

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 6858 / February 19, 2025

ADMINISTRATIVE PROCEEDING
File No. 3-22457

In the Matter of

MANIVANNAN SHANMUGAM,

Respondent.

**CORRECTED ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Manivannan Shanmugam (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) 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 him and the subject matter of these proceedings and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Manivannan Shanmugam was a manager and co-owner of Nanban Ventures, LLC, an unregistered investment adviser. Shanmugam, 49 years old, is a resident of Frisco, Texas.

2. On February 4, 2025, a final judgment was entered by consent against Shanmugam, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and Sections 206(1), (2), (3), and (4) of the Advisers Act and Rule 206(4)-8 thereunder, as set forth in the judgment entered in the civil action entitled Securities and Exchange Commission v. Gopala Krishnan, et al., Civil Action Number 4:23-CV-885-SDJ, in the United States District Court for the Eastern District of Texas ("District Court Action").

3. The Commission's complaint in the District Court Action alleged that Respondent, acting through the "Nanban" companies, raised at least approximately \$129.7 million from over 360 investors in fraudulent securities offerings targeting members of the Indian community, including for five "Nanban" branded private investment funds offered to retail investors. The Complaint alleged that Respondent made misrepresentations and omissions about the nature and profitability of the investments, the trading strategies used, and the use of certain investor funds. The Complaint also alleged that Respondent engaged in the aforementioned conduct while acting as an investment adviser.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Manivannan Shanmugam be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization with the right to apply for reentry after 5 years to the appropriate self-regulatory organization, or if there is none, to the Commission.

Any application for reentry by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman
Secretary