

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER No.: SO/AS/DP/2024-25/7573**

Sr. No.	Settlement Application No.	Name of the Applicant	PAN
1	7573/2024	Central Depository Services (India) Limited	AAACC6233A

In the matter of inspection of Central Depository Services (India) Limited

1. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) initiated adjudication proceedings under Section 15HB of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “SEBI Act”) against Central Depository Services (India) Limited (hereinafter referred to as “Noticee/applicant/by name”) for the alleged violation of the following provisions:
 - i. Clause 1.2 of SEBI Circular: SEBI/HO/DDHS/CIR/P/103/2020 dated June 23, 2020;
 - ii. Clause 4.1 SEBI Circular: SEBI/HO/DDHS/CIR/P/103/2020 dated June 23, 2020;
 - iii. Clause 2.2 of Chapter XI: Operational frame for transactions in defaulted debt securities post maturity date/redemption date of SEBI operational circular for issue and listing of Non-convertible Securities, Securitised debt instruments, Security Receipts, Municipal Debt Securities and Commercial paper, dated August 10, 2021;
 - iv. Clause 5.1 of Chapter XI: Operational frame for transactions in defaulted debt securities post maturity date/redemption date of SEBI operational circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial paper, dated August 10, 2021.

2. Vide communique dated November 03, 2023, Shri Santosh Kumar Sharma was appointed as the Adjudicating Officer under section 15-I of SEBI Act read with Rule 3 of the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties)

Rules,1995 (hereinafter referred to as “**Adjudication Rules**”) to inquire into and adjudge under Section 15HB of SEBI Act, the aforementioned alleged violation of the provisions of law by the Noticee. Pursuant to his transfer, vide communique dated December 19, 2023, Shri Shashi Kumar Valsakumar was appointed as the Adjudicating Officer. Upon his transfer, vide communique dated July 29, 2024, the undersigned has been appointed the Adjudicating Officer.

3. A Show Cause Notice Ref. No. AO/SKS/VP/45577/1/2023 dated November 13, 2023 (hereafter referred to as “**SCN**”) was issued to Noticee in terms of the provisions of Rule 4 of the Adjudication Rules, 1995 calling upon the Noticee to show cause why an inquiry should not be held and penalty not be imposed, under Section 15HB of the SEBI Act for the alleged irregularities in compliance with depositories and stock exchange with respect to the Defaulted ISIN Circular in violation of the provisions mentioned in pre-para 1.
4. Pending Adjudication Proceedings, the Noticee proposed to settle the instant proceedings initiated against it, without admitting or denying the findings of facts and conclusions of law, through a settlement order and filed settlement application with SEBI bearing Settlement Application No. 7573/2024 dated January 11, 2024 in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”).
5. Pursuant to the meeting with the Internal Committee of SEBI on February 13, 2024 in terms of the Settlement Regulations, Noticee vide email dated March 11, 2024, proposed revised settlement terms. The High Powered Advisory Committee (hereinafter referred to as '**HPAC**') in its meeting held on April 22, 2024 and June 14, 2024, considered the settlement terms proposed and recommended that the case may be settled upon payment of ₹ 1,30,04,550/- (Rupees One Crore Thirty Lakh Four Thousand, Five Hundred and Fifty Only) by the Noticee as settlement amount towards the settlement terms.
6. The Panel of Whole Time Members of SEBI approved the said recommendation of the HPAC on July 25, 2024 and the same was communicated by SEBI to the applicant on July 30, 2024. Subsequently, the applicant vide email dated August 12, 2024 informed about the remittance of the settlement amount, the receipt of which is confirmed.

7. Therefore, in view of the acceptance of the settlement terms and the receipt of settlement amount as above by SEBI, the instant adjudication proceedings initiated against the Noticee vide SCN No. AO/SKS/VP/45577/1/2023 dated November 13, 2023 is disposed of in terms of section 15JB of the SEBI Act read with Regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.
8. This order is without prejudice to the right of SEBI to take enforcement actions, in terms of regulation 28 of the Settlement Regulations, including restoring or initiating the proceedings in respect to which the settlement order was passed against the applicant, if:
 - i. it comes to the notice of the Board that the applicant has not made full and true disclosure;
 - ii. applicant has violated the undertakings or waivers:
9. This settlement order is passed on this day of **August 27, 2024** and shall come into force with immediate effect.
10. In terms of Regulation 25 of the Settlement Regulations, copies of this order are being sent to the applicant viz. Central Depository Services (India) Limited and also to SEBI.

Date: August 27, 2024

Place: Mumbai

ASHA SHETTY
ADJUDICATING OFFICER