

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA**

SETTLEMENT ORDER

[SETTLEMENT ORDER NO.: SO/SM/SM/2024-25/8434]

In respect of:

Settlement Application No.	Name of Applicant	PAN	SEBI Registration No.
8434/2025	BNP Paribas	AAACB4868Q	IN/CUS/ 023

In the matter of BNP Paribas

1. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) initiated adjudication proceedings under Section 15-I of the Securities and Exchange Board of India Act, 1992 (‘SEBI Act, 1992’, in short) in respect of BNP Paribas (‘Noticee’/ ‘Applicant’ / ‘DDP’/ ‘BNP’ / ‘the Company’) in the matter of BNP Paribas for the alleged violation of following provisions:
 - 1.1. Regulation 7(1) of SEBI (Foreign Portfolio Investors) Regulations, 2014 (hereinafter also referred to as “FPI Regulations 2014”) read with Regulations 5(b) of FPI Regulations 2014 and Regulation 45(2) of SEBI (Foreign Portfolio Investors) Regulations, 2019 (hereinafter also referred to as “FPI Regulations, 2019”).
 - 1.2. Regulation 45(2)(b) of FPI Regulations, 2019, read with Regulations 5(a) of FPI Regulations, 2019 and para 2(v) of Part A of Operational Guidelines for FPIs, DDPs dated November 05, 2019.
 - 1.3. Regulation 7(1) of FPI Regulations, 2019, read with Regulations 5(a) of FPI Regulations, 2019 and para 2(v) of Part A of Operational Guidelines for FPIs, DDPs dated November 05, 2019.
2. Whereas, the Competent Authority was prima facie of the view that there were sufficient grounds to adjudicate upon the alleged violation by the Noticee, as stated and therefore, in exercise of the powers conferred under Section 15-I of the SEBI

Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 ('Adjudication Rules') read with Section 19 of the SEBI Act, 1992, the Competent Authority appointed Sh Amar Navlani, General Manager, SEBI as the Adjudicating Officer (erstwhile AO) vide order dated February 03, 2025 to inquire into and adjudge under Section 15HB of the SEBI Act, 1992 and Regulation 43 of FPI Regulations, 2019 for the alleged violation by the Noticee, as stated. Pursuant to transfer of erstwhile AO, the matter was allocated to the undersigned vide order dated September 11, 2025 and the proceedings of appointment were communicated to the undersigned vide Communique dated September 19, 2025.

3. A Show Cause Notice No. SEBI/EAD5/P/OW/2025/6032/1 dated February 25, 2025 ('SCN' / 'SCN dated February 25, 2025') was served upon the Noticee in terms of provisions of Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, inter alia calling upon to show cause why an inquiry should not be held and penalty not be imposed, under Section 15HB of the SEBI Act, 1992 and Regulation 43 of FPI Regulations, 2019 for the alleged violations of the provisions, as stated. Briefly stated, following was inter alia observed and alleged in respect of the Noticee:

- 3.1. Granting Category II license to six FPIs, which were not eligible to be registered as Category II FPI under FPI Regulations 2014. Accordingly, it was alleged that Noticee had violated Regulation 7(1) of FPI Regulations, 2014, read with Regulations 5(b) of FPI Regulations, 2014 and Regulation 45(2) of FPI Regulations, 2019.

- 3.2. Failure to identify that six FPIs were not regulated by UK-FCA at the time of conversion, and incorrectly re-categorizing six FPIs as Category I under FPI regulations, 2019. Accordingly, it was alleged that Noticee has violated Regulation 45(2)(b) of FPI Regulation, 2019, read with Regulations 5(a) of FPI Regulations, 2019 and para 2(v) of Part A of Operational Guidelines for FPIs, DDPs dated November 05, 2019.

3.3. Granting Category I registration to the FPI- Wxxxn lxxxxxxxxt Txxxt Pxc Rx Jxxxxxn (lxxxxxxx1), under FPI regulation, 2019. Accordingly, it was alleged that Noticee has violated Regulation 7(1) of FPI Regulations, 2019, read with Regulations 5(a) of FPI Regulations, 2019 and para 2(v) of Part A of Operational Guidelines for FPIs, DDPs dated November 05, 2019

4. In this regard, pending Adjudication Proceedings initiated vide Show Cause Notice No. SEBI/EAD5/P/OW/2025/6032/1 dated February 25, 2025, the Noticee filed Settlement Application, bearing Settlement Application No. 8434/2025 ('Application') proposing to settle the instant proceedings initiated against them vide Show Cause Notice No. SEBI/EAD5/P/OW/2025/6032/1 dated February 25, 2025, without admitting or denying the findings of facts and conclusions of law, through a settlement order in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018 ('Settlement Regulations' / 'SEBI Settlement Regulations').
5. In this regard, I note that Internal Committee meeting ('IC') in the matter was held on June 06, 2025, which was attended by Vivek Shah and Paras Taneja, the authorised representatives of the applicant. IC recommended ₹ 39,97,500/- (Rupees Thirty Nine Lakhs Ninety Seven Thousand Five Hundred Only) as the Indicative Amount being the amount computed in terms of Schedule II r/w Regulation 10 of SEBI (Settlement Proceedings) Regulations, 2018. The applicant was informed to submit Revised Settlement Terms (RST) within 15 working days from the date of the IC meeting, in terms of Regulation 13(2)(c) of SEBI (Settlement Proceedings) Regulations, 2018.
6. The applicant vide RST dated June 24, 2025 has proposed to offer ₹39,97,500/- (Rupees Thirty Nine Lakhs Ninety Seven Thousand Five Hundred only) as the settlement amount.
7. IC noted that the applicant, along with RST, had also requested for consideration of a modified settlement amount of ₹29,25,000/- on certain grounds. The IC noted

that the submissions of the applicant were in nature of going into the merits of the case and therefore these submissions were not considered.

8. The IC noted that despite the submissions as regard the aforesaid settlement amount, the applicant has proposed to offer ₹39,97,500/- (Rupees Thirty Nine Lakhs Ninety Seven Thousand Five Hundred only) as the settlement amount. The said amount was in line with the amount communicated by IC, therefore, it recommended the case for settlement.
9. The subject application was placed before the HPAC in its meeting held on July 24, 2025. The Committee agreed with the recommendations of the IC and recommended that the request of the applicant for settlement be accepted. The recommendations of the HPAC were approved by the Panel of WTMs on September 16, 2025 and September 26, 2025. Subsequently, the applicant vide email dated October 27, 2025 informed about the remittance of the settlement amount and the same has been confirmed by the concerned department.
10. In view thereof, the instant Adjudication Proceedings initiated against the Noticee viz., BNP Paribas vide SCN No. SEBI/EAD5/P/OW/2025/6032/1 dated February 25, 2025, are hereby disposed of in terms of Section 15JB of the SEBI Act, 1992 read with Regulation 23(1) of SEBI (Settlement Proceedings) Regulations, 2018.
11. The passing of this Settlement Order shall however be without prejudice to the rights of SEBI under Regulation 28 and 31 of the SEBI (Settlement Proceedings) Regulations, 2018, to initiate appropriate actions, including restoring or initiating the proceedings in respect of which this settlement order is passed against the Applicant, if:
 - 11.1. it comes to the notice of the Board that the applicant has not made full and true disclosure;
 - 11.2. applicant has violated the undertakings or waivers;
 - 11.3. there was a discrepancy while arriving at the settlement terms.
12. This Settlement Order shall come into force with immediate effect.

13. In terms of Regulation 25 of SEBI (Settlement Proceedings) Regulations, 2018, a copy of this Order shall be sent to the Applicant and be published on the website of SEBI.

DATE: November 11, 2025
PLACE: MUMBAI

SUDEEP MISHRA
ADJUDICATING OFFICER