SO/2026-27/PSD/21-24

SECURITIES AND EXCHANGE BOARD OF INDIA

SETTLEMENT ORDER

IN RESPECT OF SUMMARY SETTLEMENT APPLICATIONS

Settlement Application Number	Name of the Applicant	PAN
SS- 21/2026	3One4 Capital Trust	AAATZ1403C
SS- 22/2026	3One4 Capital Advisors LLP	AABFZ4961E
SS- 23/2026	Pranav Mohan Pai	AQKPP7664D
SS- 24/2026	Siddharth Mohan Pai	AQKPP7629J

In the matter of 3One4 Capital Continuum IE

1. On analysis of the quarterly filings for the period March 2024 to June 2025 of 3One4 Capital Continuum IE (hereinafter referred to as the "**Scheme**"), a Scheme of 3One4 Capital Trust (hereinafter referred to as the "**Fund**") - registered with SEBI as Category-I Alternative Investment Fund and managed by 3One4 Capital Advisors LLP (hereinafter referred to as "**Manager**"), the Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") *prima facie* observed that:

    i. The continuing interest of Pranav Mohan Pai (hereinafter referred to as "**Sponsor**") and the Manager constituted 2.44% of the total corpus of the Scheme for the quarters ended March 2024 and June 2024, which was below the prescribed minimum requirement of 2.5% of the corpus. Accordingly, the Sponsor and the Manager failed to maintain the requisite continuing interest during the said period.

    ii. The funds contributed by the Sponsor and the Manager constituted 27.93%, 30.73%, and 4.58% of their committed contribution for the quarters ended March 2024, June 2024, and September 2024, respectively. Further, for the period from December 2024 to June 2025, the contribution made by the Sponsor and the Manager amounted to only 5% of their total commitment. In contrast, the funds drawn from other investors constituted 57.14% of their total commitment during the period from March 2024 to June 2025. Accordingly, the continuing interest of the Sponsor and the Manager was not maintained on a pro-rata basis with the amount of funds drawn from other investors during the period from March 2024 to June 2025.

iii. The Scheme's investment in Darwinbox Digital Solutions Private Limited exceeded 50% of the investable funds of the Scheme during the period from March 2024 to September 2024. Accordingly, the said investment of the Fund exceeded the specified limit.

2. The aforesaid non-compliances *prima facie* resulted in violation of the relevant provisions of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (hereinafter referred to as "**AIF Regulations**") and the Master Circular for Alternative Investment Funds dated May 07, 2024 (hereinafter referred to as "**Master Circular**"), as detailed below:

Name of the Applicant	**Provisions violated**
Fund	i. regulation 10(d) of the AIF Regulations read with clause 11.1.2. of the Master Circular; ii. regulation 20(1) of the AIF Regulations read with provisions of the Code of Conduct as mentioned in the Fourth Schedule of the AIF Regulations; and iii. regulation 15(1)(c) of the AIF Regulations.
Manager	i. regulation 10(d) of the AIF Regulations read with clause 11.1.2. of the Master Circular; ii. regulation 20(1), 20(2) and 20(5) of the AIF Regulations read with clauses 2(a) and 2(c) of the Code of Conduct as mentioned in the Fourth Schedule of the AIF Regulations; and iii. regulation 15(1)(c) of the AIF Regulations.

Pranav Mohan Pai and Siddharth Mohan Pai (hereinafter collectively referred to as the "**Key Managerial Personnel**")	i. regulation 10(d) of the AIF Regulations read with Clause 11.1.2. of the Master Circular; ii. regulation 20(1), 20(2) and 20(5) of the AIF Regulations read with clauses 2(a) and 2(c) of the Code of Conduct as mentioned in the Fourth Schedule of the AIF Regulations; and iii. regulation 15(1)(c) of the AIF Regulations.

3. In terms of regulation 16 of the Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (hereinafter referred to as "**Settlement Regulations**"), SEBI issued 'Notices of Summary Settlement' dated February 27, 2026 (hereinafter referred to as the "**Notice**") to the Fund, Manager and the Key Managerial Personnel (hereinafter collectively referred to as the "**Applicants**") intimating them of the violations referred to in paragraph 2 above and further stating that, if they 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 ₹38,25,000/- (Rupees Thirty-Eight Lakhs Twenty-Five 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 their settlement applications on June 05, 2026 proposing to settle the enforcement proceedings that may be initiated against them for the violations as mentioned in paragraph 2 above, and remitted the settlement amount of ₹38,25,000/- (Rupees Thirty-Eight Lakhs Twenty-Five Thousand only) on March 26, 2026. 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 Securities and Exchange Board of India Act, 1992 and in terms of regulation 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. the Applicants have failed to pay the difference due to any discrepancy while arriving at the settlement terms.

6. This Settlement Order 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.

KAMLESH CHANDRA VARSHNEY

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K.V.R. MURTY
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