

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

| <b>Settlement Application No.</b> | <b>Applicant</b>                                   | <b>PAN</b>        | <b>Settlement Order no.</b>   |
|-----------------------------------|----------------------------------------------------|-------------------|-------------------------------|
| <b>8316/2024</b>                  | <b>Iroha Emerging India Fund</b>                   | <b>AACTI2000G</b> | <b>SO/AS/PSD/2025-26/8316</b> |
| <b>8131/2024</b>                  | <b>Iroha Investment Management Private Limited</b> | <b>AAFCI2658Q</b> | <b>SO/AS/PSD/2025-26/8131</b> |
| <b>8261/2024</b>                  | <b>Naveen Lohiya</b>                               | <b>AHWPL2078C</b> | <b>SO/AS/PSD/2025-26/8261</b> |
| <b>8262/2024</b>                  | <b>Jairam Janardhanan</b>                          | <b>AMRPJ9564D</b> | <b>SO/AS/PSD/2025-26/8262</b> |
| <b>8263/2024</b>                  | <b>Kirti Chopra</b>                                | <b>ADRPC8713G</b> | <b>SO/AS/PSD/2025-26/8263</b> |
| <b>8264/2024</b>                  | <b>Chandrashekar Shekar</b>                        | <b>BMTPS0481H</b> | <b>SO/AS/PSD/2025-26/8264</b> |

**IN THE MATTER OF IROHA EMERGING INDIA FUND**

1. Iroha Emerging India Fund (hereinafter referred to as “**Applicant no. 1**”), Iroha Investment Management Private Limited (hereinafter referred to as “**Applicant no. 2**”), Naveen Lohiya (hereinafter referred to as “**Applicant no. 3**”), Jairam Janardhanan (hereinafter referred to as “**Applicant no. 4**”), Kirti Chopra (hereinafter referred to as “**Applicant no. 5**”) and Chandrashekar Shekar (hereinafter referred to as “**Applicant no. 6**”) (hereinafter collectively referred to as “**Applicants**”) filed *suo-motu* settlement applications under the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as “**Settlement Regulations**”) proposing to settle by neither admitting nor denying the findings of fact and conclusions of law, the enforcement

proceedings that may be initiated against them for the following alleged violations of the provisions of law:

- a. Applicant no. 1: Regulation 15(1)(d) of the SEBI (Alternative Investment Funds) Regulations, 2012 (hereinafter referred to as “**AIF Regulations**”).
- b. Applicant no. 2: Regulation 20(1), 20(5) and Clause 2(a), 2(c) of Code of Conduct read with Regulation 15(1)(d) of the AIF Regulations.
- c. Applicants nos. 3 to 6: Regulation 20(1) and Clause 2(a), 2(c) of Code of Conduct read with Regulation 15(1)(d) of the AIF Regulations.

2. Brief facts leading to the alleged violations are as follows:

- (a) Pursuant to the introduction of framework for “Accredited Investors” in securities market, AIF Regulations were amended on August 3, 2021 to introduce a provision for a Large Value Fund (hereinafter referred to as “**LVF**”) for Accredited Investors, providing certain relaxations from the regulatory requirements such as concentration limits. Further, SEBI vide Circular dated June 24, 2022 bearing no. SEBI/HO/AFD/RAC/CIR/2022/088, specified the procedure of filing of LVF schemes with SEBI wherein it was *inter-alia* mentioned that LVFs are exempt from filing their Private Placement Memorandum (PPM) with SEBI through merchant bankers and incorporating comments of SEBI, if any.
- (b) It was noted that Applicant no. 2, who is the Investment Manager of Applicant no. 1, informed SEBI, vide email dated October 10, 2023, that it had earlier sent an intimation to SEBI vide email dated April 27, 2023 regarding conversion of the existing schemes of Applicant no. 1 to LVF, and therefore, it was assumed by the Applicants that the scheme floated by the Applicant no. 1, viz., Iroha Emerging India Fund – I is an LVF.
- (c) However, the amendment introducing LVFs in AIF Regulations on August 3, 2021 and related Circular issued on June 24, 2022 were on a prospective basis for new schemes to be launched and there was no provision to convert an existing scheme into an LVF. Therefore, it was noted that the “conversion” of Iroha Emerging India Fund – I into an LVF was *void ab initio*.

- (d) It was observed from the June 2023 Quarterly Activity Report (hereinafter referred to as “**QAR**”) that Iroha Emerging India Fund – I had invested Rs. 276.44 crore in listed equity of Kotak Mahindra Bank Limited (hereinafter referred to as “**KMBL**”) against an investible fund of Rs. 2478.05 crore. This implies that the scheme had an investment of 11.15% of its investible funds in KMBL as on June 2023. It was observed from the details of the scheme’s investment in KMBL as on September 20, 2023 that the 10% concentration limit was breached on November 01, 2022. It was further observed from its QAR for June 2024 that it had reported investment of Rs. 377.37 crore in KMBL (viz. 15.5% of investible funds of Rs. 2420.02 crore) as on June 30, 2024, thereby once again breaching the concentration limit.
- (e) It was observed from the Compliance Test Report (hereinafter referred to as “**CTR**”) for FY 2022-23 that Applicant no. 2 has inaccurately submitted to the trustee that it is in compliance with Regulation 15(1)(d) of the AIF Regulations, during that year.
3. In view of the aforesaid, the Applicant no. 1 was alleged to have failed to adhere to the concentration limit of 10% of the investible funds in a single investee company. Further, Applicants nos. 2 to 6, i.e. the Investment Manager and its Key Managerial Personnel, were alleged to have failed to ensure proper care and due diligence in complying with concentration norms and submitted inaccurate information to the Trustee in the CTR for FY 2022-23.
4. The Applicants have filed the present settlement applications for the purpose of settling the enforcement proceedings that may be initiated against them for the aforesaid alleged violations.
5. Pursuant to the receipt of the settlement application, the Internal Committee of SEBI (hereinafter referred to as “**IC**”) held a meeting with the authorized representatives of the Applicants on January 21, 2025, wherein the details of the case were deliberated along with the terms of the settlement.

6. Vide email dated February 7, 2025, the applicants filed their Revised Settlement Terms proposing to pay ₹29,25,000/- (Rupees Twenty-nine lakh twenty-five thousand only) as the settlement amount payable by Applicant no. 2 on behalf of all the Applicants. The High Powered Advisory Committee (hereinafter referred to as “HPAC”) in its meeting held on March 13, 2025, considered the settlement terms proposed by the Applicant and recommended that the case may be settled upon payment of ₹29,25,000/- (Rupees Twenty-nine lakh twenty-five thousand only) as settlement amount payable by Applicant no. 2 on behalf of all the Applicants.
7. The recommendation of the HPAC was approved by the Panel of Whole Time Members of SEBI on April 25, 2025. Subsequently, Notice of Demand for the said amount was issued to the Applicant on May 5, 2025. The Applicant no. 2, vide email dated May 6, 2025, informed about the remittance of the aforesaid settlement amount on behalf of all the Applicants and SEBI has confirmed credit of the same.
8. 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 and in terms of Regulation 23 of the Settlement Regulations, it is hereby ordered that any proceedings that may be initiated for the violations as mentioned at paragraph 1 above, are 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 Order is without prejudice to the right of SEBI under Regulation 28 and Regulation 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) the Applicants have failed to pay the difference due to any discrepancy while arriving at the settlement terms.

9. This Settlement Order is passed on this 1<sup>st</sup> day of July, 2025 and shall come into force with immediate effect.

10. In terms of Regulation 25 of the Settlement Regulations, a copy of this Order shall be sent to the Applicants and shall also be hosted on the website of SEBI.

**AMARJEET SINGH**  
**WHOLE TIME MEMBER**

**KAMLESH C VARSHNEY**  
**WHOLE TIME MEMBER**