

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER No.: SO/AS/VC/2024-25/8094**

In respect of:

Sr. No.	Settlement Application No.	Name of the Applicant	PAN
1	8094/2024	Paytm Money Limited	AAJCP4398N

In the matter of Paytm Money Limited

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) initiated adjudication proceedings under Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter referred to as “**SEBI Adjudication Rules**”) read with Section 15-I of SEBI Act, 1992 against Paytm Money Limited (hereinafter referred to as “**Noticee / Applicant**”) for the alleged violation of the provisions of following provisions:
 - (a) Para 4.2 and 4.3 of SEBI circular on technical glitch framework dated November 25, 2022.
 - (b) Para 5.1 of NSE circular dated December 16, 2022 r/w SEBI circular on technical glitch framework dated November 25, 2022.
 - (c) Para 7.4 of SEBI circular on technical glitch framework dated November 25, 2022.
2. *Vide* order dated July 09, 2024, Ms. Barnali Mukherjee was appointed as the Adjudicating Officer (hereinafter referred to as “**AO**”) under Section 15-I of the SEBI Act, 1992 read with Rule 3 of SEBI Adjudication Rules, to inquire into and adjudge under the provisions of the Section 15HB the SEBI Act, 1992, for the violations alleged to have been committed by the Noticee. Thereafter, pursuant to transfer of the case, undersigned has been appointed as AO in the matter *vide* order dated January 15, 2025.

3. A Show Cause Notice bearing reference no. SEBI/EAD/BM/JR/23884/1-3/2024 dated July 24, 2024 (hereafter referred to as “**SCN**”) was issued to the Noticee in terms of the provisions of Rule 4(1) of the SEBI Adjudication Rules, calling upon the Noticee to show cause why an inquiry should not be held and penalty not be imposed, under Section 15HB the SEBI Act, 1992 for allegedly violating the following:
- (a) Not setting the permissible limit of 70% for generation of timely alerts for all critical assets,
 - (b) Not submitting the documentary evidence w.r.t peak load observed for the inspection period,
 - (c) Not connecting all its critical systems with Log Analytics and Monitoring Application and
 - (d) Not conducting live DR drill for half year April 2023 - September 2023.
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 dated September 17, 2024 with SEBI 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 October 17, 2024 in terms of the Settlement Regulations, Noticee *vide* letter dated October 29, 2024, proposed Revised Settlement Terms. The High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) in its meeting held on November 18, 2024 considered the settlement terms proposed and recommended that the case may be settled upon payment of ₹45,50,000/- (Rupees Forty Five Lakh Fifty Thousand 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 January 27, 2025 and the same was communicated by SEBI to

the applicant on January 28, 2025. Subsequently, the applicant vide email dated February 06, 2025 informed about the remittance of the settlement amount, the receipt of which is confirmed by SEBI.

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 bearing reference no. SEBI/EAD/BM/JR/23884/1-3/2024 dated July 24, 2024 is disposed of in terms of Section 15JB of the SEBI Act, 1992 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. any representations made by the Applicant in the settlement proceedings are subsequently found to be untrue; or
 - ii. the Applicant breaches any of the clauses / conditions of undertakings waivers filed during the current settlement proceedings.
9. This settlement order is passed on this day of **February 13, 2025** 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. Paytm Money Limited and also to SEBI.

**ASHA
SHETTY**

Digitally signed by
ASHA SHETTY
Date: 2025.02.13
15:10:55 +05'30'

Date: February 13, 2025

Place: Mumbai

ASHA SHETTY

ADJUDICATING OFFICER