

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

Sr. No.	S.A. No	Applicant	PAN
1.	8583/2025	Navi AMC Limited	AAFCEP0498M
2.	8584/2025	Navi Trustee Limited	AAFCEP0412M

IN THE MATTER OF NAVI MUTUAL FUND

1. Navi AMC Limited and Navi Trustee Limited (hereinafter collectively referred to as “**Applicants**”) are the “AMC” and “Trustee Company” of Navi Mutual Fund, which is a SEBI registered Mutual Fund. The Applicants had 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 alleged violation of Regulation 52(1) of the Mutual Funds Regulations, 1996 read with para 10.1.12 of the SEBI Master Circular for Mutual Funds.
2. Applicants, in their voluntary settlement application, have submitted that the AMC booked all the scheme related expenses allowed as per the Grey list published by AMFI in its books. However, it was noted that such expenses exceeded the permissible limit of 2 basis points of the respective scheme’s AUM for the F.Y. 2024-25 which is not in line with provisions as per Regulation 52(1) of SEBI (Mutual Funds) Regulations, 1996 read with clause 10.1.12 of SEBI Master Circular.

3. Further, the Applicants have stated that remedial actions were taken by the applicants including increasing the TER of 8 schemes, re-visiting all expenses, taking initiatives to reduce expenses to be borne by the scheme and revision of minimum investment amount.
4. Pursuant to the receipt of the applications, the Internal Committee of SEBI held a meeting with the authorized representatives of the Applicants on July 23, 2025, wherein the details of the case were deliberated along with the terms of the settlement.
5. The Applicants vide email dated July 29, 2025, filed revised settlement terms proposing settlement amount of ₹10,20,000/- (Rupees Ten lakhs twenty thousand only) jointly and severally.
6. The High Powered Advisory Committee (hereinafter referred to as “**HPAC**”) in its meeting held on August 07, 2025, considered the settlement terms proposed by the Applicants and recommended that the matter may be settled for the aforementioned terms.
7. The recommendations of the HPAC were accepted by the Panel of Whole Time Members of SEBI on October 03, 2025. Subsequently, Notice of Demand was issued to the Applicants on October 13, 2025. The Applicants informed about the remittance of the aforementioned settlement terms on November 04, 2025 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 Securities and Exchange Board of India Act, 1992 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 and 2 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) there was a discrepancy while arriving at the settlement terms.

9. This Settlement Order 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 Applicant and shall also be published on the website of SEBI.

AMARJEET SINGH
WHOLE TIME MEMBER

KAMLESH C. VARSHNEY
WHOLE TIME MEMBER