

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

in Settlement Applications No.

6620 of 2021 filed by Samrat Dasgupta [PAN: AGIPD2130J]

in the matter of circulation of Unpublished Price Sensitive Information in respect of
HDFC Bank Limited

1. Mr. Samrat Dasgupta (hereinafter referred to as the ‘applicant’), filed a settlement application in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the ‘Settlement Regulations’) proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a settlement order, the pending enforcement proceedings initiated against him vide Show Cause Notice bearing No. SEBI/HO/IVD/ID9/OW/P/2021/2824/4 dated February 03, 2021 for the alleged violation of Section 12A (d) and 12A (e) of SEBI Act, 1992 read with Regulation 4(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as ‘SEBI (PIT) Regulations, 2015’).
2. In terms of the Show Cause Notice the applicant was part of a WhatsApp group “*Only Trades, No Bakwaas*” wherein the message containing Unpublished Price Sensitive Information (hereinafter referred to as ‘UPSI’) pertaining to the financial results of HDFC Bank for the quarter ending on June, 2017 was circulated on July 21, 2017. These financial results were declared by the HDFC Bank to the Stock Exchanges subsequently on July 24, 2017. By virtue of his membership of the WhatsApp group and access to the messages containing UPSI pertaining the financial results of HDFC Bank, the applicant was alleged to be an insider in terms of Regulation 2(1) (g) of SEBI (PIT) Regulations, 2015. Additionally, while in possession of the said UPSI, the applicant traded in the securities of HDFC. In view thereof, the applicant was alleged to have violated Sections 12A (d) and 12A (e) of the SEBI Act read with Regulation 4(1) of the SEBI (PIT) Regulations, 2015.

3. Pursuant to the receipt of the application, the authorized representative of the applicant had a meeting with the Internal Committee of SEBI on November 16, 2021 and deliberated on the terms of the settlement. Thereafter, vide e-mail dated November 26, 2021 the applicant proposed the revised settlement terms to settle the proceedings initiated against him.
4. The High Powered Advisory Committee (hereinafter referred to as the 'HPAC') in its meeting held on December 29, 2021 considered the settlement terms proposed by the applicant and recommended the case for settlement upon payment of ₹23,90,625/- (Rupees Twenty Three Lakhs Ninety Thousand Six Hundred and Twenty Five only). The aforesaid amount was remitted by the applicant on February 16, 2022. The credit of the above payment to SEBI is confirmed.
5. In view of the above, in exercise of the powers conferred under Section 15JB of the Securities and Exchange Board of India Act, 1992 and in terms of Regulations 23 read with Regulation 28 of the Settlement Regulations, it is hereby ordered that the proceedings that may have been initiated for the default as mentioned in paragraph 1 above are settled *qua* the applicant as per the following terms:
 - i. SEBI shall not initiate enforcement action against the applicant for the said default;
 - ii. this order disposes of the proceedings that may be initiated for the said default as mentioned above, in respect of the applicant; and
 - iii. passing of this order is without prejudice to the right of SEBI under Regulation 28 of the Settlement Regulations 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 found to be untrue;
 - b. the applicant has breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and
 - c. there was a discrepancy while arriving at the settlement terms.
6. This settlement order is passed on this 28th day of February, 2022 and shall come into force with immediate effect.

7. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the applicant and also be published on the website of SEBI.

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**S.K. MOHANTY
WHOLE TIME MEMBER**

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**ANANTA BARUA
WHOLE TIME MEMBER**