

SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

IN SETTLEMENT APPLICATION NO. 7400 OF 2023

FILED BY GURPREET SINGH DHILLON [PAN: AFQPD5302R]

IN THE MATTER OF INSPECTION OF VISTAAR RELIGARE MEDIA FUND

1. The Securities and Exchange Board of India (“**SEBI**”) conducted an inspection of Vistaar Religare Media Fund (“**the Fund**”), a SEBI registered Venture Capital Fund (“**VCF**”), for the period from July 25, 2008 to July 04, 2017. Vistaar Capital Advisors Limited (“**VCAL**”) was the investment manager of the fund. Based on the findings of the inspection, a show cause notice dated October 25, 2021 (“**SCN**”) was issued by SEBI *inter alia* to Gurpreet Singh Dhillon (“**Applicant**”), who was the director of VCAL during the relevant period, alleging violation of Regulations 12(d)(ii)(e), 20(1), 23(1)(a), 24(2) of SEBI (Venture Capital Funds) Regulations, 1996 (“**VCF Regulations**”) for the following:
 - a. Non winding up on expiry of tenure of the scheme of the Fund;
 - b. Investment of more than 33.33% of investible funds into Special Purpose Vehicles;
 - c. Non redressal of investor complaints & non submission of periodic reports and;
 - d. Non-maintenance of books and records.
2. Subsequently, SEBI passed an order dated April 24, 2023 wherein it was *inter alia* held that the Applicant was responsible for non-winding up of the scheme of the fund. The Applicant preferred an appeal before the Hon’ble Securities Appellate Tribunal (“**SAT**”) on the ground of not having received the SCN at his current address and SAT, vide its order dated August 01, 2023, remanded the matter to WTM for serving show cause notice and to proceed from there onwards in accordance with law.
3. Subsequent to service of the SCN, the Applicant filed the Settlement Application bearing registration no. 7400/2023 which was received on October

11, 2023. The said application was filed in terms of the SEBI (Settlement Proceedings) Regulations, 2018 (“**Settlement Regulations**”) wherein the Applicant proposed to SEBI to settle the instant proceedings, without admitting or denying the findings of fact and conclusions of law, through a settlement order.

4. Pursuant to the receipt of the Application, the authorised representatives of the Applicant had a meeting with the Internal Committee of SEBI on February 13, 2024. The Internal Committee deliberated on the aspect of the violation and suggested the terms of the settlement. Thereafter, the Applicant proposed revised settlement terms dated February 16, 2024, which was received by SEBI vide letter dated February 20, 2024, to settle the pending proceedings initiated against him.
5. The application was placed before the High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) in its meeting held on March 04, 2024, which considered the facts of the case as well as the revised settlement terms proposed by the Applicant and recommended the case for settlement. The Panel of Whole Time Members of SEBI considered the recommendations of HPAC and approved the case for settlement upon payment of revised settlement amount of INR 35,43,750 (Thirty-Five Lakh Forty-Three Thousand Seven Hundred and Fifty Rupees only) and legal charges of INR 1,66,500 (One Lakh Sixty-Six Thousand and Five Hundred only). The same was communicated to the Applicant vide email dated July 02, 2024 and the Applicant proposed revised settlement terms dated July 16, 2024 to settle the proceedings initiated against him. Subsequently, the Notice of Demand was issued to the Applicant vide e-mail dated July 18, 2024. The Applicant, vide e-mail dated July 29, 2024, informed that the aforesaid settlement amount and legal charges were remitted on July 29, 2024. SEBI has confirmed the receipt of the same.
6. In view of the acceptance of the settlement terms and receipt of settlement amount and legal charges by SEBI, the specified proceedings initiated against the Applicant vide Show Cause Notice dated October 25, 2021 are disposed of

in terms of Section 15JB read with Section 19 of the SEBI Act and Regulation 23(1) of the Settlement Regulations on the basis of aforesaid settlement terms.

7. The passing of this Settlement Order is, however, without prejudice to the right of SEBI under Regulations 28 and 31 of the Settlement Regulations to initiate any enforcement action against the Applicant, if:

- (a) any representation made by the Applicant in the present settlement proceedings is subsequently found to be untrue;
- (b) the Applicant has breached any of the clauses / conditions of undertakings / waivers filed during the present settlement proceedings; and
- (c) there was a discrepancy while arriving at the settlement terms.

8. This Settlement Order shall come into force with immediate effect.

9. In terms of Regulation 25 of the Settlement Regulations, a copy of this order shall be sent to the Applicant and shall also be published on the website of SEBI.

ANANTH NARAYAN G.

DATE: AUGUST 29, 2024

WHOLE TIME MEMBER

PLACE: MUMBAI

SECURITIES AND EXCHANGE BOARD OF INDIA