

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 87068 / September 23, 2019

ACCOUNTING AND AUDITING ENFORCEMENT  
Release No. 4090 / September 23, 2019

ADMINISTRATIVE PROCEEDING  
File No. 3-15395

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In the Matter of	:	ORDER GRANTING APPLICATION FOR
	:	REINSTATEMENT TO APPEAR AND PRACTICE
	:	BEFORE THE COMMISSION AS AN ACCOUNTANT
Subramanian Krishnan,	:	RESPONSIBLE FOR THE PREPARATION OR
CPA	:	REVIEW OF FINANCIAL STATEMENTS REQUIRED
	:	TO BE FILED WITH THE COMMISSION

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On July 30, 2013, Subramanian Krishnan, CPA (“Krishnan”) was suspended from appearing or practicing before the Commission as an accountant as a result of settled public administrative proceedings instituted by the Commission against him pursuant to Rule 102(e)(3) of the Commission’s Rules of Practice.<sup>1</sup> This order is issued in response to Krishnan’s application for reinstatement to appear and practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission.

The Commission found that Krishnan had been permanently enjoined by a United States District Court from future violations of Section 17(a) of the Securities Act of 1933 and Sections 10(b) and 13(b)(5) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rules 10b-5, 13b2-1, 13b2-2, and 13a-14 thereunder, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1, and 13a-13 thereunder in an action brought by the Commission. In its complaint in the injunctive action, the Commission alleged that Krishnan engaged in a course of conduct which resulted in Digi International, Inc. (“Digi”) filing inaccurate reports and accompanying certifications in Digi’s annual reports on Form 10-K and Digi’s quarterly reports on Form 10-Q for the period from March 2005 through May 2010. The complaint also alleged that Krishnan engaged in certain actions and inactions resulting in corporate funds being used to pay for unauthorized expenses.

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<sup>1</sup> See Accounting and Auditing Enforcement Release No. 3473 dated July 30, 2013. Krishnan was permitted, pursuant to the order, to apply for reinstatement after five years upon making certain showings.

The complaint further alleged that Krishnan aided and abetted Digi's violations by making and keeping inaccurate books and records, failing to maintain a sufficient system of internal accounting controls, and making inaccurate representations to auditors.

In his capacity as a preparer or reviewer, or as a person responsible for the preparation or review, of financial statements of a public company to be filed with the Commission, Krishnan attests that he will undertake to have his work reviewed by the independent audit committee of any company for which he works, or in some other manner acceptable to the Commission, while practicing before the Commission in this capacity. Krishnan is not, at this time, seeking to appear or practice before the Commission as an independent accountant. If he should wish to resume appearing and practicing before the Commission as an independent accountant, he will be required to submit an application to the Commission showing that he has complied and will comply with the terms of the original suspension order in this regard. Therefore, Krishnan's suspension from practice before the Commission as an independent accountant continues in effect until the Commission determines that a sufficient showing has been made in this regard in accordance with the terms of the original suspension order.

Rule 102(e)(5) of the Commission's Rules of Practice governs applications for reinstatement, and provides that the Commission may reinstate the privilege to appear and practice before the Commission "for good cause shown."<sup>2</sup> This "good cause" determination is necessarily highly fact specific.

On the basis of information supplied, representations made, and undertakings agreed to by Krishnan, it appears that he has complied with the terms of the July 30, 2013 order suspending him from appearing or practicing before the Commission as an accountant, that no information has come to the attention of the Commission relating to his character, integrity, professional conduct or qualifications to practice before the Commission that would be a basis for adverse action against him pursuant to Rule 102(e) of the Commission's Rules of Practice, and that Krishnan, by undertaking to have his work reviewed by the independent audit committee of any company for which he works, or in some other manner acceptable to the Commission, in his practice before the Commission as a preparer or reviewer of financial statements required to be filed with the Commission, has shown good cause for reinstatement. Therefore, it is accordingly,

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<sup>2</sup> Rule 102(e)(5)(i) provides:

"An application for reinstatement of a person permanently suspended or disqualified under paragraph (e)(1) or (e)(3) of this rule may be made at any time, and the applicant may, in the Commission's discretion, be afforded a hearing; however, the suspension or disqualification shall continue unless and until the applicant has been reinstated by the Commission for good cause shown." 17 C.F.R. § 201.102(e)(5)(i).

ORDERED pursuant to Rule 102(e)(5)(i) of the Commission's Rules of Practice that Subramanian Krishnan, CPA is hereby reinstated to appear and practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission.

By the Commission.

Vanessa A. Countryman  
Secretary