

**BEFORE THE ADJUDICATING OFFICER
SECURITIES AND EXCHANGE BOARD OF INDIA
SETTLEMENT ORDER
(Application No. 7179/ 2023)**

**On the application submitted by
GSF Managers LLP**

Settlement Order No.: SO/BM/DS/2023-24/7179

1. Securities and Exchange Board of India (hereinafter referred to as **SEBI**) initiated adjudication proceedings under section 15EA of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act**") against **GSF Managers LLP** (hereinafter referred to as "**Noticee**" / "**applicant**") for alleged violation of regulation 24(b) read with regulation 28 of SEBI (Alternate Investment Funds) Regulations, 2012 (hereinafter referred to as "**AIF Regulations, 2012**") along with SEBI Circular No.s CIR/IMD/DF/10/2013 dated July 29, 2013 and SEBI/HO/IMD/DF1/CIR/P/2017/87 dated July 31, 2017. The Adjudication Order was passed in the matter on September 30, 2022, wherein a penalty of rupees one lakh was imposed on the Noticee.
2. Subsequently, physical copy of the settlement application dated August 03, 2022 was received from the applicant on December 19, 2022. Since the Adjudicating Officer (AO) in the matter had already passed the order on September 30, 2022, the settlement application was returned to the applicant in January 2023. In this regard, the applicant filed an appeal before the Hon'ble SAT, contending that during the pendency of the adjudication proceedings, a settlement application was filed. Hon'ble SAT, vide its order dated February 28, 2023, quashed the AO order dated September 30, 2022 and remitted the matter to SEBI to consider the settlement application and pass appropriate orders and only thereafter the AO shall proceed in accordance with law.

3. Thereafter, the Noticee proposed to settle the instant proceedings initiated against it, without admitting or denying the findings of facts and conclusions of law, through a settlement order and filed a settlement application with SEBI bearing Settlement Application No. 7179/2023 dated March 13, 2023.
4. SEBI appointed Mr G Ramar, Chief General Manager as the Adjudicating Officer (AO) vide Order dated March 17, 2023 in the aforesaid remanded matter. Pursuant to his transfer, Mr Santosh Sharma, Chief General Manager was appointed as the AO vide Order dated July 25, 2023. Pursuant to his transfer, the undersigned was appointed as the AO in the aforesaid matter vide Order dated December 07, 2023.
5. The Internal Committee (IC) meeting was held on September 22, 2023. Factors enumerated under Regulation 10 and Schedule II of SEBI (Settlement Proceedings) Regulations, 2018 were considered by the IC. During the IC meeting, the applicant submitted that the fund has not raised any capital till date and thus, it is the only investment manager who will pay the settlement amount, upon approval of settlement. The Internal Committee (IC) recommended ₹11,15,400/- (Rupees Eleven lakh Fifteen Thousand Four Hundred Only) as the monetary settlement term. The applicant, vide letter dated October 06, 2023, also submitted the revised settlement terms in line with the monetary term formulated by the IC. Consequently, the IC recommended the case for settlement. The application was subsequently placed before the High Powered Advisory Committee (HPAC) on November 02, 2023. The HPAC agreed with the recommendations of the IC and recommended that the request of the applicant for settlement may be accepted.
6. The Panel of Whole Time Members of SEBI approved the said recommendation of the HPAC on December 15, 2023 and the same was communicated by SEBI to applicant on December 27, 2023.

7. Subsequently, the applicant vide email dated January 12, 2024 informed about the remittance of the settlement amount, the receipt of which is confirmed.
8. Therefore, in view of the acceptance of the settlement terms and the receipt of settlement amount as above by SEBI, the instant adjudication proceedings initiated against GSF Managers LLP is disposed of in terms of section 15JB of the SEBI Act read with regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.
9. This order is without prejudice to the right of SEBI to take enforcement actions, in terms of regulation 28 of the Settlement Regulations, including restoring or initiating the proceedings in respect to which the settlement order was passed against the applicant, if:
 - i. it comes to the notice of the Board that the applicant has not made full and true disclosure;
 - ii. applicant has violated the undertakings or waivers:
10. This settlement order is passed on this day of **January 23, 2024** and shall come into force with immediate effect.
11. In terms of regulation 25 of the Settlement Regulations, copies of this order are being sent to the applicant viz. GSF Managers LLP and also to SEBI.

Date: January 23, 2024

Place: Mumbai

**BARNALI MUKHERJEE
ADJUDICATING OFFICER**