

BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER No. SO/AK/DS/2024-25/7953

In respect of:

Name of the applicant	Application No.	PAN of the applicant
ICICI Securities Limited	7953/2024	AAACI0996E

In the matter of ICICI Securities 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 the applicant for the alleged violation of regulatory provisions listed below:
 - 1.1. Regulations 26(xix) and Clause A(1) and A(2) of Schedule II for Code of Conduct read with Regulation 9 of SEBI (Stock Brokers) Regulations, 1992;
 - 1.2. Clause A(5) of Schedule II for Code of Conduct read with Regulation 9 of SEBI (Stock Brokers) Regulations, 1992 read with Clause 17 of Annexure A of BSE Notice No. 20191018-43 dated October 18, 2019;
 - 1.3. Clause A(2) of Schedule II for Code of Conduct read with Regulation 9 of SEBI (Stock Brokers) Regulations, 1992;
 - 1.4. Regulation 26(xix) of SEBI (Stock Brokers) Regulations, 1992;
 - 1.5. Clause A(5) of Schedule II for Code of Conduct read with Regulation 9 of SEBI (Stock Brokers) Regulations, 1992 read with Clause 7 of Annexure A of BSE Notice No. 20191018-43 dated October 18, 2019.
2. SEBI appointed Mr. Shashi Kumar Valsakumar as the Adjudicating Officer (AO), vide communique dated April 19, 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**') to inquire into and adjudge u/s 15HB of SEBI Act for violations of SEBI (Stock Brokers) Regulations, 1992 and Exchange Circulars.

Pursuant to the transfer of Mr. Shashi Kumar Valsakumar, vide communique dated July 29, 2024, Ms. Asha Shetty was appointed as AO in the matter. Subsequently, vide communique dated December 18, 2024, undersigned was appointed as AO in the matter.

3. A Show Cause Notice dated May 17, 2024 (hereafter referred to as “**SCN**”) was issued to the Applicant in terms of the provisions of Rule 4(1) of the Adjudication Rules, 1995 read with Section 15-I of SEBI Act calling upon the Applicant to show cause why an inquiry should not be held and penalty not imposed, under Section 15HB of the SEBI Act against the Applicant for the alleged violation of the aforesaid provisions. The said SCN was issued to the Applicant in view of the following observations-
 - a) Applicant allegedly failed to monitor its Authorized Person (AP), as trading terminals of five users, allocated to the AP were being operated from unknown places, which were not reported to the Exchange.
 - b) Applicant allegedly, did not have systems to monitor the trading practices of its AP, as the AP was using login credentials of the clients for online trading.
 - c) Applicant has, allegedly, not ensured that only the approved users operate the trading terminal allocated to them.
4. Pending Adjudication Proceedings, the Applicant proposed to settle the instant proceedings initiated against it, without admitting or denying the facts and conclusions of law, through a settlement order and filed a settlement application with SEBI, bearing Application No. 7953/2024 dated July 18, 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 September 10, 2024 in terms of the Settlement Regulations, applicant, vide an email dated September 25, 2024 proposed revised settlement terms. The High Powered Advisory Committee (hereinafter referred to as '**HPAC**') in its meeting held on October 28, 2024, considered the settlement terms proposed and recommended

that the case may be settled upon payment of INR 40,20,000/- (Rupees Forty Lakh Twenty Thousand 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 December 12, 2024 and the same was communicated by SEBI to the Applicant on December 13, 2024. Subsequently, the Applicant, vide email dated January 01, 2025, 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 adjudication proceedings initiated against Applicant vide SCN dated May 17, 2024 is disposed of in terms of section 15JB of the SEBI Act read with regulation 23(1) of the Settlement Regulations.
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 of which the settlement order is 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 **06th January, 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. ICICI Securities Limited and also to SEBI.

AMIT
KAPOOR
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Date: January 06, 2025
Place: Mumbai

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by AMIT
KAPOOR
Date: 2025.01.06
16:29:08 +05'30'

AMIT KAPOOR
ADJUDICATING OFFICER