

BEFORE THE ADJUDICATING OFFICER
THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI
SETTLEMENT ORDER NO. RA/DPS/ 258 /2017

SETTLEMENT ORDER

On the Application No. 3132 of 2016

Submitted by Dr. Pasumarthi Sathya Narayana Murthi

1. Securities and Exchange Board of India (hereinafter referred to as '**SEBI**') has initiated adjudicating proceeding against Dr. Pasumarthi Sathya Narayana Murthi, (hereinafter referred to as the Applicant / Noticee) vide Order dated March 22, 2016 under Section 15A(b) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as '**SEBI Act**') for the alleged violations of regulation 13(4) read with regulation 13(5) of SEBI(Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as '**PIT Regulations**')..
2. In this regard, Show Cause Notice (Ref. No. SEBI/HO/EAD/EAO/OW/P/2016/16445/1) dated June 07, 2016 was issued to the Noticee, wherein it was alleged that the Noticee is in violations of regulation 13(4) read with regulation 13(5) of PIT Regulations.
3. While the adjudication proceedings were in progress the Noticee submitted Application for Settlement of the proceedings, in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 (hereinafter referred to as '**Settlement Regulations**').
4. Thereafter, the Noticee had a meeting with the Internal Committee (IC) of SEBI on August 24, 2017, and proposed settlement terms.

5. The settlement terms as proposed by the Noticee were considered by the Internal Committee and placed before the High Powered Advisory Committee (HPAC) on October 09, 2017. The HPAC recommended that the matter may be settled if the applicant complies with the following:-
 - a) The applicant pays an amount of ` 3,25,125/- (Rupees Three Lakh and Twenty Five Thousand and One Hundred Twenty Five Only) towards the settlement terms as proposed by the Applicant.
6. The recommendation of HPAC were approved by a panel of the Whole Time Members of SEBI on December 05, 2017 and the same was communicated to the noticee on dated December 06, 2017. The applicant vide its letter dated December 14, 2017 submitted a demand draft bearing No. 751440 dated December 14, 2017, drawn on Canara Bank for the said amount.
7. Now, therefore, in view of the acceptance of the settlement terms as proposed by the Noticee and receipt of Demand Draft as above by SEBI, the pending adjudication proceedings initiated against the Noticee vide the Show Cause Notice No. SEBI/HO/EAD/EAO/OW/P/2016/16445/1 dated June 7, 2016 is disposed of in terms of Regulation 15(1) of SEBI Settlement Regulations, 2014.
8. This order is without prejudice to the right of SEBI to take enforcement actions including restoring or initiating the proceedings in respect to which the settlement order was passed against the applicant, if :
 - i. any representation made by the Applicant in the settlement proceedings is subsequently found to be untrue; or
 - ii. the Applicant breaches any of the clauses/ conditions of undertakings/ waivers filed during the current settlement proceedings.

9. This settlement order passed on this 22nd day of December, 2017 shall come into force with immediate effect.
10. In terms of Regulation 17 of Settlement Regulations, 2014 a copy of this order is being sent to the Applicant / Noticee and for publication on the website of SEBI.

Date: December 22, 2017

Place: Mumbai

RACHNA ANAND

ADJUDICATING OFFICER