

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
[SETTLEMENT ORDER No. SO/JS/YK/2025-26/8035]**

In respect of:

Sr. No.	Settlement Application No.	Name of the Applicant	PAN
1	8035/2024	KFin Technologies Limited	AAGCK6303B

In the matter of KFin Technologies Limited

BACKGROUND

1. KFin Technologies Limited (hereinafter referred to as “**Applicant**”) has been registered with Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) as Registrar to an Issue and Share Transfer Agent. The registration number of the Applicant is INR000000221. SEBI had undertaken inspection of the Applicant from February 19, 2024 to February 23, 2024, for the period February 01, 2023 to November 30, 2023 (hereinafter referred to as the “**Inspection Period/IP**”).
2. Thereafter, findings of the said inspection were communicated to Applicant by SEBI vide letter dated March 21, 2024. In response to the findings in the Inspection Report, Noticee submitted its reply vide letter dated March 28, 2024. After analyzing the findings of the inspection vis-à-vis the response of Applicant, a post inspection analysis report was prepared wherein the following violations were alleged:
 - (a.)The Applicant failed to exercise due diligence while processing the request for dematerialization of shares. Therefore, it was alleged that the Applicant had violated the provisions of clause 3 of Schedule III of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (hereinafter referred to as “**RTA Regulations**”) read with regulation 13 of the RTA Regulations;
 - (b.)Applicant failed to mark folios not having PAN details (17,98,534 folios) or bank account details (17,75,683 folios) for enhanced due diligence. Therefore, it was

alleged that the Applicant had violated the provisions of clause (II)(13) of annexure to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 read with clause II(12) of annexure 6 to SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.

APPOINTMENT OF THE ADJUDICATING OFFICER

3. Pursuant to the superannuation of the earlier Adjudicating Officer (hereinafter referred to as “**AO**”) who had been appointed so vide communiqué dated July 01, 2024, the undersigned was appointed as AO in this matter vide communiqué dated April 09, 2025 under section 15-I of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”) read with rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as “**Rules**”), to inquire into and adjudge under the provisions of section 15HB of the SEBI Act for the aforementioned violations alleged to have been committed by Noticee.

SHOW CAUSE NOTICE, REPLY AND HEARING

4. A Show Cause Notice Ref. No. SEBI/EAD-2/NH/YK/22377/2024 dated July 08, 2024 (hereinafter referred to as “**SCN**”) was served upon the Applicant by erstwhile AO in terms of rule 4 of the Rules read with section 15-I of the SEBI Act to show cause as to why an inquiry should not be held against the Applicant and why penalty, if any, should not be imposed on it in terms of the provisions of section 15HB of the SEBI Act for the violations alleged to have been committed by the Applicant.
5. Consequent to the issuance of the SCN, the Applicant vide e-mail dated July 29, 2024, requested inspection of documents which was held on August 01, 2024. Thereafter, Applicant vide e-mail dated August 20, 2024, submitted that a settlement application was filed by the Applicant on August 19, 2024, requesting for settlement of the adjudication proceedings under the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”). Subsequently, Applicant vide letter dated September 20, 2024, submitted its reply to the SCN. In the interest of natural

justice, an opportunity of personal hearing was granted to Applicant before the erstwhile AO on October 11, 2024.

SETTLEMENT PROCEEDINGS

6. Based on material available on record, it is noted that, pursuant to receipt of the settlement application, the authorized representatives (hereinafter referred to as “**ARs**”) of the Applicant had a meeting with the Internal Committee of SEBI (hereinafter referred to as “**IC**”) on October 03, 2024, wherein Applicant was, *inter alia*, advised to submit an undertaking that the Applicant had marked folios not having PAN or bank account details for enhanced due diligence. The Applicant vide e-mail dated October 07, 2024 provided the same. Thereafter, meetings of ARs of Noticee with IC were held on October 17, 2024, December 12, 2024 and April 09, 2025 wherein the terms of settlement were deliberated. The IC recommended Rs. 87,75,000/- (Rupees Eighty-Seven Lakh Seventy-Five Thousand Only) as an indicative amount computed in terms of Schedule II read with regulation 10 of the Settlement Regulations. Accordingly, the Applicant filed Revised Settlement Terms vide letter dated April 29, 2025 wherein the Applicant agreed for the payment of settlement amount of Rs. 87,75,000/- (Rupees Eighty-Seven Lakh Seventy-Five Thousand Only).
7. The High Powered Advisory Committee (hereinafter referred to as “**HPAC**”), in its meeting held on June 05, 2025, recommended that the case may be settled upon payment of Rs. 87,75,000/- (Rupees Eighty-Seven Lakh Seventy-Five Thousand Only) as the settlement amount.
8. The recommendations of the HPAC were approved by a Panel of Whole Time Members on August 08, 2025 and the same was communicated by SEBI to the Applicant vide e-mail dated August 21, 2025. Subsequently, the Applicant vide e-mail dated August 25, 2025, informed SEBI about the remittance of the aforesaid settlement amount. The said e-mail also provided relevant details regarding the remittance of the said settlement amount. The material on record confirms the receipt of the said settlement amount.

ORDER

9. Therefore, in view of the acceptance of the settlement terms and the receipt of the settlement amount by SEBI, the instant adjudication proceedings initiated against the Applicant vide SCN Ref. No. SEBI/EAD-2/NH/YK/22377/2024 dated July 08, 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.
10. This Settlement Order is, however, without prejudice to the right of SEBI to take actions under 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 –
- (a.) Any representation made by the Applicant in the present settlement proceedings is subsequently found to be untrue;
 - (b.) The Applicant has breached any of the clauses/conditions of undertakings/waivers filed during the present settlement proceedings;
 - (c.) There was a discrepancy while arriving at the settlement terms.
11. This Settlement Order shall come into force with immediate effect.
12. In terms of regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the Applicant and shall also be published on the website of SEBI.

JAI

SEBASTIAN

Digitally signed by
JAI SEBASTIAN
Date: 2025.08.26
13:05:06 +05'30'

Date: August 26, 2025

Place: Mumbai

JAI SEBASTIAN

ADJUDICATING OFFICER