

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

in Settlement Application No. 4100 of 2020

**filed by Mr. Atul Saraogi [PAN: AUXPS5844D] and Ms. Vimala Devi Kalantri [PAN:
AAHPK8935D]**

in the matter of Pantaloon Retail (India) Limited

1. Mr. Atul Saraogi and Ms. Vimala Devi Kalantri (hereinafter referred to as the “applicants”) 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 proceeding initiated vide Show Cause Notice bearing No. SEBI/HO/IVD/ID7/PD/OW/P/2019/29050 dated November 05, 2019 for the alleged violation of Regulations 3(i) and 4 of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as the “PIT Regulations, 1992”) read with Regulation 12 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the “PIT Regulations, 2015”) and Section 12A(d) and (e) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the “SEBI Act”).
2. SEBI had conducted an investigation in the trading activities of certain entities in the scrip of Pantaloon Retail (India) Limited (hereinafter referred to as the “PRIL”) for the period February 02, 2012 to April 30, 2012 (hereinafter referred to as the “investigation period”). Investigation revealed that, on April 30, 2012, PRIL had announced that the Board of PRIL had approved demerger of Pantaloon's Format business into a separate entity and further approved the acquisition of controlling stake in the demerged entity by Aditya Birla Nuvo Limited (hereinafter referred to as “ABNL”). This announcement

was a price sensitive information in terms of Regulation 2(ha) of the PIT Regulations, 1992.

3. JM Financial Limited (hereinafter referred to as “JMFL”), was providing transaction advisory to PRIL and ABNL regarding the above re-alignment of business. From the chronology of events provided by PRIL, ABNL and JMFL, it was observed that the unpublished price sensitive information (hereinafter referred to as “UPSI”) came into existence on February 02, 2012 and Mr. Atul Saraogi, who was the Senior Associate at JMFL, was responsible for co-ordination with PRIL and ABNL on a regular basis and thus was an insider with respect to the said UPSI of PRIL as per Regulation 2(e) of the PIT Regulations, 1992.
4. Ms. Vimala Devi Kalantri is the mother-in-law of Mr. Atul Saraogi and thus deemed to be a connected person in terms of Regulation 2(h)(vi) of the PIT Regulations, 1992. Mr. Atul Saraogi is alleged to have traded through the account of Ms. Vimala in the scrip of PRIL in cash and futures segment while in possession of the UPSI. It is further alleged that the notional profit made by the applicants is Rs. 4,01,300.
5. Pursuant to the application, during the meeting with the Internal Committee of SEBI on March 11, 2020, the authorized representatives of the applicants deliberated upon the settlement terms. Thereafter, the applicants vide their e-mail dated March 20, 2020, proposed the revised settlement terms to settle the proceeding that was initiated for the said default.
6. The High Powered Advisory Committee (hereinafter referred to as the “HPAC”) in its meeting held through video-conferencing on May 29, 2020 considered the proposed settlement terms by the applicants and recommended the case for settlement under specific settlement terms as mentioned in column 3 of the table on the following page.

S. No.	Name of Applicant	Settlement Terms	Payment Details
1.	Mr. Atul Saraogi	Rs. 25,15,500 (Rupees Twenty Five Lakh Fifteen Thousand and Five Hundred Only)	CIUBH20192010484 dated July 10, 2020
2.	Ms. Vimala Devi Kalantri	Rs. 22,57,500 (Rupees Twenty Two Lakh Fifty Seven Thousand and Five Hundred only) along with Rs. 4,01,300 (Rupees Four Lakh One Thousand and Three Hundred only) as ill-gotten gains along with interest of Rs. 3,80,103 (Rupees Three Lakh Eighty Thousand One Hundred and Three only) thereupon.	CIUBH20192012014 dated July 10, 2020, and CIUBH20192010485 dated July 10, 2020

7. The applicants have remitted the amounts as proposed by them towards the settlement terms along with the amount of the ill-gotten gains to be disgorged, as part of the settlement terms, for the settlement of the proceeding as detailed in para 1 above, vide the payment details as mentioned in column 4 of the table above, and intimated the same to SEBI vide their e-mail dated July 10, 2020. Upon verification, the receipt of the same was also confirmed.
8. 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 pending enforcement proceeding for the alleged default as discussed in paragraph 1 above are settled *qua* the applicants as per the following terms;

- i. SEBI shall not initiate enforcement action against the applicants for the said default;
 - ii. this order disposes of the enforcement proceeding in respect of the applicants as mentioned above; and
 - iii. passing of this Order is without prejudice to the right of SEBI to take enforcement actions including commencing proceedings against the applicants, if SEBI finds that:
 - a. any representation made by the applicants in the present settlement proceedings is subsequently found to be untrue;
 - b. the applicants have breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.
9. This settlement order is passed on this 23rd day of July, 2020 and shall come into force with immediate effect.
10. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the applicants and also be published on the website of SEBI.

Sd/-

S.K. MOHANTY
WHOLE TIME MEMBER

Sd/-

ANANTA BARUA
WHOLE TIME MEMBER