

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

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**SETTLEMENT ORDER**

**in Settlement Application No.**

**4040 of 2019 filed by Ms. Pratibha Khandelwal Advani [PAN: ACOPA4171A]**

**in the matter of NIIT Technologies Limited**

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1. Ms. Pratibha Khandelwal Advani (hereinafter referred to as the “applicant”) filed a settlement application in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as the “Settlement Regulations”) proposing to settle, without admitting or denying the findings of fact and conclusions of law, through a settlement order, the pending enforcement proceeding initiated vide Show Cause Notice bearing No. EFD1/DRA4/SPV/VY/OW/P/17756/1/2019 dated July 12, 2019 for the alleged violation of Section 12A(d) and 12A(e) of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as the “SEBI Act”) and Regulation 3(i) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 (hereinafter referred to as the “PIT Regulations, 1992”) read with Regulation 12 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the “PIT Regulations, 2015”) by the applicant. A supplementary Show Cause Notice bearing No. SEBI/HO/EFD1/DRA4/AA/YR/OW/12858/1/2020 dated August 06, 2020 was also issued to the applicant under Section 11(4A) and 11B(2) of the SEBI Act.
2. SEBI had conducted an investigation in to the trading in shares of NIIT Technologies Limited (hereinafter referred to as “the company”) during the period December 22, 2014 to March 23, 2015 (hereinafter referred to as the “investigation period”). The shares of the company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Investigation revealed that, on March 12, 2015, there was a substantial spurt in volume of the company’s shares. The company made a corporate announcement on March 12, 2015 that they do not

have any information to share with the stock exchange under Clause 36 of the Listing Agreement. On March 23, 2015, the company made an announcement on stock exchanges that a dispute has arisen between one of the company's subsidiaries and one of its clients, which may result in claims and counter claims and that the company has provisioned USD10 million for the same. It was observed that, the price of shares of the company fell by 6.37% on BSE and 5.96% on NSE on the very next day of this announcement i.e; on March 24, 2015. It was also observed from the minutes of the meeting of the company dated January 14, 2015 that one of the agenda items was to consider and approve infusion of USD 10mn. The company confirmed that the applicant was privy to the aforesaid price sensitive information in her official capacity as Chief Financial Officer of the company. It was found that the applicant has sold 25,000 shares of the company on February 25, 2015 i.e; during the UPSI period. It was observed that, by selling the shares during the UPSI period, the applicant has avoided a loss of Rs. 13,69,500/-.

3. Pursuant to the application, during the meeting with the Internal Committee of SEBI on August 18, 2020, the authorized representatives of the applicant deliberated upon the settlement terms. Thereafter, the applicant vide e-mail dated August 19, 2020, proposed the revised settlement terms to settle the proceedings that were initiated for the said defaults.
4. The High Powered Advisory Committee (hereinafter referred to as the "HPAC") in its meeting held through video-conferencing on September 22, 2020 considered the proposed settlement terms by the applicant and recommended the case for settlement if the applicant makes the payment of Rs. 89,50,500/- (Rupees Eighty Nine Lakh Fifty Thousand and Five Hundred Only) towards monetary Settlement amount and an amount of Rs. 13,69,500/- along with Rs. 9,00,944/- being the interest payable from 25.02.2015 till the date of submission of Revised Settlement Terms i.e; August 19, 2020 at the rate of 12% p.a towards disgorgement of the alleged ill-gotten gains. Thus, the total amount payable by the applicant is Rs. 1,12,20,944/- (Rupees One Crore Twelve Lakh Twenty Thousand Nine Hundred and Fourty Four Only).

5. The applicant remitted the amounts as proposed by the applicant, for the settlement of the proceeding as detailed in para 1 above, vide UTR No. 000096366849 dated October 26, 2020 for an amount of Rs. 89,50,500/- towards Settlement Amount and vide UTR No. 000096365741 dated October 26, 2020 for an amount of Rs. 22,70,444/-, towards disgorgement of ill-gotten gains. Upon verification, receipt of the same was confirmed.
6. In view of the above, in exercise of the powers conferred under Section 15JB of the Securities and Exchange Board of India Act, 1992 and in terms of Regulations 23 read with Regulation 28 of the Settlement Regulations, it is hereby ordered that the pending enforcement proceedings for the alleged defaults as discussed in paragraph 1 above are settled *qua* the applicant as per the following terms;
  - i. SEBI shall not initiate enforcement action against the applicant for the said defaults;
  - ii. this order disposes of the enforcement proceedings in respect of the applicant as mentioned above; and
  - iii. passing of this Order is without prejudice to the right of SEBI to take enforcement actions including commencing proceedings against the applicant, if SEBI finds that:
    - a. any representation made by the applicant in the present settlement proceedings is subsequently found to be untrue;
    - b. the applicant have breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings.
7. This settlement order is passed on this 12<sup>th</sup> day of November, 2020 and shall come into force with immediate effect.
8. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the applicant and also be published on the website of SEBI.

Sd/-

**S.K. MOHANTY**  
**WHOLE TIME MEMBER**

Sd/-

**ANANTA BARUA**  
**WHOLE TIME MEMBER**