

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940

Release No. 6079 / August 3, 2022

ADMINISTRATIVE PROCEEDING

File No. 3-20944

In the Matter of

DECCAN VALUE INVESTORS LP

and

VINIT BODAS,

Respondents.

**ORDER INSTITUTING
ADMINISTRATIVE AND
CEASE-AND-DESIST
PROCEEDINGS,
PURSUANT TO SECTIONS
203(e) AND 203(k) OF THE
INVESTMENT ADVISERS
ACT OF 1940, MAKING
FINDINGS, AND
IMPOSING REMEDIAL
SANCTIONS AND A
CEASE-AND-DESIST
ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”) against Deccan Value Investors LP (“Deccan”) and Vinit Bodas (“Bodas”) (collectively, Respondents).

II.

In anticipation of the institution of these proceedings, Respondents have submitted Offers of Settlement (the “Offers”), which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over them and the subject matter of these proceedings and except as provided in Section V below, which are admitted, Respondents consent to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondents' Offers, the Commission finds¹ that:

SUMMARY

1. These proceedings arise out of the failure of Deccan Value Investors LP, a registered investment advisory firm, to satisfy its fiduciary duties by favoring non-redeeming clients and investors when handling full redemptions in 2019 for "University One," one of the largest investors in Deccan's private fund and the sole investor in a Liquidating Special Purpose Vehicle ("LSPV" or "University One LSPV") created in connection with its redemption, and "University Two," one of Deccan's largest and oldest clients. These redemptions together totaled approximately \$566 million or nearly 18.5% of Deccan's more than \$3 billion in assets under management at the time. Deccan is principally owned and controlled by Vinit Bodas and manages assets for some of the largest higher education endowments in the world. Without full and fair disclosure to either university, Deccan: (i) sold certain less liquid securities unreasonably slowly for University One's and its LSPV's redemption; (ii) did not reasonably seek to liquidate either redeeming university's interest in an unlisted Indian security; (iii) made materially misleading statements and omissions when advising University Two to sell its interest in the Indian company to Deccan's non-redeeming clients; and (iv) unreasonably failed to disclose to University Two, during discussions about entering into a transition advisory agreement, Deccan's plan to allocate \$31 million or 12.8% of the university's assets under Deccan management, alongside other clients, to an illiquid investment in a foreign private entity.

2. Deccan also violated the recordkeeping provisions of the Advisers Act in 2019 and in subsequent years by failing to preserve internal communications among Deccan personnel related to Deccan's business activities.

3. In addition, Deccan failed to adopt and implement written policies and procedures reasonably designed to prevent violations of its fiduciary duties and recordkeeping obligations, as required by the Advisers Act.

4. Respondent Vinit Bodas was a cause of Deccan's violations and should have known that his acts and omissions would contribute to these violations.

FACTS

A. Respondents

5. **Deccan Value Investors LP**, ("**Deccan**") is a Connecticut limited partnership that has been operating as an investment adviser registered with the Commission since 2011. During the pertinent period, Deccan pursued a long-term,

¹ The findings herein are made pursuant to Respondents' Offers of Settlement and are not binding on any other person or entity in this or any other proceeding.

concentrated, low-turnover, research-oriented, fundamental value investing strategy, investing all its dozen or so client accounts in a dozen or so companies on a *pro rata* basis. Most of these companies were large, publicly traded, U.S. issuers, with a smaller percentage being foreign and less liquid. Deccan's client accounts, comprised predominantly of money from university endowments, included a fund in which many unrelated entities invested, including Bodas and other Deccan partners (the "Commingled Fund"), funds-of-one for single investors, and one separately managed account ("SMA") exclusively for University Two described below.

6. **Vinit Bodas**, age 60, resides in Connecticut. He is the founder, majority owner, control person, and Chief Investment Officer of Deccan. Per Deccan's Compliance Manual, Bodas during the pertinent period was the only individual authorized to approve transactions in client accounts.

B. Deccan Breached Its Fiduciary Duties In the Course of University One's 2019 Redemption

7. On April 26, 2019, one of Deccan's largest investors in its Commingled Fund, University One, timely notified Deccan that it wanted to redeem its entire \$146 million investment by June 30.

8. The day Bodas learned of University One's redemption, he reacted with the following text message to the head of trading and operations with directions on how to handle the redemption (the "April Text"):

"Use everything to hold [University One] back in the [L]SPV. Anything mildly illiquid. We don't want their withdrawal to impact our other investors . . . And then take our sweet time. Hopefully 2 or 3 years . . . And if [University One] hassle[s] us we can tell them we can liquidate immediately at a 20% discount and have the rest of our funds buy it.... So basically whatever cannot be sold the that (sic) one day 6/30 goes into the SPV. Why should we sell in advance and have other investors bear the cost of these fools. And then sell 5% of [average daily volume]...So figure this out...."

This would be the first and only time that Deccan had employed an LSPV. While Deccan had discretion to utilize an LSPV under the Commingled Fund's January 2019 Limited Partnership Agreement ("LPA") and its 2016 Fund subscription agreement with University One, the LPA required that in exercising its discretion Deccan ". . . shall act consistent with its fiduciary duties to the Limited Partners."

9. At University One's June 30, 2019 redemption date, Deccan redeemed approximately 90% of the value of University One's interest in the Commingled Fund with cash, and created an LSPV for University One's *pro rata* interest in four less liquid, foreign portfolio securities ("LSPV Securities"). The LSPV was an advisory client of Deccan and is referred to here as a redeeming client. These LSPV Securities were then-valued at approximately \$14.1 million, constituting nearly 10% of University One's total redemption amount, and less than 2% of the Commingled Fund's net asset value ("NAV"). University

One's redemption was the largest single redemption from Deccan's Commingled Fund in its history, and the first time Deccan did not redeem an investor in full on that investor's requested redemption date. While various other of Deccan's Commingled Fund investors redeemed at June 30 and later in 2019, Deccan did not use an LSPV in connection with those significantly smaller redemptions, and Deccan only ever used an LSPV for University One.

10. Before creating the LSPV for University One in July 2019, and consistent with Bodas' April Text, Deccan did not seek to generate cash for University One's redemption by selling any LSPV Securities between University One's April redemption notice and its June 30, 2019 redemption date. This included Deccan declining to sell in response to a broker's bid on May 13, 2019 for a block of 16% of one of the LSPV Securities that traded on the London Exchange ("LSPV Security A"). Bodas and Deccan's trading department understood that trading securities in a "block," *i.e.*, an off-exchange transaction with a single counterparty interested in purchasing a large quantity of shares at a negotiated price, could allow for the sale of securities without as much adverse price impact as one would experience if one attempted to sell the same quantity on an exchange.

11. Nor did Deccan generate cash for University One's June 30, 2019 redemption from the Commingled Fund by rebalancing any of the LSPV Securities among non-redeeming Deccan clients. While Deccan had no obligation to cause non-redeeming clients to purchase the interests of a redeeming client or investor, Deccan did so historically as a means of facilitating redemptions and Deccan did so to facilitate smaller, partial redemptions by other investors redeeming from the Commingled Fund at the same time as University One. In mid-July 2019, however, Bodas directed a \$240 million cash distribution to Deccan's non-redeeming clients and investors, which included Bodas and other Deccan partners. None of this cash was used to purchase any of University One's interest in the LSPV Securities.

12. Deccan began liquidating University One's LSPV Securities on July 1, 2019. Consistent with Bodas' instructions in the April Text, Deccan's traders began selling LSPV Securities at approximately 5% of average daily volume. During the pertinent period, nobody at Deccan analyzed or tested whether selling at any rate faster than 5% of average daily volume would adversely impact the price of any of the individual LSPV Securities, either for the University One LSPV or for Deccan's non-redeeming clients—even though an internal Deccan trading guide explained its default practice of trading at 20% of average daily volume.

13. At no time did Deccan advise University One of its plan to liquidate the LSPV Securities at this rate of approximately 5% of average daily volume. The letter Deccan sent to University One in late June 2019 announcing the formation of its LSPV provided that illiquid securities were going "to be liquidated over time" and "[n]o assurances can be given as to when a final cash payment will be made."

14. Deccan traders declined to engage in block sales of the LSPV Securities if Deccan's total sales would exceed 5% of average daily volume, except in two instances: when consulted by Deccan's traders in August 2019, Bodas approved block transactions on

August 13 and 14 in which Deccan sold approximately 33% of the LSPV's interest in one of the LSPV Securities; and in a block transaction in mid-December 2019, Deccan sold approximately 87.5% of the LSPV's remaining interest in another LSPV Security. Because of the 5% limit, however, Deccan traders declined to pursue other bids for blocks of LSPV Securities that would have met the LSPV's objectives of liquidating and distributing cash, and would have accelerated University One's redemption.

15. In late November 2019, Bodas sent instructions to Deccan traders not to pursue a potential block transaction in LSPV Security A until Deccan had explored whether University One was willing to sell all its interest in the LSPV Securities to Deccan's non-redeeming investors at a "liquidity discount" of 25% less than the then-current market price. The Commingled Fund LPA provided that assets of an LSPV may be purchased by the Fund or other Deccan advisory client; "provided that any such transaction shall be effected in a fair and equitable manner." (Emphasis in original.)

16. Deccan made the 25% discount offer to University One in a November 20, 2019 letter that omitted: (1) the potential block opportunity Deccan had for shares of LSPV Security A; and (2) the fact that Deccan had generally been restricting the rate at which it sold the LSPV Securities to 5% of average daily volume. Instead, Deccan in the letter offered to purchase the remaining LSPV Securities "that have a relatively long liquidation period" and noted that the "[t]he discount presented to [University One] was in contemplation of a mutually beneficial transaction, whereby [University One] would be afforded immediate liquidity for securities that may otherwise take a year or more to liquidate." In rejecting Deccan's 25% discount offer, University One asked to take the remaining three LSPV Securities via in-kind distribution, which Deccan declined without explanation. Less than a month after its buyout offer, by December 17, 2019, Deccan had liquidated University One's remaining interest in LSPV Security A by selling shares in a block transaction at an average price of approximately 15% more than the discounted price Deccan had offered to University One in November.

17. Deccan made no real efforts to liquidate the LSPV's interest in an unlisted Indian company in 2019, which it did not disclose to University One. Bodas "loved" the Indian company investment and expected it to pay off greatly if and when it went public, and Deccan did not pursue various indications of interest it received from brokers for the unlisted Indian company in the second half of 2019. Accordingly, University One and its LSPV received no cash for any of their interest in this LSPV Security until December 31, 2019, when Deccan elected to redeem the interest in cash by "crossing" the LSPV's interest (and those of other redeeming clients and investors) to non-redeeming clients—drawing mostly on funds from another university, which was then investing its first \$100 million with Deccan.

18. By December 31, 2019, Deccan had liquidated the University One's and the LSPV's interest in three of the four LSPV Securities, which made up approximately 80% of the LSPV's initial holdings. Deccan completed University One's redemption on or about April 1, 2020, by making an in-kind distribution to University One of shares in the remaining LSPV Security. As a result of movements in the market price of the LSPV Securities, University One received less than it would have received had Deccan liquidated

its interest in the Commingled Fund or the LSPV Securities at a reasonable pace and taken advantage of opportunities to sell the LSPV Securities that were reasonably available.

C. Deccan Breached Its Fiduciary Duties to University Two in Redeeming Its Interest in the Unlisted Indian Company

19. By June 2019, one of Deccan’s largest and longest-standing clients, University Two, had notified Deccan of its intent to fully redeem its separately managed account—then valued at approximately \$470 million. University Two requested and received its first redemption—in the amount \$180 million—on June 30, 2019, and gave notice to receive the balance by December 31, 2019. In explaining its decision to leave Deccan, University Two informed Deccan in late April 2019 that it disfavored emerging-market private investments: “we are reducing our foreign equity allocation for fiscal 2020, are in the process of funding some new managers, and are relatively less excited about Deccan’s activities in emerging markets, particularly on the private side.” By December 27, 2019, Deccan and University Two had executed an agreement to extend their advisory relationship into January 2020 solely for Deccan to dispose of certain illiquid holdings remaining in the SMA.

20. University Two, like Deccan’s other clients, had exposure to the unlisted Indian company, which by December 2019 was approximately \$17.4 million, or 6% of the value of its SMA. On December 17, as University Two’s final year-end redemption date approached, Bodas learned from Deccan’s head of trading and operations that Deccan had received bids at 875 Rupee and 880 Rupee for shares sufficient to liquidate most if not all of University Two’s interest in the Indian company. If accepted, Deccan would have needed to obtain approval for the transaction from the company’s board of directors to complete the trade. By that time, however, Bodas and Deccan had learned from the third party valuation agent that it expected the shares would be marked at 840 Rupee at December 31. As with the indications of interest Deccan received earlier in 2019 discussed above, Deccan did not seek to pursue these potential opportunities to sell the Indian security for the benefit of University Two.

21. Instead, Bodas and Deccan offered to sell University Two’s interest in the Indian security as part of the same transaction it would utilize to liquidate the interest of University One and its LSPV. To encourage University Two to accept that offer, on December 17 Bodas texted Deccan’s head of trading and operations handling the discussions, “[s]hould you tell [University 2] that if we don’t sell we may have to side pocket [the investment in the Indian Company] as that’s what we’ll be doing for others?” Deccan’s head of trading and operations, understanding that a side pocket likely would have significantly delayed University Two’s final redemption, replied, “Interesting idea would make selling more compelling right?” Bodas responded, “Yes. And you could say there is a likelihood. So make it vague enough.” After the head of trading and operations did so, he reported to Bodas, who had not participated in the discussions, that University Two “pretty much immediately” agreed to the proposed transaction. On December 20, Bodas directed Deccan’s head of trading and operations, “[a]ll I want is max price for portfolio and min price to [University Two for shares of the Indian company]. Figure it out . . . Get [University Two] done at 840.”

D. Deccan Breached Its Fiduciary Duties to University Two by Failing to Disclose Its Intent to Side-Pocket \$31 Million of University Two's Cash During Negotiations for a Transition Advisory Agreement

22. Throughout December 2019, Deccan was preparing to bid for a bankrupt Indian company as an investment on behalf of certain of its clients. The potential investment, if made, would have been Deccan's first-ever "Special Investment," which the operative advisory agreement with University Two defined as an investment that "lack[ed] a readily ascertainable market value or should be held in the Account until the resolution of a special event or circumstance." By the second half of December 2019, Deccan personnel rushed to complete the documentation, authorizations, and administrative steps necessary for this "Special Investment" – which included segregating \$31 million of University Two's SMA cash —into an illiquid "side pocket" account. Without University Two's money, Bodas and Deccan faced having to bid less for the Special Investment, or requiring more from its other participating clients.

23. Deccan did not alert University Two in December of its plan to side pocket nearly 13% of the value of its SMA for the Special Investment. This despite that University Two had informed Deccan in April 2019 that its decision to redeem fully from Deccan was based at least in part on Deccan's pursuit of investments "in emerging markets, particularly on the private side." Deccan omitted any mention of Deccan's intended bid, side pocket, or Special Investment between December 19 and December 27 when negotiating, drafting, and signing a letter agreement with University Two to extend their advisory relationship into 2020 to provide additional time for Deccan to liquidate certain SMA holdings. The letter agreement, dated December 19, 2019, included Deccan's acknowledgement that, among other things, "[a]s of the date of this Letter, there are no Special Investments in the Account."

24. As a senior Deccan employee involved in the negotiations with University Two was unsurprised to learn, University Two reacted to the news of its money being side pocketed for a Special Investment with surprise and disappointment as soon as it received the news, and objected to the transaction. By late February 2020, and in connection with a mutual release, Deccan agreed to unwind University Two's participation in the investment, less Deccan's attorney's fees, and agreed to waive all advisory fees it would have charged University Two after December 31, 2019.

E. Deccan Failed to Adopt and Implement Reasonably Designed Policies and Procedures for Client or Investor Redemptions

25. Deccan lacked reasonably designed policies and procedures specifically addressing client and investor redemptions, creating or liquidating an LSPV, or balancing the associated conflicts of interest between redeeming and non-redeeming clients or investors—which included Bodas and other Deccan employees. Deccan's written guidelines explained its default practice of trading at 20% of average daily volume, but did not require documentation or other formal process for exceptions to this presumptive percentage.

F. Deccan Failed to Keep Required Books and Records, Failed to Implement Its Policies and Procedures Regarding Electronic Communications, and Lacked Reasonably Designed Policies and Procedures on Record Retention

26. During and after the 2019 period of University One’s and University Two’s redemptions, Deccan failed to comply with its obligations as an SEC registered investment adviser under Section 204 of the Advisers Act and Rule 204-2(a)(7) to “make and keep true, accurate and current . . . [o]riginals of all written communications received and copies of all written communications sent by such investment adviser relating to: (i) Any recommendation made or proposed to be made and any advice given or proposed to be given; (ii) Any receipt, disbursement or delivery of funds or securities; and (iii) The placing or execution of any order to purchase or sell any security.”

27. Deccan’s Compliance Manual restricted employees’ electronic communications to Deccan email and other messaging platforms that Deccan systematically preserved (like Microsoft Teams and Bloomberg Chat). However, from at least January 2019 through 2021, Deccan personnel—including Bodas—communicated about Deccan business on their personal electronic devices through personal iMessage and/or WhatsApp accounts. Some of these written communications related to recommendations and advice made or proposed for clients, the movement of client funds, and securities sale and purchase orders.

28. Deccan did not enforce its restriction regarding such electronic communications, or alternatively, preserve these communications or require in its Compliance Manual or otherwise that these communications be preserved. Deccan and Bodas produced no text messages in response to Commission staff’s investigative subpoenas to Deccan and Bodas. On multiple occasions in 2019 and 2020, before he had notice of the Commission’s investigation, Bodas directed at least one Deccan officer to permanently delete their text messages.

G. Violations

29. As a result of the conduct described above, Deccan willfully² violated:

- a. Section 206(2) of the Advisers Act, which prohibits engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client.
- b. Section 206(4) of the Advisers Act, and Rule 206(4)-8 thereunder, which prohibit engaging in any act, practice, or course of business which is fraudulent, deceptive, or manipulative, including making any untrue statement of a material fact or to omit to state a material fact necessary to make the statements made, in the light of the circumstances under which they were

² “Willfully,” for purposes of imposing relief under Section 203(e), “means no more than that the person charged with the duty knows what he is doing.” *Wonsover v. SEC*, 205 F.3d 408, 414 (D.C. Cir. 2000) (quoting *Hughes v. SEC*, 174 F.2d 969, 977 (D.C. Cir. 1949)). There is no requirement that the actor “also be aware that he is violating one of the Rules or Acts.” *Tager v. SEC*, 344 F.2d 5, 8 (2d Cir. 1965).

made, not misleading, to any investor or prospective investor in a pooled investment vehicle, or to otherwise engage in any act, practice, or course of business that is fraudulent, deceptive, or manipulative with respect to any investor or prospective investor in a pooled investment vehicle.

- c. Section 206(4) of the Advisers Act, and Rule 206(4)-7 thereunder, which require every investment adviser registered under section 203 of the Advisers Act to adopt and implement written policies and procedures reasonably designed to prevent violation, by the adviser and its supervised persons, of the Act and the rules that the Commission has adopted under the Act.
- d. Section 204(a) of the Advisers Act, and Rule 204-2(a)(7) thereunder, which require every investment adviser registered under section 203 of the Advisers Act to make and keep true, accurate and current enumerated books and records relating to its investment advisory business, and also provide that all records of such investment advisers are subject at any time, or from time to time, to such reasonable periodic, special, or other examinations by representatives of the Commission as the Commission deems necessary or appropriate in the public interest or for the protection of investors.

30. As a result of the conduct described above, Bodas caused each of Deccan's violations above.

H. Undertakings

31. In their Offers, Deccan has agreed to the following undertakings, and Bodas has agreed to cause Deccan to comply with the following undertakings.

32. Compliance Consultant.

- a. Deccan has retained the services of a compliance consultant ("Compliance Consultant") that is not unacceptable to the Commission staff and has provided a copy of the engagement letter detailing the Compliance Consultant's responsibilities. The Compliance Consultant's compensation and expenses shall be borne exclusively by Deccan and not by any Deccan client or investor.
- b. Deccan shall require that, within ninety (90) days of the date of Deccan's execution of the engagement letter, the Compliance Consultant conduct:
 - i. Books and Records
 - 1. A review of Deccan's supervisory, compliance, and other policies and procedures designed to ensure that Deccan's electronic communications, including without limitation those using iMessage, WhatsApp, Telegram, or other similar messaging applications found on personal electronic devices, including without limitation, cellular phones,

tablets (e.g., iPads), and non-work computers (collectively, “Personal Devices”), are preserved in accordance with the requirements of the federal securities laws.

2. A review of training conducted by Deccan to ensure personnel are complying with the requirements regarding the preservation of electronic communications, including those found on Personal Devices, in accordance with the requirements of the federal securities laws, including by ensuring that Deccan personnel certify in writing on a quarterly basis that they are complying with preservation requirements.
3. An assessment of the surveillance program measures implemented by Deccan to ensure compliance, on an ongoing basis, with the requirements found in the federal securities laws to preserve electronic communications, including those found on Personal Devices.
4. An assessment of the technological solutions that Deccan has begun implementing to meet the record retention requirements of the federal securities laws, including an assessment of the likelihood that Deccan personnel will use the technological solutions going forward and a review of the measures employed by Deccan to track employee usage of new technological solutions.
5. An assessment of the measures used by Deccan to prevent the use of unauthorized communications methods for business communications by employees. This assessment should include, but not be limited to, a review of Deccan’s policies and procedures to ascertain if they provide for any significant technology and/or behavioral restrictions that help prevent the risk of the use of unapproved communications methods on Personal Devices (e.g., trading floor restrictions).
6. A review of Deccan’s electronic communications surveillance routines to ensure that electronic communications through approved communications methods found on Personal Devices are incorporated into Deccan’s overall communications surveillance program.
7. A review of the framework adopted by Deccan to address instances of non-compliance by Deccan employees with Deccan’s policies and procedures concerning the use of Personal Devices to communicate about Deccan business in

the past. This review shall include a survey of how Deccan determined which employees failed to comply with Deccan policies and procedures, the corrective action carried out, an evaluation of who violated policies and why, what penalties were imposed, and whether penalties were handed out consistently across business lines and seniority levels.

ii. Investor and Client Redemptions

1. A review of Deccan's supervisory, compliance, and other policies and procedures designed to ensure that client and investor redemptions from their Deccan accounts are conducted consistent with Deccan's fiduciary duties under the Advisers Act and any operative client or investor agreements. This review shall consider, among other things, balancing competing interests among redeeming and non-redeeming clients and investors, Deccan's financial conflicts of interest in connection with redemptions, the adequacy and specificity of disclosures to Deccan's clients and investors at the time and in connection with any redemption, and the use of any committee of limited partners contemplated in any client or investor agreement including but not limited to the Section 4.09 of the Commingled Fund's 2019 LPA, as amended. This review shall consider any written complaint from any investor or client concerning any redemption or proposed redemption.

- c. Deccan shall require that, within forty-five (45) days after completion of the review set forth in paragraph b. and its subparagraphs above, the Compliance Consultant shall submit a detailed written report of its findings (the "Report") to Deccan and to the Commission staff. Deccan shall require that the Report include a description of the review performed, the names of the individuals who performed the review, the conclusions reached, the Compliance Consultant's recommendations for changes in or improvements to Deccan's policies and procedures, and a summary of the plan for implementing the recommended changes in or improvements to Deccan's policies and procedures.

33. Notice. Deccan shall notify its current investors and clients—and any former investors and clients that were investors or clients at any point in 2019 or 2020—of the settlement terms of this Order by sending a copy of this Order to each investor and client via mail, email, or such other method not unacceptable to the Commission staff, together with a cover letter in a form not unacceptable to the Commission staff, within 30 days of entry of this Order.

34. Certification. Deccan shall certify, in writing, compliance with the undertakings set forth in paragraphs 32-33 above. The certification shall identify the

undertaking(s), provide written evidence of compliance in the form of a narrative, and be supported by exhibits sufficient to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Deccan agrees to provide such evidence. The certification and supporting material shall be submitted to Lisa Robertson, Assistant Director, Division of Enforcement, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549, with a copy to the Office of Chief Counsel of the Enforcement Division, no later than sixty (60) days from the date of the completion of the undertakings.

35. Recordkeeping. Deccan shall preserve, for a period of not less than six (6) years from the end of the fiscal year last used, the first two (2) years in an easily accessible place, any record of compliance with these undertakings.

36. Deadlines. For good cause shown, the Commission staff may extend any of the procedural dates relating to the undertakings. Deadlines for procedural dates shall be counted in calendar days, except that if the last day falls on a weekend or federal holiday, the next business day shall be considered to be the last day.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest and for the protection of investors to impose the sanctions agreed to in Respondents' Offers of Settlement.

Accordingly, pursuant to Sections 203(e) and 203(k) of the Advisers Act, it is hereby ORDERED that:

A. Respondents cease and desist from committing or causing any violations and any future violations of Sections 204(a), 206(2), and 206(4) of the Advisers Act, and Rules 204-2(a)(7), 206(4)-7, and 206(4)-8 thereunder.

B. Respondent Deccan is censured.

C. Deccan shall, within 15 days of the entry of this Order, pay civil money penalties in the amount of \$1,139,501 to the Securities and Exchange Commission for transfer to the United States Treasury in accordance with Securities Act Section 21F(g)(3) of the Securities Exchange Act of 1934 ("Exchange Act"). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. §3717.

D. Bodas shall, within 15 days of the entry of this Order, pay civil money penalties in the amount of \$500,000 to the Securities and Exchange Commission for transfer to the United States Treasury in accordance with Section 21F(g)(3) of the Exchange Act. If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. §3717.

E. The foregoing payments must be made in one of the following ways:

(1) Respondent may transmit payment electronically to the Commission,

which will provide detailed ACH transfer/Fedwire instructions upon request;

- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Deccan Value Investors LP or Vinit Bodas as Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Melissa Hodgman, Associate Director, Division of Enforcement, Securities and Exchange Commission, 100 F St., NE, Washington, DC 20549.

F. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, each Respondent agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, each Respondent agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more clients or investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

G. Respondents shall comply with their undertakings as enumerated in Section III.H. above.

V.

It is further ORDERED that, for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and

admitted by Respondent Bodas, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Bodas under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Bodas of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Vanessa A. Countryman
Secretary