

SECURITIES AND EXCHANGE BOARD OF INDIA**SETTLEMENT ORDER****IN RESPECT OF SUMMARY SETTLEMENT APPLICATIONS**

Summary Settlement Application Number	Name of the Applicant	PAN
SS-23/2024	Utthishta Virat Fund	AAATU8228J
SS-24/2024	Utthishta Management Advisors LLP	AADFU2183P
SS-25/2024	P Rama Krishna	AFDPR6468M

**IN THE MATTER OF BREACH OF CONTINUING INTEREST
REQUIREMENT BY UTTHISHTA VIRAT FUND**

1. The Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) observed from the analysis of the Private Placement Memorandum Audit Reports (hereinafter referred to as the “**PPM Audit Reports**”) of Utthishta Virat Fund, a scheme of Utthishta Virat Fund for F.Y. 2022-23, that the continuing interest of sponsor as on March 31, 2023 stood at 2.44% of investible corpus, which is lower than the limit of 2.5% of investible corpus, as required to be maintained under Regulation 10(d) of the SEBI (Alternate Investment Funds) Regulations, 2012 (hereinafter referred to as the “**AIF Regulations**”) thereby resulting in the violation of Regulation 10(d) and Regulation 20(1) of the AIF Regulations read with Clause 1(e) of code of conduct as mentioned in Fourth Schedule of the AIF Regulations and Clause 13.3.2 (ii) of Master Circular dated May 07, 2024. Subsequently, SEBI observed that as on August 13, 2024, the sponsor is having a continuing interest of 2.64% in the AIF.
2. Further, it was observed from the analysis of the PPM Audit Reports that the Manager- Utthishta Management Advisors LLP is in violation of Regulation

20(1) read with Clauses 2(a), 2(c) of Code of Conduct as mentioned in Fourth Schedule of the AIF Regulations, Regulation 20(2) and Regulation 10(d) of the AIF Regulations read with Regulation 20(5) of the AIF Regulations, 2012, Clause 15.2.1 of Master Circular dated May 07, 2024 and Clause 13.3.2 (ii) of Master Circular dated May 07, 2024. Similarly, the Key Managerial Personnel i.e. P. Rama Krishna is in violation of Regulation 20(1) read with Clauses 2(a), 2(c) of Code of Conduct as mentioned in Fourth Schedule of the AIF Regulations, 2012.

3. In terms of Regulation 16 of the SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”), SEBI issued a ‘Notice of Summary Settlement’ dated October 22, 2024 (hereinafter referred to as the “**Notice**”) to the AIF, the Key Managerial Personnel and the Manager (hereinafter collectively referred to as the “**Applicants**”) intimating them that the relevant provisions of the AIF Regulations, as mentioned in paragraphs 1 and 2, had been violated on account of the failure to maintain 2.5% of investible corpus as continuing interest and that, if the Applicants so desired, the enforcement proceedings to be initiated for the same may be settled and disposed of upon filing of an application under the Settlement Regulations along with remittance of the settlement amount of ₹28,50,000/- (Rupees twenty eight lakhs and fifty thousand only) to be paid jointly and severally within 30 calendar days from the date of receipt of the Notice in terms of Chapter VII of the Settlement Regulations.
4. In response to the same, the Applicants filed applications proposing to settle the enforcement proceedings that may be initiated against them for the violation of the provisions of the AIF Regulations, as mentioned in paragraphs 1 and 2 above, through a settlement order and remitted the settlement amount of ₹28,50,000/- (Rupees twenty eight lakhs and fifty thousand only) on November 19, 2024. SEBI has confirmed credit of the said amount.

5. On the basis of the facts stated above, in exercise of the powers conferred under Section 15JB read with Section 19 of the SEBI Act, 1992 and in terms of Regulations 23 of the Settlement Regulations, the specified proceedings, in respect of which the Notice was issued, are hereby settled in respect of the Applicants on the following terms:
- i. SEBI shall not initiate any enforcement action against the Applicants for the said violations, and
 - ii. Passing of this Settlement Order is without prejudice to the right of SEBI under Regulations 28 and 31 of the Settlement Regulations to initiate appropriate action against the Applicants, if SEBI finds that:
 - (a) any representation made by the Applicants in the present settlement proceedings is subsequently found to be untrue;
 - (b) the Applicants have breached any of the clauses/ conditions of undertakings/ waivers filed during the present settlement proceedings; and
 - (c) there is a discrepancy while arriving at the settlement terms.
6. This Settlement Order is passed on this 20th day of December, 2024 and shall come into force with immediate effect.
7. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the Applicants and shall also be published on the website of SEBI.

Sd/-

KAMLESH C. VARSHNEY
WHOLE TIME MEMBER

Sd/-

AMARJEET SINGH
WHOLE TIME MEMBER