

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

CORAM: MADHABI PURI BUCH, WHOLE TIME MEMBER

ORDER

Under Sections 11(1), 11(4)(b) and 11B of the Securities and Exchange Board of India Act, 1992, read with Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 and the Securities and Exchange Board of India (Research Analysts) Regulations, 2014, in respect of

Sr. No.	Entity	PAN
1.	Indian Stock Tips	AAFFI1014H
2.	Shri Girish Srichand Valecha, Partner of Indian Stock Tips	AIYPV3150A
3.	Ms. Nagma Husain Ahmed Ansari, Partner of Indian Stock Tips	Not available

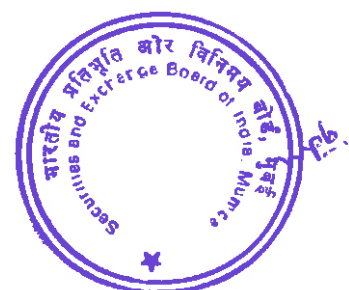
Background

1. Securities and Exchange Board of India ("SEBI") received complaints wherein it was alleged that Indian Stock Tips was offering unauthorized investment advisory services.
2. Pursuant to the same, SEBI conducted a preliminary examination of the activities of Indian Stock Tips, with a view to ascertain possible violations of the Securities and Exchange Board of India Act, 1992 ("SEBI Act, 1992") and the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 ("IA Regulations") and the Securities and Exchange Board of India (Research Analysts) Regulations, 2014 ("RA Regulations").
3. On the basis of the bank account details available on the website of Indian Stock Tips, SEBI vide email dated August 26, 2015 sought the details of the bank account holders from ICICI Bank. ICICI Bank vide e-mail dated September 01, 2015 provided the PAN and address of Indian Stock Tips and the details of its partners, viz., Shri Girish Srichand Valecha and Ms.



Nagma Husain Ahmed Ansari. SEBI, vide letter dated September 03, 2015, sought certain information from Indian Stock Tips and its partners. Indian Stock Tips filed its reply vide undated letter received at SEBI office on September 11, 2015, wherein they provided *inter alia*,

- i. Bank account statements of Indian Stock Tips (ICICI Bank, Kalyan West Branch, Mumbai) from February 01, 2015 to August 31, 2015,
 - ii. Partnership Deed of Indian Stock Tips dated February 6, 2015,
 - iii. List of clients,
 - iv. List of packages offered to clients and terms and conditions as listed on the website,
4. Further, vide its undated letter received at SEBI on October 19, 2015, Indian Stock Tips submitted copies of payment receipts issued to their clients who had availed their services.
5. From the aforesaid payment receipts provided by Indian Stock Tips, it was observed that investors/clients were also being solicited through a website called www.bookprofit.co.in by an entity named “Indira Trading Company”. The said entity (also a partnership firm) was found to have been offering daily stock ideas in equity and future markets, intraday, short term, long term ideas, pre-market SMS etc. SEBI also received several complaints against www.bookprofit.co.in and Indira Trading Company on the SCORES, alleging that Indira Trading Company is providing the services of an investment adviser/research analyst without SEBI registration.
6. In view of the same, SEBI conducted a preliminary examination of the activities of Indira Trading Company, with a view to ascertain possible violations of the Securities and Exchange Board of India Act, 1992 (“**SEBI Act, 1992**”) and the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 (“**IA Regulations**”) and the Securities and Exchange Board of India (Research Analysts) Regulations, 2014 (“**RA Regulations**”).
7. On the basis of the bank account details available on the said website (www.bookprofit.co.in), SEBI vide email dated September 22, 2015 sought the details of the bank account holders from



ICICI Bank. In response, ICICI Bank vide e-mail dated September 29, 2015 provided the PAN and address of Indira Trading Company and the details of its partners, viz., Shri Pankaj Seth, Shri Vishal Anaji Girkar, Shri Mohd. Zaid Siddique, Shri Joheph Chand Malikshaikh, Shri Girish Srichand Valecha, Shri Niwas A Kamble and Shri Jagdish Lalmani Gupta. It was observed that Shri Girish Srichand Valecha is a common partner in both Indian Stock Tips and Indira Trading Company.

8. SEBI, vide letter dated October 06, 2015 and reminder dated October 27, 2015, sought certain information from Indira Trading Company and its partners. However, no reply was received from Indira Trading Company.
9. *Prima facie findings/allegations in brief:* Pursuant to the examination, SEBI passed an interim order dated March 17, 2016, against Indian Stock Tips and its partners and Indira Trading Company and its partners wherein it was *inter alia* observed that:
 - a. Indian Stock Tips is a partnership firm incorporated on February 6, 2015 at Ulhasnagar with Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari as partners. The registered office is at Room No.1, Sharda Apt, A-Wing, Behind Sadhubella Girls School, Tejumal Chakki Road, Ulhasnagar, Thane - 421001.
 - b. As per the partnership deed of Indian Stock Tips, “...the partnership shall be that of Stock Advisory and any other business as the partners decide from time to time.”
 - c. Indian Stock Tips has made the following declaration on its website:
 - i. **Equity Packages:** Choose from the wide range of packages available for Intraday/Positional/BTST trading. Pay per positive call packs is also available with us.
 - ii. **FNO Packages:** Stock Futures & Options (Intraday & Positional) packages available for high risk high return traders. You will get up to 90% accuracy in research.



iii. **Index Packages:** Nifty & Nifty packs offer high accuracy & specially designed for making profits in all market conditions. Subscribe to our packages now.

d. Indian Stock Tips has offered the following packages to its clients in consideration of fees, as have been summarized below:

Name of package	Fee charged (Rs.)		
	1 month	3 months	6 months
Premium Combo Jackpot	45,600	68,400	1,36,800
Premium Stock Future	34,200	51,300	1,02,600
Premium Equity Cash	22,800	45,600	68,400
Premium Index Future	34,200	51,300	1,02,600
Premium Stock & Index Future	22,800	45,600	68,400
Stock Future	22,800	45,600	68,400
Equity Cash	17,100	25,650	51,300
Index Future	17,100	25,650	51,300
Stock & Index Options	11,400	22,800	34,200

e. During the period from April 04, 2015 to September 08, 2015, Indian Stock Tips had collected an amount of Rs. 5,14,200/- from 25 unique clients as fees for various advisory services offered to them.



- f. A payment receipt in respect of the package “Premium Stock Future/Stock & Index Option” issued by Indian Stock Tips to one of its clients, contains the following details:

“Our package cost is Rs. 45,600 for 3 months, discounted net amount is Rs. 20,400/-

You have made a balance payment of Rs. 10,000/-

You will get 15 to 20 calls in a month in Futures & Options

You will be trading with a capital of 1,00,000+,

You can earn a decent profit of Rs. 4000-8000 per call,

Services will be given by calling, SmS and online,

You can earn a profit of Rs. 1,80,000/- during your service period,

Your support executive will be Ms. Nagma Ansari...

If in a rare case, you are not getting committed amount in committed period your services will be extended for 3 more months without any fees,

There is no refund policy in any of our packages”

- g. The clients were getting trading calls along with the number of shares to buy and stop-loss target. Indian Stock Tips promises profits to its clients to be achieved during the period of the services. It also states that if the client does not achieve the committed profit amount, the services to the clients would be extended for 3 more months without any further charges.
- h. Indira Trading Company is a partnership firm incorporated on December 22, 2014 with its partners viz. Shri Pankaj Seth, Shri Vishal Anaji Girkar, Shri Mohd. Zaid Siddique, Shri Joheph Chand Malikshaikh, Shri Girish Srichand Valecha, Shri Niwas A Kamble and Shri Jagdish Lalmani Gupta and its registered address at Plot No- A- 423/424/425, Ram Nagar Road No-28, Wagle Indl Estate, Thane (W) – 400604.
- i. Shri Girish Srichand Valecha, one of the partners of Indian Stock Tips is also a partner in Indira Trading Company.



- j. On the website of Indira Trading Company (www.bookprofit.co.in), the following declaration has been made:

“Highlights of Services

Share market tips from our Research team and Experts

- *Daily Stock ideas in Equity and Future markets,*
- *Intraday, short term, long term ideas, pre-market SMS on market for day,*
- *Ideas delivered during market hours*

About Us

- *“Indira Trading Company offers integrated stock market recommendation and financial guidance pertaining to stock market to its clientele spread across nation. INDIRA TRADING COMPANY offers technical ideas, fundamental calls, delivery calls, financial guidance, dedicated customer service. It offers technical ideas, fundamental calls, delivery calls, financial guidance, dedicated customer service.*

Subscription

- *Fill registration form with all the required details correctly*
- *After registration a unique customer ID will be assigned*
- *You will start receiving Tips via SMS on your registered mobile number*

Getting Started

- *As soon as your account gets activated, you will start receiving stock tips and ideas*
- *Pay via online payment, cheque and bank deposit”*

- k. The packages offered by Indira Trading Company to its clients, as observed from its website, are as under:

- “Equity Intraday*
- Delivery Short Term/BTST*
- Derivatives Futures*
- Option Package*



The cost of services varies according to the selected package and the time period of the service.”

1. The fees for the aforesaid services ranging from Rs.10,000/- to Rs. 15,000/- are levied by Indira Trading Company on monthly and quarterly basis. One such package, as given in the website is reproduced as under:

“Equity Intraday

- 1) Get 102 ideas daily*
- 2) Get 18-20 calls in a month*
- 3) Cost of the package =Rs. 10,000 for 1 month”*

- m. The details of bank account of Indira Trading Company for the receipt of fees/charges from the investors/clients, provided in their website are as under:

"Payment:

Cheque/DD Payment

Cheque/DD Payment in favour of Indira Trading Company

Drop the cheque in any of the ICICI Bank in your locality

Account Name: Indira Trading Company

Bank: ICIC Bank,

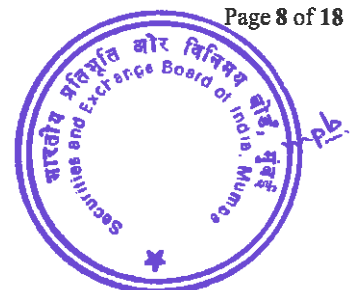
Bank Acct. No.: 188705000147

Bank IFSC Code: ICIC0001887”

10. In view of the *prima facie* findings on the violations of the relevant provisions of the IA Regulations and the RA Regulations, the following directions were issued in the interim order dated March 17, 2016 against Indian Stock Tips, and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari, and Indira Trading Company and its partners Shri Pankaj Seth, Shri Vishal Anaji Girkar, Shri Mohd. Zaid Siddique, Shri Joheph Chand Malikshaikh, Shri Girish Srichand Valecha, Shri Niwas A Kamble and Shri Jagdish Lalmani Gupta (hereinafter referred to as “**Noticees**”) with immediate effect:

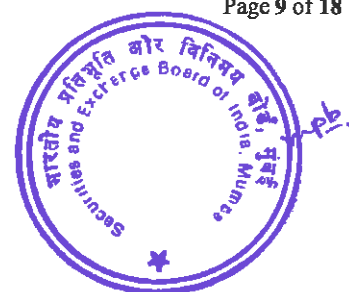


- i. “to cease and desist from acting as an investment advisor or research analyst and cease to solicit or undertake such activity or any other unregistered activities in the securities market, directly or indirectly, in any matter whatsoever;
 - ii. not to divert any funds raised from investors, kept in bank account(s) and/or in their custody;
 - iii. immediately withdraw and remove all advertisements, representations, literatures, brochures, materials, publications, documents, websites, etc. in relation to their investment advisory and research analyst activity or any unregistered activity in the securities market.
 - iv. Indira Trading Company and its partners are directed to furnish all the information sought by SEBI, vide letter dated October 06, 2015;
 - v. Indian Stock Tips and its partners are further directed to furnish complete information sought by SEBI, vide letter dated September 3, 2015 and email dated October 06, 2015.”
11. In the interim order it was stated that the Noticees would be afforded 21 days, from the date of receipt of the interim order, to file their replies, if any and to seek an opportunity of personal hearing, if they so desired. The Noticees were advised to show cause as to, why the services/plans identified in the interim order should not be held as "Investment Advisory Services" and "Research Analyst Services" in terms of the respective Regulations and why appropriate directions, under Section 11 and 11B of the SEBI Act, 1992 and relevant SEBI Rules/Regulations including directions, prohibiting them from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, for a particular period and to refund any money collected as fees, charges or commissions collected

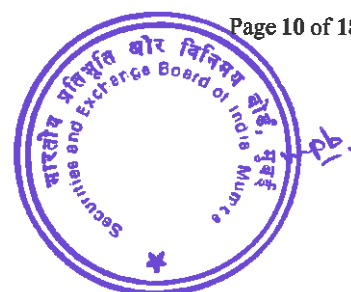


from the investors/clients/partners to the concerned clients/investors along with the requisite interest, should not be issued against them, for the alleged violations.

12. *Service of interim order and hearing notice:* The interim order dated March 17, 2016 was sought to be served on Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari vide letter dated March 18, 2016. The said interim was delivered on the said entities. Vide notifications dated October 15, 2017, published in the newspapers *The Times of India* and *Lokmat*, Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari were granted an opportunity of personal hearing by SEBI on November 2, 2017 at the time and venue mentioned therein.
13. It is noted that neither the interim order nor the hearing notice was served on Indira Trading Company and its partners Shri Pankaj Seth, Shri Vishal Anaji Girkar, Shri Mohd. Zaid Siddique, Shri Joheph Chand Malikshaikh, Shri Girish Srichand Valecha, Shri Niwas A Kamble and Shri Jagdish Lalmani Gupta. In view of the same, no finding in this order is made with respect to the said Noticees. Therefore, the present order is final order qua Indian Stock Tips, and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari and an appropriate order will be passed in respect of Indira Trading Company and its partners above named pursuant to the granting of opportunity of hearing to them. Till the time, the findings and the directions in the interim order dated March 17, 2016 shall continue to operate against Indira Trading Company and its partners above named.
14. *Hearing and submissions:* Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari failed to appear for the personal hearing on November 2, 2017.
15. Vide reply dated March 21, 2016, Shri Girish Srichand Valecha has stated *inter alia* that Indian Stock Tips is willing to refund the amount due to its investors but are unable to track the investors who had filed complaints before SEBI. Further, he stated that all the websites and offices of the partnership firm have been closed as per the interim order.



16. Vide reply dated March 28, 2016 Indian Stock Tips has replied *inter alia* that it has stopped its activity as investment advisor/research analyst and has closed its bank account and withdrawn all information pertaining to this venture.
17. I have considered the allegations. I have perused the information received by SEBI, correspondence exchanged between SEBI and the Noticees, along with the documents contained therein and other information/materials available from the website and those on record. On perusal of the materials on record, the following issues arise for consideration. Each question is dealt with separately under different headings:
- i. Whether Indian Stock Tips, and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari were providing unregistered Investment Advisory services and Research Analyst services.
 - ii. If so, whether Indian Stock Tips, and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari, have violated section 12(1) of the SEBI Act and regulation 3 of the IA Regulations and regulation 3 of the RA Regulations.
 - iii. If the findings on Issue No. 2 are found in the affirmative, who are liable for the violation committed?
18. *Issue no. 1: Whether the Indian Stock Tips, and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari were providing unregistered Investment Advisory services and Research Analyst services*
19. I have perused the interim order dated March 17, 2016 for the allegation of unregistered Investment Advisory services and unregistered Research Analyst.
20. I note that vide letter dated September 11, 2015, a list of clients and a list of packages offered to its clients and the terms conditions as listed on its website, have been submitted by Indian Stock Tips. Further, I note that Indian Stock Tips, vide its undated letter received at SEBI on



October 19, 2015, submitted copies of payment receipts issued to their clients who had availed their services.

21. I note that the Partnership deed of Indian Stock Tips states that “...the partnership shall be that of Stock Advisory and any other business as the partners decide from time to time.”

22. I note that Indian Stock Tips has made the following declaration on its website:

- i. **Equity Packages:** Choose from the wide range of packages available for Intraday/Positional/BTST trading. Pay per positive call packs is also available with us.
- ii. **FNO Packages:** Stock Futures & Options (Intraday & Positional) packages available for high risk high return traders. You will get up to 90% accuracy in research.
- iii. **Index Packages:** Nifty & Nifty packs offer high accuracy & specially designed for making profits in all market conditions. Subscribe to our packages now.

23. I note that Indian Stock Tips has offered certain packages to its clients which have been observed in the interim order as brought out in paragraph 9(d) of this Order.

24. I note that it has been claimed by Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari, that during the period from April 04, 2015 to September 08, 2015, Indian Stock Tips had collected an amount of Rs. 5,14,200/- from 25 unique clients as fees for various advisory services offered to them. However, I note from the bank accounts of Indian Stock Tips that the total credit during the period of April 1, 2015 to February 10, 2016 is Rs. 17,42,177/-. I therefore, find that the total amount for unregistered investment advisory and research analyst services collected by Indian Stock Tips is at least Rs. 17,42,177/-.

25. I note from the payment receipts in respect of a certain package offered by Indian Stock Tips, that the clients were getting trading calls along with the number of shares to buy and stop-loss target. I note that Indian Stock Tips promised profits to its clients to be achieved during the



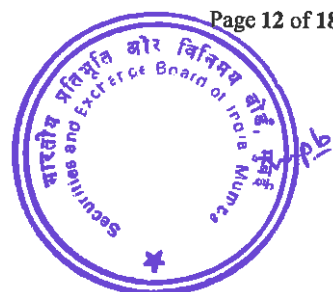
period of the services. It was also stated that if the client does not achieve the committed profit amount, the services to the clients would be extended for 3 more months without any further charges.

26. I have perused the definition of Investment Adviser as given in regulation 2(m) of the IA Regulations, which states that *“investment adviser” means any person, who for consideration, is engaged in the business of providing investment advice to clients or other persons or group of persons and includes any person who holds out himself as an investment adviser, by whatever name called.*” Further, I have perused regulation 2(1)(l) of the IA Regulations which defines investment advice as *“advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the client and shall include financial planning.”*

27. I have also perused the definition of Research Analyst as given in regulation 2(1)(u) of the RA Regulations, which states that *“research analyst” means a person who is primarily responsible for,-*

- i. *preparation or publication of the content of the research report; or*
- ii. *providing research report; or*
- iii. *making 'buy/sell/hold' recommendation; or*
- iv. *giving price target; or*
- v. *offering an opinion concerning public offer,*
with respect to securities that are listed or to be listed in a stock exchange, whether or not any such person has the job title of 'research analyst' and includes any other entities engaged in issuance of research report or research analysis.”

28. The activities of Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari, as brought out from the material available on record, seen in



the backdrop of the provisions clearly show that the Noticees acted as investment advisers and research analysts. The same has not been refuted by the said Noticees. In fact, I note from the replies dated March 21, 2016 and March 28, 2016 that the said Noticees have admitted to conducting such unregistered activities.

29. Therefore, I find that the activities of Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari such as giving trading tips, stock specific recommendations, etc. to the investors on payment of fees clearly indicate that they were engaged in providing unregistered investment advisory services and unregistered research analyst services.

Issue no. 2: If so, whether Indian Stock Tips, and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari, have violated section 12(1) of the SEBI Act and regulation 3 of the IA Regulations and regulation 3 of the RA Regulations.

30. I note that as a measure of investor protection, it is imperative on any person carrying out investment advisory activities and/or research analyst services, to obtain registration and conduct its activities in accordance with the provisions of the SEBI Act and the IA Regulations and the RA Regulations. I have perused of Section 12(1) of the SEBI Act which states that

“No stock broker, sub-broker, share transfer agent, banker to an issue, trustee of trust deed, registrar to an issue, merchant banker, underwriter, portfolio manager, investment adviser and such other intermediary who may be associated with securities market shall buy, sell or deal in securities except under, and in accordance with, the conditions of a certificate of registration obtained from the Board in accordance with the regulations made under this Act.”

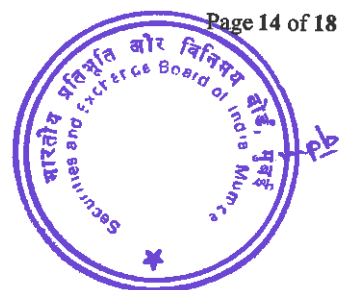
Further, I note that as per regulation 3(1) of the IA Regulations, “on and from the commencement of these regulations, no person shall act as an investment adviser or hold itself



out as an investment adviser unless he has obtained a certificate of registration from the Board under these regulations.” Similarly, I note that as per regulation 3(1) of the RA Regulations, “on and from the commencement of these regulations, no person shall act as a research analyst or research entity or hold itself out as a research analyst unless he has obtained a certificate of registration from the Board under these regulations.”

31. The proviso to regulation 3 of the IA Regulations states that *“a person acting as an investment adviser immediately before the commencement of these regulations may continue to do so for a period of six months from such commencement or, if it has made an application for a certificate ... within the said period of six months, till the disposal of such application.”* The IA Regulations were notified on January 21, 2013. The IA Regulations came into effect on April 21, 2013. Therefore, any person who had been providing investment advisory service before the IA Regulations came into effect can, by virtue of the proviso under regulation 3, continue to do so without a certificate of registration till October 20, 2013, beyond which the said person would have to obtain a certificate of registration or may continue to do so till the time his application for registration is disposed of.

32. Similarly, the proviso to regulation 3(1) of the RA Regulations states that *“any person acting as research analyst or research entity before the commencement of these regulations may continue to do so for a period of six months from such commencement or, if it has made an application for a certificate ...within the said period of six months, till the disposal of such application.”* The RA Regulations were notified on September 1, 2014 and came into effect on November 30, 2014. Therefore, any person who had been providing research analyst service before the RA Regulations came into effect can, by virtue of the proviso under regulation 3, continue to do so without a certificate of registration till May 30, 2014, beyond which the said person would have to obtain a certificate of registration or may continue to do so till the time his application for registration is disposed of.



33. As per the material available on record, Indian Stock Tips was a partnership firm formed on February 6, 2015. In view of the above, Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari are outside the scope of the above provisos. Therefore, Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari ought to have provided Investment Advisory services and Research Analyst services only after obtaining the certificates of registration from SEBI. I also find that there is nothing on record, to show that Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari fall in any of the categories of exemption as provided under regulation 4 of the IA Regulations or the second proviso to regulation 3(1) of the RA Regulations. The Noticees have not submitted any representation contending the same, either.

34. In view of the above, I find that Indian Stock Tips and its partners and Indira Trading Company and its partners have violated section 12(1) of the SEBI Act read with regulation 3(1) of the IA Regulations and regulation 3(1) of the RA Regulations.

Issue no. 3: If the findings on question No.2 are found in the affirmative, who are liable for the violation committed?

35. In view of the foregoing, Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain are liable for the aforesaid violations of section 12(1) of the SEBI Act read with regulation 3(1) of the IA Regulations and regulation 3(1) of the RA Regulations. In order to safeguard the interest of the investors and their investments, and to further ensure orderly development of securities market it becomes necessary for SEBI to issue appropriate directions against the aforesaid Noticees.

36. Since Indian Stock Tips has collected Rs. 17,42,177/- for its unregistered investment advisory and research analyst services in the period of April 1, 2015 to February 10, 2016 while acting as unregistered investment adviser and unregistered research analyst, it would be reasonable that such funds collected in any name are liable to be returned to the clients.

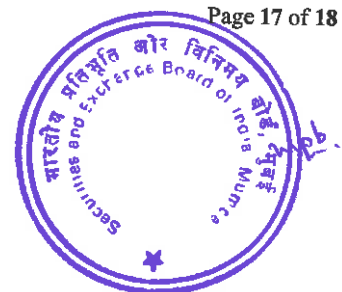


37. In view of the discussion above, appropriate action in accordance with law needs to be initiated against Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain. The interim order has contemplated taking appropriate directions, under Section 11 and 11B of the SEBI Act, 1992 and relevant SEBI Rules/Regulations including directions, prohibiting them from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, for a particular period and to refund any money collected as fees, charges or commissions collected from the investors/clients/partners to the concerned clients/investors. Being partners, Shri Girish Srichand Valecha and Ms. Nagma Husain are jointly and severally liable with Indian Stock Tips for refunding the money collected from the investors.
38. Section 11 of SEBI Act casts a duty on the Board to protect the interests of investors in securities and to promote the development of and to regulate the securities market. For achieving such object, it has been authorized to take such measures as it thinks fit. Thus, power to take all measures necessary to discharge its duty under the statute which is a reflection of the objective disclosed in the preamble has been conferred in widest amplitude.
39. Section 11B and Section 11(4) of SEBI Act are functional tools in the hands of the Board. In effect, Section 11B and Section 11(4) SEBI Act are some of the executive measures available to SEBI to enforce its prime duty of investor protection. SEBI is empowered to issue directions in the interests of investors of any person or class of persons referred to in Section 12 of the SEBI Act or associated with the securities market.
40. Therefore, I, in exercise of the powers conferred under section 19 of the SEBI Act read with sections 11(1), 11(4), and 11B of the SEBI Act, hereby issue the following directions:
- a. Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari and shall forthwith refund the money received from the clients in respect of the unregistered investment advisory activities and unregistered research analyst activities, and



submit a certificate from a peer reviewed Chartered Accountant who is in the panel of any public authority or public institution, within a period of 3 months. For the purpose of this Order, a peer reviewed Chartered Accountant shall mean a Chartered Accountant, who has been categorized so by the Institute of Chartered Accountants of India ("ICAI").

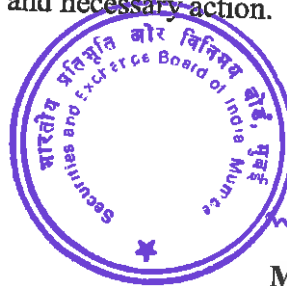
- b. Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari are directed not to divert any funds raised from investors, kept in bank account(s) and/or in their custody, except for the purpose of refunds to the clients.
- c. Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari are prevented from selling their assets, properties and holding of mutual funds/shares/securities held by them in demat and physical form except for the sole purpose of making the refunds as directed above and deposit the proceeds in an Escrow Account opened with a nationalized Bank. Such proceeds shall be utilized for the sole purpose of making refund/repayment to the investors till the full refund/repayment as directed above is made.
- d. The repayments to the clients shall be effected only through Bank Demand Draft or Pay Order both of which should be crossed as "Non-Transferable" or through any other appropriate banking channels with clearly identified beneficiaries.
- e. Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain are directed not to, directly or indirectly, access the securities market, and are prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in whatsoever manner, till the expiry of 4 years from the date of refund of the money as directed in paragraph 40(a) above. Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain are also restrained from associating with any listed public company and any public company which intends to raise money from the public, or any intermediary registered with SEBI till the expiry of 4 years from the date of refund of the money as directed in paragraph 40(a) above.



- f. Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain, shall not undertake, either directly or indirectly, investment advisory services or research analyst services or any activity in the securities market without obtaining a certificate of registration from SEBI as required under the securities laws after the expiry of period of debarment as mentioned in paragraph 40(e).
- g. In case of failure of Indian Stock Tips and its partners Shri Girish Srichand Valecha and Ms. Nagma Husain Ahmed Ansari to comply with the aforesaid direction at paragraph 40(a), SEBI, on expiry of three months period from the date of this Order may recover such amounts, in accordance with section 28A of the SEBI Act, including such other provisions contained in securities laws.
- h. The above directions shall come into force with immediate effect.
- i. The directions mentioned in interim order dated March 17, 2016 against Indira Trading Company and its partners Shri Pankaj Seth, Shri Vishal Anaji Girkar, Shri Mohd. Zaid Siddique, Shri Joheph Chand Malikshaikh, Shri Girish Srichand Valecha (in his capacity as partner of Indira Trading Company) Shri Niwas A Kamble and Shri Jagdish Lalmani Gupta shall continue till further orders.
41. Copy of this Order shall be forwarded to the recognized stock exchanges and depositories, registrar and transfer agents, for information and necessary action.

DATE: December 18th, 2017

PLACE: Mumbai



madhabi puri buch

MADHABI PURI BUCH
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA