

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA**

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**SETTLEMENT ORDER**

**in Settlement Applications bearing Nos.**

- 1. 4213/2020– Mr. Rajgopalachari Venkatesh [PAN : ABHPV7270P]**
- 2. 4228/2020– Mr. Ravi Kumar Vadlamani [PAN : AEWPV3295G]**

**in the matter of DCB Bank Limited**

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1. Mr. Rajgopalachari Venkatesh and Mr. Ravi Kumar Vadlamani (hereinafter referred to as “applicants”) had filed two separate settlement applications 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 under Sections 11(1), 11(4), 11B(1), 11B(2) and 11(4A) of the SEBI Act, 1992 initiated vide Show Cause Notice bearing No. SEBI/HO/IVD/ID7/PJ/OW/P/2020/14272 dated September 03, 2020 for the alleged violation of Regulations 4(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the “PIT Regulations”), Section 12A(d) & (e), Section 15G(i), Section 15HB of the SEBI Act, 1992, Clause 6 of Minimum Standards for Code of Conduct to regulate, monitor and report trading by insiders specified in Schedule B read with Regulation 9(1) of the PIT Regulations.
2. SEBI had conducted an investigation in respect of the insider trading activities of certain entities in the scrip of DCB Bank Ltd. (hereinafter referred to as the “DCB”) for the period September 19, 2015 to October 13, 2015 (hereinafter referred to as the “investigation period”). It was observed during the investigation that DCB on October 13, 2015 announced to the stock exchanges that it plans to add 150+ branches to its already existing 160 branches. The said information was considered as Unpublished Price Sensitive Information (hereinafter referred to

as the “UPSI”) and the period of UPSI was September 19, 2015 to October 13, 2015. The applicants who are insiders had traded in the scrip of DCB during the UPSI period. Accordingly, the proceedings referred to in paragraph 1 were initiated against the applicants.

3. Pursuant to the receipt of the settlement applications, the authorized representatives of the applicants deliberated upon the settlement terms with the Internal Committee of SEBI on December 31, 2020. Thereafter, the applicants vide e-mails dated January 10, 2021 proposed the revised settlement terms to settle the proceedings that were initiated against them.
4. The High Powered Advisory Committee (hereinafter referred to as the “HPAC”) in its meeting held on January 25, 2021 considered the proposed settlement terms by the applicants and recommended the case for settlement upon payment of following settlement amounts:

Sl. No.	Settlement Application No. and Name of the Applicant.	Settlement Terms formulated as per SEBI (Settlement Proceedings) Regulations, 2018.
1	4213/2020 – Mr. Rajgopalachari Venkatesh	₹66,93,750/- (Rupees Sixty Six Lakh Ninety Three Thousand Seven Hundred and Fifty Only) as settlement amount and disgorgement of ₹11,35,390/- (Rupees Eleven Lakh Thirty Five Thousand Three Hundred and Ninety Only) as loss avoided along with interest of ₹7,23,788/- (Rupees Seven Lakh Twenty Three Thousand Seven Hundred and Eighty Eight Only)
2	4228/2020 – Mr. Ravi Kumar Vadlamani	₹66,93,750/- (Rupees Sixty Six Lakh Ninety Three Thousand Seven Hundred and Fifty Only) as settlement amount and disgorgement of ₹5,26,800/- (Rupees Five Lakh Twenty Six Thousand and Eight Hundred only) as loss avoided along with interest ₹3,35,651/- (Rupees Three Lakh Thirty Five Thousand Six Hundred Fifty One only)

5. The applicants have remitted the amounts as proposed by them towards the settlement amount along with the amount of ill-gotten gains to be disgorged, as part of the settlement terms with following details, for the settlement of the proceedings as detailed in para 1 above and intimated the same to SEBI vide letters dated February 19, 2021. The receipt of the same was confirmed upon verification.

Sl. No.	Settlement Application No. and Name of the Applicant.	Settlement Terms formulated as per SEBI (Settlement Proceedings) Regulations, 2018.	Payment Details
1	4213/2020 – Mr. Rajgopalachari Venkatesh	₹66,93,750/- (Rupees Sixty Six Lakh Ninety Three Thousand Seven Hundred and Fifty Only) as settlement amount and disgorgement of ₹11,35,390/- (Rupees Eleven Lakh Thirty Five Thousand Three Hundred and Ninety Only) as loss avoided along with interest of ₹7,23,788/- (Rupees Seven Lakh Twenty Three Thousand Seven Hundred and Eighty Eight Only)	HDFCR520210218 76633140 dated February 18, 2021 and HDFCR520210219 76870208, HDFCR520210219 76864237 dated February 19, 2021
2	4228/2020 – Mr. Ravi Kumar Vadlamani	₹66,93,750/- (Rupees Sixty Six Lakh Ninety Three Thousand Seven Hundred and Fifty Only) as settlement amount and disgorgement of ₹5,26,800/- (Rupees Five Lakh Twenty Six Thousand and Eight Hundred only) as loss avoided along with interest ₹3,35,651/- (Rupees Three Lakh Thirty Five Thousand Six Hundred Fifty One only)	HDFCR520210218 76655771 dated February 18, 2021 and HDFCR520210219 76885291, HDFCR520210219 76896768 dated February 19, 2021

6. 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 proceedings for the alleged defaults 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 defaults;
- ii. this order disposes of the enforcement proceedings initiated by SEBI for the defaults as mentioned above in respect of the applicants; 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 continuing 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; and
  - c. there was a discrepancy while arriving at the settlement terms.

7. This settlement order is passed on this 9<sup>th</sup> day of March, 2021 and shall come into force with immediate effect.

8. 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**