

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

SETTLEMENT ORDER

[SETTLEMENT ORDER NO.: SO/AN/SM/2024-25/7907-7911]

In respect of:

S. No.	Settlement Application No.	Name of Applicant	PAN
1	7907/2024	Clean Max Renewable Trust	AACTC5665M
2	7908/2024	Clean Max Energy Ventures Private Limited	AAECC5179P
3	7909/2024	Mr. Kuldeep Jain	AEJPJ4284J
4	7910/2024	Mr. Nikunj Ghodawat	AHCPG8170G
5	7911/2024	Mr. Nitai Vijay	ABFPV5668P

(The aforesaid entities are also referred to by their respective names / 'Applicant No.'s.' and collectively as the "Applicants" / "Noticees" and all Settlement Applications collectively referred to as 'said applications' / 'applications')

In the matter of Clean Max Renewable Trust

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") initiated adjudication proceedings under section 15EA of SEBI Act, 1992 (hereinafter also referred to as "SEBI Act") against Clean Max Renewable Trust (hereinafter also referred to as Applicant No. 2 / 'Noticee 1' / 'entity' / 'Fund' / 'AIF' / 'CMRT'), Clean Max Energy Ventures Private Limited ('Applicant No. 1' / 'Noticee 2' / 'Investment manager' / 'Manager' / 'IM'), Kuldeep Jain ('Applicant No. 3' / 'Noticee 3' / 'Key Management Personnel' / 'KMP'), Nikunj Ghodawat ('Applicant No. 4' / Noticee 4 / 'Key Management Personnel' / 'KMP') and Nitai Vijay ('Applicant No. 5' / 'Noticee 5' / 'Key Management Personnel' / 'KMP') for the alleged violation of 15(1)(c) of the SEBI (Alternative Investment Funds) Regulations, 2012 (hereinafter also referred to as 'AIF Regulations, 2012' / 'AIF

Regulations') by Noticee 1; Regulation 15(1)(c) read with Regulation 20(5), Regulation 20(1) and Clause 2(a) of Code of Conduct of AIF Regulations, 2012 by Noticee 2; Regulation 15(1)(c) read with Regulation 20(1) and Clause 2(a) of Code of Conduct of AIF Regulations, 2012 by Noticee 3, 4 and 5.

2. Vide communique dated May 13, 2024, SEBI appointed Sh. Amar Navlani, GM, as the Adjudicating Officer (AO) under Section 15-I of SEBI Act and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter also referred to as 'Adjudication Rules') r/w Section 19 of the SEBI Act to inquire into and adjudge under section 15EA of the SEBI Act, 1992.
3. A common Show Cause Notice No. SEBI/EAD5/P/OW/2024/17826/1-5/2024 dated May 29, 2024 ("SCN") was issued to the Noticees in terms of provisions of Rule 4 of the Adjudication Rules, calling upon to show cause why an inquiry should not be held and penalty not be imposed, under section 15EA of the SEBI Act, 1992 for the alleged violations of the provisions, as stated. Briefly stated, following was *inter alia* observed and alleged in respect of the Noticees:
 - 3.1. Clean Max Renewable Trust (Noticee 1) had exceeded limit of 25% set by Regulation 15(1)(c) in three investments namely, Clean Max Pluto Solar Power LLP, Clean Max Power 3 LLP and KAS onsite Power Solutions LLP by investing Rs. 6.5 cr in each of the investee company/venture. Therefore, the fund was alleged to have violated Regulation 15(1)(c) of AIF Regulations, 2012
 - 3.2. Clean Max Energy Ventures Private Limited (Noticee 2 / Manager) was appointed as the Investment Manager wherein it was responsible for day-to-day management and administration of the fund including identifying investment opportunities and making investment decisions. Thus, manager was alleged to be responsible for aforesaid violation by the AIF and alleged

to have violated Regulation 15(1)(c) read with Regulation 20(5), Regulation 20(1) and Clause 2(a) of Code of Conduct of AIF Regulations, 2012.

3.3. Kuldeep Jain, Nikunj Ghodawat and Nitai Vijay (Noticee 3, 4 and 5 respectively), were the KMPs of the Manager and were involved in day to day operations of the AIF and the manager. Therefore, allegedly KMPs were responsible for alleged violation by the AIF. Therefore, Noticee 3,4 and 5 were alleged to have violated Regulation 15(1)(c) read with Regulation 20(5), Regulation 20(1) and Clause 2(a) of Code of Conduct of AIF Regulations, 2012.

4. Pending Adjudication Proceedings, the Noticees filed Settlement Applications, bearing Settlement Application No. 7908/2024, 7907/2024, 7909/2024, 7910/2024 and 7911/2024 proposing to settle the instant proceedings initiated against them vide Show Cause Notice No. SEBI/EAD5/P/OW/2024/17826/1-5/2024 dated May 29, 2024, 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 (hereinafter also referred to as “Settlement Regulations” / “SEBI Settlement Regulations”).
5. In this regard, I note from the material available on record that the said applications were inter alia placed before the Internal Committee of SEBI (hereinafter also referred to as, the “IC”) in its meeting held on August 13, 2024, wherein the authorised representatives of the applicant viz., Mr. Nikunj Ghodawat, Mr. Tejesh Chitlangi, Ms. Anita Jain, Ms. Tanvi Shete and Ms. Puja Mistry were present.
6. IC recommended ₹19,30,500/- (Rs. Nineteen lakhs thirty thousand five hundred only) as the Indicative Amount being the amount computed in terms of Schedule

Il r/w Regulation 10 of SEBI (Settlement Proceedings) Regulations, 2018. The same was communicated to the authorised representatives of the applicants.

7. The authorised representatives of the applicants were 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.
8. The applicants vide email dated August 14, 2024 submitted the Revised Settlement Terms wherein they proposed settlement amount of ₹19,30,500/- (Rs. Nineteen lakhs thirty thousand five hundred only) in line with the settlement terms formulated as per the SEBI (Settlement Proceedings) Regulations, 2018, communicated during the IC meeting.
9. The Internal Committee on consideration of the facts and circumstances of the case, material brought before it, inter alia noted that the applicants are agreeable to pay the settlement amount of ₹19,30,500/- (Rupees Nineteen lakh thirty thousand five hundred only) calculated as per the Settlement Regulations and thus recommended the matter for settlement.
10. Thereafter, the applications were placed before the High Powered Advisory Committee (HPAC) for its consideration and recommendation, in its meeting held on August 28, 2024. The recommendations of the HPAC were approved by the Panel of Whole Time Members on October 08, 2024.
11. The Notice of Demand was issued to the applicant on October 10, 2024. Subsequently, the applicants informed about the remittance of the settlement amount on October 11, 2024. Copy of the settlement amount report has been placed in file by concerned department of SEBI.
12. In view thereof, the instant Adjudication Proceedings initiated against the Noticees viz., Clean Max Renewable Trust, Clean Max Energy Ventures Private Limited, Kuldeep Jain, Nikunj Ghodawat and Nitai Vijay vide Show Cause

Notice No. SEBI/EAD5/P/OW/2024/17826/1-5/2024 dated May 29, 2024, 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.

13. 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:

13.1. it comes to the notice of the Board that the applicant has not made full and true disclosure;

13.2. applicant has violated the undertakings or waivers;

13.3. there was a discrepancy while arriving at the settlement terms.

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

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

DATE: October 16, 2024
PLACE: MUMBAI

AMAR NAVLANI
ADJUDICATING OFFICER