

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

SETTLEMENT ORDER

[SETTLEMENT ORDER NO.: SO/AN/RG/2024-25/7663]

In respect of:

Settlement Application No.	Name of Applicant	PAN
7663/2024	Mr. Abhishek Gupta	AIUPG8215F

In the matter of Edelweiss Asset Management Limited

1. Securities and Exchange Board of India (hereinafter also referred to as “SEBI”) initiated adjudication proceedings, under Section 15-I of the SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 (hereinafter also referred to as ‘Adjudication Rules’) read with Section 19 of the SEBI Act, 1992, inter alia against Mr. Abhishek Gupta (hereinafter also referred to as “Applicant/ Noticee”), for the alleged violations of following provisions:
 - 1.1. Regulation 25 (6B) (a) of Mutual Funds Regulations and para I (3) read with Annexure A (8) of SEBI circular SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 6, 2017 and para B(3)(1(a)) of SEBI Circular SEBI/HO/IMD/DF2/CIR/P/2018/92 dated June 05, 2018.
2. Vide communique dated December 29, 2023, SEBI appointed the undersigned as the Adjudicating Officer (“AO”) under Section 15-I of the SEBI Act, 1992 and Rule 3 of Adjudication Rules read with Section 19 of the SEBI Act, 1992, to inquire into and adjudge inter alia under Section 15HB of the SEBI Act, 1992, the alleged violations in respect of the Noticee.

3. A Show Cause Notice No. SEBI/EAD-5/AN/RG/563/4/2024 dated January 04, 2024 ("SCN") was issued to the Noticee in terms of provisions of Rule 4 of the Adjudication Rules, inter alia calling upon to show cause why an inquiry should not be held and penalty not be imposed, under Section 15HB of SEBI Act, for the aforesaid alleged violations by the Noticee. Briefly stated, the following was inter alia observed and alleged, in respect of the Noticee:
 - 3.1. By failing to ensure that the funds of the schemes were invested to achieve the objectives of the scheme, the Noticee had allegedly violated Regulation 25 (6B) (a) of Mutual Funds Regulations and para I (3) read with Annexure A (8) of SEBI circular SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 6, 2017 and para B(3)(1(a)) of SEBI Circular SEBI/HO/IMD/DF2/CIR/P/2018/92 dated June 05, 2018.
4. In this regard, pending the Adjudication Proceedings initiated vide SCN No. SEBI/EAD-5/AN/RG/563/4/2024 dated January 04, 2024, the Noticee filed Settlement Application, bearing Settlement Application No. 7663/2024 (hereinafter also referred to "said application" / "subject application") with SEBI, proposing to settle the instant proceedings initiated against them vide SCN No. SEBI/EAD-5/AN/RG/563/4/2024 dated January 04, 2024, without admitting or denying of the findings of fact and conclusions of law, having regard to the provisions of SEBI (Settlement Proceedings) Regulations, 2018 (hereinafter also referred to as "Settlement Regulations").
5. In this regard, I note from the material available on record that the said application was inter alia placed before the Internal Committee of SEBI (hereinafter also referred to as the "IC") in its meeting held on April 18, 2024. After due deliberation, IC recommended ₹19,50,000/- (Rupees Nineteen Lakhs Fifty Thousand only) as the indicative amount computed in terms of Schedule II read with Regulation 10 of Settlement Regulations. The applicant was inter alia 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. Thereafter, vide email dated May 09, 2024, the applicant inter alia sought for reconsideration of his settlement application.
7. Accordingly, another IC meeting was held on May 29, 2024, wherein the applicant was inter alia informed that the settlement amount will remain as was communicated earlier in the IC meeting held on April 18, 2024. 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.
8. Thereafter, the applicant vide email dated June 14, 2024, submitted RST proposing to offer ₹19,50,000/- (Rupees Nineteen Lakhs Fifty Thousand only). As the amount proposed by the applicant was in line with the amount communicated by the IC, the case was recommended for placing before the High Powered Advisory Committee ("HPAC") for its consideration.
9. Thereafter, the subject application was placed before the HPAC in its meeting held on July 29, 2024 and the HPAC inter alia agreeing with the recommendation of the IC, recommended that the request of the applicant for settlement may be accepted. Thereafter the matter was placed for the consideration of the Panel of Whole Time Members, SEBI, in terms of Regulation 14(3) of the Settlement Regulations. The recommendation of the HPAC in this regard was accepted by Panel of WTMs on September 20, 2024.
10. Accordingly, notice of demand was issued to the applicant for ₹19,50,000/- (Rupees Nineteen Lakhs Fifty Thousand only). In response, the applicant vide email dated October 17, 2024, informed about the remittance of the said settlement amount, the receipt of which has been verified by concerned department of SEBI.

11. In view of the receipt of settlement amount by SEBI, the instant Adjudication Proceedings initiated against the Noticee viz., Mr. Abhishek Gupta vide Show Cause Notice No. SEBI/EAD-5/AN/RG/563/4/2024 dated January 04, 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.
12. 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:
- 12.1. it comes to the notice of the Board that the applicant has not made full and true disclosure;
 - 12.2. applicant has violated the undertakings or waivers;
 - 12.3. there was a discrepancy while arriving at the settlement terms.
13. This Settlement Order shall come into force with immediate effect.
14. In terms of Regulation 25 of SEBI (Settlement Proceedings) Regulations, 2018, a copy of this Order shall be sent to the Applicant and shall also be published on the website of SEBI.

DATE: October 22, 2024
PLACE: MUMBAI

AMAR NAVLANI
ADJUDICATING OFFICER