

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER No. SO/BM/RK/2024-25/7685**

In respect of:

Name of the applicant	Application No.	PAN of the applicant
Spandana Sphoorty Financial Limited	7685/2024	AAICS6213N

Hereinafter Spandana Sphoorty Financial Limited is referred to as the “Applicant”

In the matter of breach of covenants by Spandana Sphoorty Financial Limited

1. Securities and Exchange Board of India (hereinafter referred to as **SEBI**) initiated adjudication proceedings under SEBI Act, 1992 (hereinafter referred to as “**SEBI Act**”) against applicant for the following alleged violations –
 - a) Regulation 51(1) and 51(2) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, (hereinafter referred to as “**LODR Regulations**”).
 - b) Regulation 51(3) of LODR Regulations.
2. SEBI appointed the undersigned as the Adjudicating Officer (AO) vide communique dated December 29, 2023 under Section 15-I of SEBI Act and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as ‘**SEBI Adjudication Rules**’) read with Section 19 of the SEBI Act to inquire into and adjudge under Section 15A(b) and 15HB of the SEBI Act for the aforementioned alleged violations at para 1(a) and 1(b) above respectively.
3. A Show Cause Notice (hereafter referred to as “**SCN**”) dated January 04, 2024 was issued to the Applicant in terms of the provisions of Rule 4 of the SEBI Adjudication Rules, calling upon the Applicant to show cause as to why an inquiry should not be held and

Settlement Order in the matter of breach of covenants by Spandana Sphoorty Financial Limited

penalty be not imposed upon it, under Section 15A(b) and 15HB of the SEBI Act, as applicable for the alleged violations of the aforesaid provisions.

4. Pending Adjudication Proceedings, the Applicant 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 a settlement application with SEBI bearing Settlement Application No. 7685/2024 dated March 05, 2024, in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as "**Settlement Regulations**").
5. After attending meeting with the Internal Committee of SEBI on May 29, 2024, in terms of the Settlement Regulations, applicant vide email dated June 04, 2024 proposed revised settlement terms. The High Powered Advisory Committee (hereinafter referred to as '**HPAC**') in its meeting held on June 14, 2024, considered the settlement terms proposed and recommended that the case may be settled upon payment of INR 38,12,160/- (Rupees Thirty eight lakhs twelve thousand one hundred sixty only) by the Applicant 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 in respect of the applicant. Subsequently, the Applicant vide email dated August 09, 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 Applicant vide SCN dated January 04, 2024 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 applicants, 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 21, 2024** and shall come into force with immediate effect.
10. In terms of Regulation 25 of the Settlement Regulations, copy of this order is being sent to the applicant viz. Spandana Sphoorty Financial Limited and also to SEBI.

Date: August 21, 2024

Place: Mumbai

**BARNALI MUKHERJEE
ADJUDICATING OFFICER**