

BEFORE THE ADJUDICATING OFFICER/DESIGNATED AUTHORITY
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER No. SO/BM/GN/2024-25/7734-35

In respect of:

Applicant	Application No.	Name of the applicant	PAN of the applicant
Applicant 1	7734/2024 (Adj.) 7735/2024 (Enq.)	Angel One Limited	AAACM6094R

*Hereinafter Angel One Limited is referred to as an **Applicant***

In the matter of Angel One Limited

1. Securities and Exchange Board of India (hereinafter referred to as **SEBI**) initiated adjudication proceedings under Section 15HB of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act**"), Section 23H and Section 23D of Securities Contracts (Regulation) Act, 1956 (hereinafter referred to as **SCR Act**) and enquiry proceedings under regulation 23 of the SEBI (Intermediaries Regulations), 2008 (hereinafter referred to as **Intermediaries Regulation**) read with Section 12(3) of the SEBI Act, against the applicant for the following alleged violations :-

- a) Rule 8(1)(f) and Rule 8(3)(f) of Securities Contract (Regulation) Rules, 1957.
- b) SEBI Circular MIRSD/ SE /Cir-19/2009 dated December 03, 2009, SEBI Circular ref no. CIR/MIRSD/16/2011 dated August 22, 2011, SEBI Circular ref no. CIR/MIRSD/Cir-26/2011 dated December 23, 2011, SEBI Circular ref no. SEBI/HO/MIRSD/DOP/P/CIR/2021/559 dated April 29, 2021, SEBI/HO/MIRSD/DOP/CIR/P/2020/73 dated April 24, 2020, SEBI/HO/MIRSD/RTAMB/Cir/P/2021/601 dated July 23, 2021, SEBI/HO/MIRSD/RTAMB/P/Cir/2022/23 dated February 24, 2022, CIR/MIRSD/15/2011 dated August 02, 2011 and Clause A(5) of Schedule II for Code of Conduct read with Regulation 9 of SEBI (Stock Brokers) Regulations, 1992 read with NSE circular no. NSE/INSP/13606 dated December 03, 2009, NSE/INSP/14048 dated February 03, 2010, NSE/INSP/18677 dated August 22, 2011, NSE/INSP/25392

- dated December 26, 2013, NSE/INSP/29057 dated March 05, 2015, NSE/INSP/37965 dated June 08, 2018, BSE Notice Nos. 20110823-4 dated August 23, 2011, 20111010-2 dated October 10, 2011, 20111226-17 dated December 26, 2011, 20111028-1 dated October 28, 2011, 20160722-8 dated July 22, 2016, 20161111-24 dated November 11, 2016 and 20200425-2 dated April 25, 2020.
- c) Clause A(5) of Schedule II for Code of Conduct read with Regulation 9 of SEBI (Stock Brokers) Regulations, 1992, NSE Circular NSE/INSP/43824 dated March 11, 2020, BSE notice nos. 20220325-58 dated March 25, 2022, 20200116-44 dated January 16, 2020, 20191227-39 dated December 27, 2019.
 - d) SEBI circular CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019
 - e) SEBI circular Nos. CIR/MIRSD/15/2011 dated August 02, 2011 and SEBI/HO/MIRSD/DOP/CIR/P/2020/73 dated April 24, 2020.
 - f) SEBI circular no. SEBI/HO/MIRSD2/CIR/P/2016/95 dated September 26, 2016,
 - g) Clause A(5) of Regulation 9 of Schedule II for Code of Conduct of SEBI (Stock Brokers) Regulations, 1992 read with NSE circulars no. 60 ref. no NSE / MEM / 275 dated 12/06/1997, circular no. NSEIL/INSP/2002/14 dated 17/10/2002, circular no. NSE/COMP/ 39942 dated January 14, 2019, NSE/INSP/42448 dated October 18, 2019 and BSE Notice No. 20211124-3 dated 24 November 2021.
 - h) Clause A(5) of Regulation 9 of Schedule II for Code of Conduct of SEBI (Stock Brokers) Regulations, 1992 read with BSE notice no. 20220325-58 dated March 25, 2022, 20200205-42 dated February 2, 2020, 104615/2001 dated November 12, 2001, 20200116-44 dated January 16, 2020 and 20191227-39 dated December 27, 2019
 - i) Clause A(5) of Regulation 9 of Schedule II for Code of Conduct of SEBI (Stock Brokers) Regulations, 1992 read with NSE Circular NSE/CMPT/03167 dated Feb 01, 2002, NSE/INSP/19583 dated Dec 14, 2011, NSE/CMPT/18591 dated Aug 10, 2011, NSE/CD/11189 dated Aug 26, 2008, NSE/CD/11224 dated Sep 02, 2008, NSE/CD/12815 dated July 31, 2009, NSE/CD/18594 dated Aug 10, 2011, NSE/INSP/43069 dated December 31, 2019, SEBI/HO/MIRSD/DOP/CIR/P/2020/143 dated July 29, 2020, NSE/INSP/45191 dated July 31, 2020 and BSE Notice No. 20220623-52 dated 23 June 2022

- j) SEBI circular CIR/MRD/DP/54/2017 dated June 13, 2017 and SEBI circular SEBI/HO/MIRSD/DOP/CIR/P/2020/143 dated July 29, 2020.
 - k) SEBI circular on Cyber Security and Cyber Resilience dated December 03, 2018.
 - l) Clause 7(a) of Annexure 1 to SEBI circular No. MIRSD/DR-1/Cir-16/09 dated November 06, 2009, Clause A(5) of Regulation 9 of Schedule II for Code of Conduct of SEBI (Stock Brokers) Regulations, 1992 read with NSE circular no. NSE/COMP/48536 dated June 09, 2021, NSE/COMP/50030 dated October 11, 2021.
 - m) Section 23D of SC(R) Act, 1956 read with Clause 1 of SEBI Circular SMD/SED/CIR/93/23321 dated November 18, 1993 and Clause 3 of Annexure of SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016
 - n) Clause 3.2 of Annexure of SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016.
 - o) SEBI circular no. CIR/MIRSD/16/2011, dated August 22, 2011.
 - p) SEBI circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/54 dated March 22, 2018 read with Clause 7(a) of Annexure 1 to SEBI circular No. MIRSD/DR-1/Cir-16/09 dated November 06, 2009, and Clause A(5) of Regulation 9 of Schedule II for Code of Conduct of SEBI (Stock Brokers) Regulations, 1992 read with NSE circular no. NSE/COMP/48536 dated June 09, 2021, NSE/COMP/50030 dated October 11, 2021
 - q) Clause A(5) of Regulation 9 of Schedule II for Code of Conduct of SEBI (Stock Brokers) Regulations, 1992 read with NSE circular No. NSE/INSP/51770, dated 25 March 2022.
 - r) SEBI circular No. SEBI/HO/MIRSD/DOP/CIR/P/2020/73 dated April 24, 2020, SEBI Circular No. MIRSD/CIR-26/2011 dated December 23, 2011 and Clause A(5) of Regulation 9 of Schedule II for Code of Conduct of SEBI (Stock Brokers) Regulations, 1992 read with Exchange circular NSE/COMP/48536 dated June 09, 2021, NSE/COMP/50030 dated October 11, 2021.
2. SEBI appointed the undersigned as the Adjudicating Officer (AO) vide communique dated February 02, 2024 under Section 19 of the SEBI Act read with Sub-section (1) of 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**') and Section 23I

of the SCR Act read with Rule 3 of Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties) Rules, 2005 (hereinafter referred to as '**SC(R) Rules**') to inquire into and adjudge under Section 15HB of the SEBI Act, Section 23D and 23H of the SC(R) Act, 1956. SEBI also appointed the undersigned as the Designated Authority (DA) vide communique dated February 02, 2024 to submit a report and make recommendation in compliance with regulation 25 and 26 of the Intermediaries Regulations.

3. An Adjudication Show Cause Notice dated March 12, 2024 (hereinafter referred to as "**Adjudication SCN**") was issued to the Applicant in terms of the provisions of Rule 4(1) of the Adjudication Rules, 1995 and Rule 4(1) of SC(R) Rules calling upon the Applicant to show cause why an inquiry should not be held and penalty not be imposed, under Section 15HB of the SEBI Act, Section 23D and 23H of the SC(R) Act, 1956 and Enquiry Show Cause Notice dated March 12, 2024 (hereinafter referred to as **Enquiry SCN**) was issued to the Applicant under Regulation 25(1) of the Intermediaries Regulation to show cause as to why appropriate recommendation should not be made against the applicant as prescribed under regulation 23 and 26 of the Intermediaries Regulation, for the alleged violation of the aforesaid provisions.
4. Pending Adjudication and Enquiry Proceedings, the Applicant proposed to settle the instant proceedings initiated against them, 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. 7734/2024 dated April 05, 2024 for Adjudication Proceedings and Settlement Application No. 7735/2024 dated April 05, 2024 for Enquiry Proceedings, 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 letter dated June 07, 2024 proposed revised settlement terms (RST) of INR 5,69,43,000/- (Rupees Five Crore Sixty-nine Lakh Forty-three Thousand Only) as settlement amount and also submitted Annexure A detailing the corrective action/measures put in place to prevent re-occurrence of similar violations in the matter. The High Powered Advisory Committee (hereinafter referred to as '**HPAC**') in its meeting held on August 02, 2024, agreed with the recommendation of the Internal Committee and while accepting the settlement terms recommended that the Regulatory

Action Factor (RAF) for settlement of the both the application no. 7734/2024 and 7735/2024 may be taken into account.

6. The Panel of Whole Time Members of SEBI approved the said recommendation of the HPAC with a revised amount of Rs. 5,74,56,000/- (Rupees Five Crore Seventy-Four Lakh Fifty-Six Thousand Only) on October 15, 2024 for the Applicant and the same was communicated by SEBI to the Applicant on October 22, 2024 and the applicant was advised to submit RST. Subsequently, the applicant vide email dated October 22, 2024 submitted RST. Pursuant to the receipt of the RST, Notice of Demand was issued to the applicant vide email dated October 23, 2024. The Applicant vide email dated October 23, 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 March 12, 2024 and Enquiry proceedings initiated against Applicant vide SCN dated March 12, 2024 is disposed of in terms of section 15JB of the SEBI Act, section 23JA of the SCRA 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 **October 25, 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. Angel One Limited and also to SEBI.

Date: October 25, 2024

BARNALI MUKHERJEE

Place: Mumbai

ADJUDICATING OFFICER/DESIGNATED AUTHORITY