 28, 2024.
8. In terms of Regulation 8(1) of the Settlement Regulations, which states that “*The filing of an application for settlement of any specified proceedings shall not affect the continuance of the proceedings save that the passing of the final order shall be kept in abeyance till the application is disposed of*”, the proceedings commenced vide SCN dated February 26, 2024 were continued and an opportunity of hearing was granted to all the Applicants on December 17, 2024 in accordance with the principles of natural justice. During the hearing, the Applicants, *inter alia*, submitted that the application for settlement in the matter has been accepted by Panel of WTMs and the Applicants are ready to make the payment of settlement amount but they are unable to make the payment (which is due to be paid by December 27, 2024) due to certain technical issues at SEBI’s end. Accordingly order in respect of the SCN was reserved after conclusion of the hearing and response.
9. Subsequently, on February 10, 2025, the Settlement Division of SEBI confirmed about the remittance of the aforesaid settlement and disgorgement amount by the Applicants on February 06, 2025 and that credit of said amounts is also confirmed. Further, it has also been informed that each of the Applicants have submitted their respective undertakings for undergoing debarment as per approved Revised Settlement Terms.

ORDER

10. On the basis of the facts stated above, in exercise of the powers conferred under Section 15JB read with Section 19 of the SEBI Act and in terms of Regulation 23 read with Regulation 28 of the Settlement Regulations, it is hereby ordered that the instant proceedings initiated against the Applicants, vide SCN dated February 26, 2024, are disposed of as per the following terms:
 - 10.1. The Applicants shall be under prohibition and restraint for a period of six months in terms of the Revised Settlement Terms approved for each of them, separately.
 - 10.2. SEBI shall not initiate any other enforcement action against the Applicants for the violations as alleged in the SCN; and
 - 10.3. This Order is without prejudice to the right of SEBI to take any enforcement action against any or all of the Applicants, if:

- 10.3.1. Any representation made by the Applicants in the settlement proceedings is subsequently found to be untrue; or
- 10.3.2. The Applicants breach any of the clauses/conditions of undertakings/waivers filed during the current settlement proceedings; or
- 10.3.3. There was a discrepancy while arriving at the settlement terms.

11. This settlement order shall come into force with immediate effect.

12. In terms of Regulation 25 of the Settlement Regulations, copies of this Order shall be served on the Applicants and also to SEBI.

Date: February 20, 2025

Place: Mumbai

Santosh Shukla
Chief General Manager
Securities and Exchange Board of India