

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER No. SO/BM/JR/2023-24/7223**

In respect of:

Name of the Applicant	Application No.	PAN of the entities
Utkarsh Small Finance Bank Limited	7223/ 2023	AABCU9355J

In the matter of Utkarsh Small Finance Bank Limited

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) initiated adjudication proceedings under section 15A(b) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”) against Utkarsh Small Finance Bank Limited (hereinafter referred to as “Applicant”) for the alleged violations of the following:
 - a) Regulation 7(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “**LODR Regulations**”);
 - b) Regulation 7(3) of LODR Regulations;
 - c) Regulation 13(3) of LODR Regulations;
 - d) Regulation 13(4) of LODR Regulations;
 - e) Regulation 50(1) of LODR Regulations;
 - f) Regulation 50(2) of LODR Regulations;
 - g) Regulation 50(3) of LODR Regulations;
 - h) Regulation 51(1) and 51(2) of LODR Regulations;
 - i) Regulation 52(1) and 52(2) of LODR Regulations;
 - j) Regulation 52(3) of LODR Regulations;
 - k) Regulation 52(5) of LODR Regulations;

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- l) Regulation 53 of LODR Regulations;
 - m) Regulation 57(1) of LODR Regulations;
 - n) Regulation 57(2) of LODR Regulations;
 - o) Regulation 60(2) of LODR Regulations;
 - p) Violation of SEBI Circular dated June 30, 2017
2. SEBI appointed the undersigned as the Adjudicating Officer (AO) vide order dated March 10, 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 '**Adjudication Rules**') r/w Section 19 of the SEBI Act to inquire into and adjudge under section 15A(b) of SEBI Act.
3. A Show Cause Notice dated March 16, 2023 (hereafter referred to as "**SCN**") was issued to the Applicant in terms of the provisions of Rule 4 of the Adjudication Rules calling upon the Applicant to show cause why an inquiry should not be held and penalty not be imposed, under section 15A(b) of SEBI Act for the alleged violation 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. 7223/2023 dated November 1, 2023 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 January 16, 2024 in terms of the Settlement Regulations, Applicant vide letter dated January 27, 2024, proposed revised settlement terms. The High Powered Advisory Committee (hereinafter referred to as '**HPAC**') in its meeting held on February 5, 2024, considered the settlement terms proposed and recommended that the case may be settled upon payment of INR 1,24,23,600/- (Rupees One Crore Twenty Four Lakh Twenty Three Thousand and Six Hundred 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 March 22, 2024 and the same was communicated by SEBI to Applicant on March 27, 2024. Subsequently, the applicant vide email dated March 27, 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 Applicants vide SCN dated March 16, 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 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 **April 10, 2024** and shall come into force with immediate effect.

In terms of regulation 25 of the Settlement Regulations, copies of this order are being sent to the Applicant viz. Utkarsh Small Finance Bank Limited and also to SEBI.

Date: April 10, 2024

Place: Mumbai

**BARNALI MUKHERJEE
ADJUDICATING OFFICER**