

**BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA
CORAM: MADHABI PURI BUCH, WHOLE TIME MEMBER
INTERIM EX PARTE ORDER**

Under Sections 11(1), 11(4), 11B (1) and 11D of the Securities and Exchange Board of India Act, 1992

**In Re: Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 and
Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003**

In respect of:

Name of the Entity	PAN
Mr. Sanjeev Singh, Sole Proprietor of M/s Wild Stock	EQSPS8015M

In the matter of Wild Stock

BACKGROUND

1. Securities and Exchange Board of India (hereinafter referred to as “**SEBI**”) received complaints against M/s Wild Stock (hereinafter referred to as “**firm**”) *inter alia* alleging that the firm has induced them to avail its services by claiming that if the complainants invest in stocks with their help i.e., avail the investment advisory services of the firm, they will get a good return. For this service, the complainants had to pay a certain fee depending upon the type of plan availed by them. Upon payment of the full fee, the firm asks for additional payments in the name of updating their risk profile. Further, one of the complainant alleged that the firm has stopped receiving his calls when he had asked for the invoices of the payments made by him and have also caused significant losses to him.

SEBI's EXAMINATION

2. In view of the complaints received, SEBI carried out a preliminary examination to ascertain whether unregistered investment advisory activities are being carried out by the firm. To that end the website of the firm, www.wildstocks.in and particulars of its bank accounts were perused to gather information. Currently the aforesaid website of the firm is not active. On visiting the website the following message is displayed: "*Your request cannot be processed due to pending renewal*". However, during the course of preliminary examination, print outs of web pages of the firm's website was taken and have been placed on record.
3. SEBI's preliminary examination found as follows:
 - 3.1. The entity is not registered with SEBI.
 - 3.2. The website provides information that the firm offers products and services relating to equity market, future market, option market, index option and commodity market.
 - 3.3. Bank accounts and payment mechanisms were displayed on the website for clients who wish to subscribe to its 'advisory services'. The particulars of the bank accounts as mentioned on the website shows that State Bank of India account no. 31146241699 and Axis Bank Ltd. account no. 915010055728735 are in the name of Mr. Sanjeev Singh (Sole Proprietor of the firm) while HDFC Bank Ltd. account no. 50200044312937 and Bank of India account no. 903220110000361 are in the name of the firm. Further, payments can also be made through e-wallets namely PhonePe, BHIM, Google Pay and Paytm.

CONSIDERATION and PRIMA FACIE FINDINGS

4. I have perused the materials available on record such as investor complaints, archived information available on the website and information obtained from various Banks. A preliminary examination of the material available on record was made in order to verify whether M/s Wild Stock has offered investment advisory services and has collected money from various investors without obtaining registration from SEBI. In this context, *prima facie*, the following issues arise for determination in the instant matter:

- 4.1. *Whether M/s Wild Stock is prima facie holding itself out and acting as an investment adviser?*
- 4.2. *If answer to aforesaid issue is in affirmative, whether M/s Wild Stock has, prima facie, violated any provisions of securities laws?*
- 4.3. *If answer to issue no. 2 is in affirmative, whether urgent directions, if any should be issued against M/s Wild Stock?*

Issue No. 1: *Whether M/s Wild Stock is prima facie holding itself out and acting as an investment adviser?*

5. As regards the first issue, I note the following from the material available on record:

5.1. As per the archived information gathered from the website of the firm, the following claims are noted:

i. Under the heading “About Us” the firm claims as follows:

“We, Wildstock situated at Habibganj Road, Bhopal, Madhya Pradesh offer different trading platform to suite customer requirement. We have multiple brokerage schemes available with us. We continuously strive to empower the retail community by sharing knowledge, providing superior tools and great support, all at a minimal to zero cost. We have a team of highly skilled and intellectual staff, specialized in various segments, to help you in any kind. Contact us now for expert advice for the various trading options available to you. We guarantee highly profitable investments for your hard earned money!”

ii. Under the heading “Why wildstock”, the firm claims as follows:

“We have been handling finances and investments for a long time and the hefty experience makes our experts the best in the domain area of Investments and the subsequent Growth. We at Wildstock also understand that each individual would have his own earning and investment patterns, which are primarily governed by the per-annul influx of money, and the liabilities that are targeted at the end of the maturity term. We offer individual plans to suit your needs and do not focus on one standardized investment plan.”

iii. Under the heading “Services” the firm claims as follows:

1. *Extensive & detailed Research to guide all kinds of investors.*
2. *Dedicated team of relationship managers.*
3. *Rich experience in share and stock broking.*
- iv. There is ticker on the website which states as follows: *“INVESTMENT / TRADING IN MARKETS IS SUBJECT TO MARKET RISK. INVESTMENT IN STOCK AND COMMODITY MARKET ARE SUBJECT TO MARKET RISK. PLEASE DO NOT TRADE ON THOSE TIPS WHICH ARE NOT PROVIDED THROUGH SMS OR MESSENGER”*.

5.2. On a further perusal of the website, it is observed that the firm provides services in equity segment, F&O segment and commodities segment of the market. As part of its services for the various segments of the securities market as mentioned above, the firm has multiple packages. For example, for equity segment it has Stock Cash Basic, Stock Cash Premium and Stock Cash HNI. Similar packages are there for other segments of the securities market. A few illustrations of subscription packages provided by M/s Wild Stock and the plans for the same are as under:

- **Equity Segment – Stock Cash Premium**

This service is exclusively designed for traders who wish to avail higher returns with very less number of trades in a month with intraday outlook. These calls are totally based on technical analysis with strict stop loss to avail the customer with higher return & low risk.

Risk Type: Moderate Risk

Service Features:

- *In this pack we will provide you 4-6 calls in a week.*
- *Each call consists of 2 targets and 1 Stop loss.*
- *Maximum 1 open positions at a time.*
- *Proper follow-ups and Market News Updates.*
- *We provide our Clients very good accuracy in this service.*
- *Domestic and Global Market position Overview.*

Plans:

- *Monthly → Rs. 20,000/-*
- *Quarterly → Rs. 50,000/-*

- Yearly → Rs. 1,75,000/-

- **Future Segment – Stock Future HNI**

This pack facilitates client who wants to capture every pit & peak movement of the market. Jobbers pack is specially designed for traders who are trading dynamically in Intraday Future market segment. Here we are providing 3-5 daily intraday future market calls. With good accuracy we are delivering high profitable calls in this pack. Well timed client support is provided in order to meet unmatched client satisfaction

Risk Type : High Risk

Service Features:

- *In this pack we will provide you 4-5 calls of Intraday Future daily.*
- *Each call consists of 1 target and 1 Stop loss.*
- *Maximum 2 open positions at a time.*
- *Proper follow-ups and Market News Updates.*
- *We provide our Clients very good accuracy in this service.*
- *Domestic and Global Market position Overview.*
- *Number of Lots for particular trade will be decided by company.*
- *Swift & vital client support will be provided.*

Plans:

- *Monthly → Rs. 75,000/-*
- *Quarterly → Rs. 2,10,000/-*
- *Yearly → Rs. 4,00,000/-*

- **Commodity Segment - Commodity Premium**

This service is specially created for those who wish to earn high return on their investment in commodities market. In this segment we usually provide trading recommendation with bigger targets in bullion, base metal & energy. Traders are suggested to trade in multiple lots as accuracy is high in this segment. Calls are given by highly skilled research analysts who minutely track both Indian and International commodity market.

Risk Type : High Risk

Service Features:

- *In this pack we will provide you 4-5 calls in a week.*
- *Each call consists of 2 targets and 1 Stop loss.*

- *Maximum 1-2 open position at a time.*
- *Proper follow-ups and Market News Updates.*
- *We provide our Clients very good accuracy in this service.*
- *Domestic and Global Market position Overview.*
- *Compulsory to trade with minimum 2 lots.*

Plans:

- *Monthly → Rs. 30,000/-*
- *Quarterly → Rs. 80,000/-*
- *Yearly → Rs. 2,80,000/-*

5.3. Further, I note the following information gathered from the KYC documents and bank account statements collected from the banks viz., State Bank of India, Axis Bank Ltd., HDFC Bank Ltd. and Bank of India:

5.3.1. As per the KYC documents of these bank accounts, the nature of business/ type of profession of the firm has been stated to be as follows:

Bank	Nature of business/ Type of profession
State Bank of India	Student
Axis Bank Ltd.	Salaried
HDFC Bank Ltd.	Stock Brokers / Stock Broking
Bank of India	Stock Market

5.3.2. From the KYC of account opening form of HDFC Bank Ltd., it is noted that the account is in the name of Wild stock and Mr. Sanjeev Singh is its sole proprietor. The firm was registered on 6/2/2018 under Shop and Establishment Act, 1958 with its registered office at B-3, 1st Floor, Vidya Nagar, Commercial Complex, behind Indian Oil petrol pump, Hoshangabad Road, Bhopal, Madhya Pradesh – 462026.

5.3.3. It is further observed from an internet search of the particulars of hosting of the website of the firm based on its domain name that *prima facie* the website of the firm was hosted for the first time on April 15, 2019 as available on www.whoisrequest.com/whois/wildstocks.in.

5.3.4. The transactions observed in the abovementioned bank accounts are summarized as under:

Bank Name	Bank Account No.	Account Opening Date	Account status as on date	Total Credit Received for the period mentioned
State Bank of India	31146241699	26/4/2010	Active	Rs. 10,69,789.03/- From 15/4/2019 to 18/2/2020)
Axis Bank	915010055728735	15/1/2016	Active but no transaction has taken place after 25/09/2019	Rs. 6,81,270.67/- From 15/4/2019 to 4/2/2020).
HDFC Bank	50200044312937	23/9/2019	Active	Rs. 22,36,549/- From 23/9/2019 to 4/2/2020.
Bank of India	903220110000361	23/8/2019	Active	Rs. 9,59,436.18/- From 23/8/2019 to 19/2/2020.

5.3.5. It is observed that there are large number of payments received through various payment gateways/ IMPS or NEFT. From the narrative of the transactions, it appears that the payments have, *prima facie*, come from various investors / clients.

5.4. It is noted that M/s Wild Stock and its sole proprietor, Mr. Sanjeev Singh are not registered in any capacity with SEBI. A simple search was performed on the MCA website to find out the business of the firm but the same did not yield any result.

6. In light of the aforesaid discussions, I *prima facie* observe that M/s Wild Stock is putting the information in public domain / advertising by using its website about the various services offered by the firm in securities market. Further, it is also *prima facie* observed

that various packages are being offered by the firm to avail its services. The firm's website had categorically mentioned the advantages of availing the services of the firm in various fields of securities market and highlighted that it has a team of highly skilled and intellectual staff, specializing in various segments of the market including a team of dedicated relationship managers. The reason for availing its services, as mentioned on its website was that it offers individual plans to suit the needs of its clients and it does not focus on one standardized investment plan. Moreover, in the above facts and circumstances, especially the content of the website of the firm coupled with the credit transactions in the bank accounts, *prima facie*, it is inferred that the fees / funds credited to the bank accounts, were for the purpose of availing the services indicated on the website of M/s Wild Stock. Thus, I *prima facie* find that M/s Wild Stock is trying / has induced the public in general to deal in securities by availing its services. Furthermore, as noted from the description of various services / products provided by the firm that it states unequivocally that the investor can make a profit on its investment / high return with low risk. The same, in my *prima facie* opinion is nothing but a ploy to lure the investors to avail its services.

7. In this factual context, I have perused the definition of Investment Adviser as given in regulation 2(m) of SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred to as "**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(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.*"
8. In light of the aforesaid definitions, it is observed that the firm through its website *prima facie* offers investment advice as defined under regulation 2(l) of IA Regulations by giving

advice related to investing in, purchasing and selling in securities and is also offering various investment packages for subscription. Further, as noted from various bank accounts mentioned on its website that there are various multiple credit entries which when seen together with the contents of the website leads to a *prima facie* conclusion that the credit entries in the bank accounts are for consideration for the investment advice given by the firm to its clients. Thus, *prima facie*, firm is an investment adviser as defined under regulation 2 (m) of IA Regulations. Moreover, I find that the activities of firm such as offering tips, intra day calls, holding out to offer customised investment plans to its clients as opposed to having a standard investment plan, advertising to empower the retail community by sharing knowledge, providing superior tools and great support etc., *prima facie* on payment of fees, indicates that the firm is *prima facie* also holding out that it is providing investment advisory services.

Issue No. 2: *If answer to aforesaid issue is in affirmative, whether M/s Wild Stock has, prima facie, violated any provisions of securities laws?*

9. Before proceeding further, I would like to refer to the relevant provisions of securities laws which are Sections 12A (a), (b), (c) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as “**SEBI Act**”) and regulations 3 (a), (b), (c), (d) and regulations 4(1) and 4(2)(k) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred to as “**PFUTP Regulations**”). The text of the aforesaid provisions is reproduced below:

SEBI Act

Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control

Section 12A: *No person shall directly or indirectly:*

(a) use or employ, in connection with the issue, purchase or sale of any securities listed or proposed to be listed on a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of this Act or the rules or the regulations made thereunder;

(b) employ any device, scheme or artifice to defraud in connection with issue or dealing in securities which are listed or proposed to be listed on a recognised stock exchange;

(c) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person, in connection with the issue, dealing in securities which are listed or proposed to be listed on a recognised stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder;

PFUTP Regulations

Regulation 3. Prohibition of certain dealings in securities

No person shall directly or indirectly-

(a) buy, sell or otherwise deal in securities in a fraudulent manner;

(b) use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;

(c) employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;

(d) engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

4. Prohibition of manipulative, fraudulent and unfair trade practices

(1) Without prejudice to the provisions of regulation 3, no person shall indulge in a fraudulent or an unfair trade practice in securities.

(2) Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely:-

...

(k) disseminating information or advice through any media, whether physical or digital, which the disseminator knows to be false or misleading and which is designed or likely to influence the decision of investors dealing in securities”.

10. In order to ensure that the investors who receive investment advice are protected, it is imperative that any person carrying out investment advisory activities has to necessarily obtain registration from SEBI and conduct its activities in accordance with the provisions of SEBI Regulations. Section 12(1) of SEBI Act reads as under:

*“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, as per regulation 3(1) of IA Regulations, the registration of the investment advisers is mandatory. It provides that, *“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”.*

11. The activities of the firm, as brought out from the various materials described above, seen in the backdrop of the aforesaid provisions show that M/s Wild Stock was holding itself out as an investment adviser and also has been acting as an investment adviser. However, no material is available on record to indicate that M/s Wild Stock has a certificate of registration as investment adviser or has applied to SEBI for the same. Moreover, as observed from the KYC documents of HDFC Bank Ltd. and Bank of India that the firm has shown itself to be engaged in the business of Stock Broker / Stock Market. In this context, it is noted that M/s Wild Stock is not registered with SEBI in any capacity including as a stock broker or in the capacity of an investment advisor. The characteristics and features of the business activity carried out by M/s Wild Stock, as discussed in the preceding issue, *prima facie*, leads to the conclusion that M/s Wild Stock is holding itself out and acting as an investment adviser without a certificate of registration from SEBI. In my view, these activities/ representations of M/s Wild Stock

are, *prima facie*, in violation of Section 12(1) of SEBI Act read with regulation 3(1) of the IA Regulations.

12. In my view, an unregistered investment advisor like M/s Wild Stock can put investors at great risk by misleading them. Without having a registered investment advisor certificate, M/s Wild Stock is holding itself out as an investment advisor and offers services through its website to investors with the objective of making money / collecting fees through subscriptions. From the findings of the examination, it *prima facie* appears that M/s Wild Stock is knowingly concealing the fact that it is not registered with SEBI as an investment advisor and is also making representations in a reckless and careless manner, thereby luring and inducing investors to deal in securities by availing its services. Furthermore, the firm has claimed the following:

12.1. *"We guarantee highly profitable investments for your hard earned money."*

12.2. Under the subscription package, Equity Segment – Stock Cash Premium, the firm has claimed that its *"calls are totally based on technical analysis with strict stop loss to avail the customer with higher return & low risk."* Further, one of the service features of the said package is that under this package, the firm provides its clients *"very good accuracy"*.

12.3. Under the subscription package, Commodity Segment - Commodity Premium, the firm has claimed that, the *"service is specially created for those who wish to earn high return on their investment in commodities market."*

Thus, by making the aforesaid claims, M/s Wild Stock is inducing investors to deal in securities by availing its services. Such modus operandi is being continuously used by M/s Wild Stock which is evident from the fact that there are continuous credits in its bank accounts.

13. It is also *prima facie* observed that the conduct of the firm in claiming that it can *"guarantee highly profitable investments"* for client's money, is an active concealment of the material fact that every investment in the market is subject to market risk and any investment made by the client can also run into losses and even become zero. Considering the dynamics of the market, the returns from the investment in the market

are unpredictable, no matter how much and for how long the investment is made. In light of the same, the act of the firm to assure / guarantee the clients of “highly profitable investments”, is a non-genuine and deceptive act and has been *prima facie* made with an intent to influence the client to avail its advisory services.

14. The above discussed non-genuine and deceptive activities of M/s Wild Stock are *prima facie* fraudulent and are covered under the definition of 'fraud' defined under regulation 2(1)(c) of PFUTP Regulations which reads as under:

“fraud” includes any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss, and shall also include--

(1) a knowing misrepresentation of the truth or concealment of material fact in order that another person may act to his detriment;

(2) a suggestion as to a fact which is not true by one who does not believe it to be true;

(3) an active concealment of a fact by a person having knowledge or belief of the fact;

(4) a promise made without any intention of performing it;

(5) a representation made in a reckless and careless manner whether it be true or false;

(6) any such act or omission as any other law specifically declares to be fraudulent;

(7) deceptive behavior by a person depriving another of informed consent or full participation;

(8) a false statement made without reasonable ground for believing it to be true;

(9) the act of an issuer of securities giving out misinformation that affects the market price of the security, resulting in investors being effectively misled even though they did not rely on the statement itself or anything derived from it other than the market price.

And “fraudulent” shall be construed accordingly;

15. It is noted that *prima facie* fraudulent and manipulative activities / conduct / act / practice of M/s Wild Stock as discussed above have defrauded the investors / clients of the firm and are *prima facie* in violation of provisions of Sections 12A (a), (b), (c) of SEBI Act and regulations 3 (a), (b), (c), (d) and regulations 4(1) and 4(2)(k) of PFUTP Regulations.

Issue No. 3: *If answer to issue no. 2 is in affirmative, whether urgent directions, if any should be issued against M/s Wild Stock?*

16. SEBI has a statutory duty to protect the interests of investors in securities and promote the development of, and to regulate, the securities market. Section 11 of the SEBI Act has empowered it to take such measures as it thinks fit for fulfilling its legislative mandate. The PFUTP Regulations and the IA Regulations have been formulated with the main objective of preventing fraudulent activities and regulating investment advisory activities to safeguard the interests of investors and hence registration of investment advisory activities with SEBI has been made mandatory. The IA Regulations, *inter alia*, seek to create a structure within which investment advisers will operate and also make them duly accountable for their investment advice by requiring investment advisers to comply with the criteria set out in the relevant provisions of the IA Regulations. The same is imperative for the protection of interests of investors and to safeguard the integrity of the securities market. In the instant case, M/s Wild Stock is soliciting and inducing the investors to deal in securities market on the basis of investment advice, intra day calls etc., *prima facie*, without having the requisite registration as mandated under the IA Regulations. Similarly, the PFUTP Regulations seeks to curb fraudulent and manipulative activities in the securities market in order to boost investor confidence in the securities market and to provide an environment conducive to increased participation and investment in the securities market which is vital to the growth and development of the economy. Further, it is noted from material available on record, money has been credited to the bank accounts of M/s Wild Stock as on February, 2020. Thus, the accounts are active and can continue to be used to collect fees from unsuspecting investors. This, *prima facie*, indicates that M/s Wild Stock not only continues to carry on its activity of holding itself to be an unregistered investment adviser, but is also continues to be acting as an unregistered investment advisor.
17. It is noted that permitting the investors to receive an investment advisory service from an unregistered entity, in effect means, the same is received from the unqualified person without following the safeguards mentioned in the IA Regulations. An investor receiving

a service from registered investment advisor in consonance with the IA Regulations vis-a-vis an investor who receives such service from unregistered investment adviser stands at a disadvantageous position in respect of his protection as an investor as envisaged under the IA regulations. An unregistered investment adviser has not satisfied the Regulator that he is a fit and proper person to hold the certificate of registration as investment adviser. Availing of service from such persons is detrimental to investors and such unqualified service results in irreparable detriment as the investors' money is invested based on unqualified and un-regulated service which could result in loss. Exposing investors to such service also has the effect of interfering with the development of securities market, as victim of such services tend to lose faith in the securities market. Such an injury/detriment to the development of the securities market also qualifies as an "irreparable injury". The objective of SEBI as enshrined in the SEBI Act is not only the protection of investors but also orderly development of securities market.

18. Further if an ex-parte order is not passed, many prospective investors may have to part away with their investment resulting into irreparable injury to themselves as discussed earlier. However, if an ex-parte order is passed, what is at stake is right of the current entity herein vis-a-vis multitude of prospective and current clients of the entity. It may be noted that one of the underlying differences between the ex-parte orders in the case of private suits and ex-parte public enforcement actions, is the identification of the injured party. In private damage suits, the injured individual, as "whole", is identifiable whereas ex-parte public enforcement actions, seeks to protect the floating multitude of investing public by preventing, continuous and imminent violations of the securities laws. Though, it can be argued that a final remedy by way of refund is available, as against the step of passing an ex-parte interim order, the loss of investment by the investors and resultant loss of investor's confidence and reliability of securities market, cannot be irreparably retrieved, if, prima facie, unregistered investment advice is to be extended to the investors by not passing an exparte-interim order at this stage. Therefore, I consider the balance of convenience is also not in favour of the entity.

19. Considering the facts and circumstances of the present matter and on the basis of the *prima facie*, findings, it is necessary to take urgent preventive action in this matter and to take immediate steps to prevent M/s Wild Stock from collecting any more funds from the public and from indulging in unauthorized investment advisory activities. As noted in the preceding paragraphs, as February 19, 2020 monies were being received in the bank account of the firm and bank accounts are still active. Moreover, the website of the firm is showing that it is pending for renewal which *prima facie* leads to the inference that the website can be live any moment or sometime in near future. Furthermore, the details of the firm including its location, email (enquiry can be sent to the firm by an email), telephone number and hours of operation are available on “Just Dial”. The aforesaid *prima facie* demonstrates that M/s Wild Stock can still lure investors to deal in the securities market while acting on its advice and probability of investors reaching M/s Wild Stock is still high. Therefore, the threat of investors getting lured towards the unregistered activity of M/s Wild Stock in the securities market is still in existence and imminent. The amount of money, *prima facie*, observed to have been collected by M/s Wild Stock is approximately Rs. 49.47 lakh and indicates the magnitude of the prospective threat to the investors. Therefore, even today, investors can become prey to the different packages/ services offered by M/s Wild Stock. In light of the same, I find that there is no other alternative but to take recourse through an *interim ex-parte* order against M/s Wild Stock (Sole Proprietor – Mr. Sanjeev Singh) for preventing it from collecting funds by defrauding investors and by indulging in unauthorized investment advisory services without obtaining the mandatory registrations from SEBI in accordance with the law. As the Noticee is reachable through the details of the “Just Dial”, the balance of convenience demands the preventive measure of stopping the collection of money in the bank accounts of the Noticee from investors. The same can be effectively achieved by an appropriate direction of stopping the credit into the bank account of M/s Wild Stock and Mr. Sanjeev Singh. As Mr. Sanjeev Singh as proprietor of M/s Wild Stock has already evaded the jurisdiction of SEBI by *prima facie*, acting as unregistered investment adviser, the balance of convenience also demands that firm and its proprietor are to be prevented from diverting the funds collected from the investors

through the fraudulent and unauthorized investment advisory activity. Accordingly, an appropriate direction stopping the debit from the bank account of Wild Stock and Mr. Sanjeev Singh has been incorporated.

20. In view of the foregoing, pending conclusion of enquiry, in order to protect the interests of investors and integrity of the securities market, I, in exercise of the powers conferred upon me under Sections 11, 11(4), 11B (1) and 11D read with Section 19 of the SEBI Act hereby issue by way of this *interim ex-parte order*, the following directions:

M/s Wild Stock and its Sole Proprietor, Mr. Sanjeev Singh, are directed to:

- a) *Cease and desist from acting as an investment advisor including the activity of acting and representing through any media (physical or digital) as an investment advisor, directly or indirectly, and cease to solicit or undertake such activity or any other activities in the securities market, directly or indirectly, in any matter whatsoever, until further orders.*
- b) *Not to divert any funds collected from investors, kept in bank account(s) and/or in their custody until further orders.*
- c) *Not to dispose of or alienate any assets, whether movable or immovable, or any interest or investment or charge on any of such assets held in their name, including money lying in bank accounts except with the prior permission of SEBI.*
- d) *Immediately withdraw and remove all advertisements, representations, literatures, brochures, materials, publications, documents, communications etc., in relation to their investment advisory activity or any other unregistered activity in the securities market until further orders.*
- e) *Not to access the securities market and buy, sell or otherwise deal in securities in any manner whatsoever, directly or indirectly, until further orders.*
- f) *If M/s Wild Stock or its Sole Proprietor, Mr. Sanjeev Singh has any open positions in any exchange traded derivative contracts, as on the date of the order, they can close out/ square off such open positions within 3 months from the date of order or at the expiry of such contracts, whichever is earlier. M/s Wild Stock or its Sole Proprietor, Mr. Sanjeev Singh are permitted to settle the pay-in and pay-out obligations in respect of*

transactions, if any, which have taken place before the close of trading on the date of this order.

- g) To provide a full inventory of all assets held in their name, whether movable or immovable, or any interest or investment or charge on any of such assets, including details of all bank accounts, demat accounts and mutual fund investments, immediately but not later than 5 working days from the date of receipt of this order.*
- h) The Depositories are directed to ensure that till further directions no debits and credits are made in the demat accounts of M/s Wild Stock and its Sole Proprietor, Mr. Sanjeev Singh.*
- i) Banks, including Axis Bank, HDFC Bank, State Bank of India and Bank of India, wherein bank accounts are held in the name of Mr. Sanjeev Singh/ Ms Wild Stock, are directed not to allow any debits/ withdrawals from and credits to the said accounts, without the permission of SEBI. The Banks are directed to ensure that all the above directions are strictly enforced.*
- j) The Registrar and Transfer Agents are also directed to ensure that till further directions the securities, including Mutual Fund units, held in the name of M/s Wild Stock and its Sole Proprietor, Mr. Sanjeev Singh are not transferred or redeemed.*

- 21. This Order is without prejudice to the right of SEBI to take any other action that may be initiated against M/s Wild Stock and its Sole Proprietor, Mr. Sanjeev Singh.
- 22. This Order shall be treated as a Show Cause Notice and M/s Wild Stock and its Sole Proprietor, Mr. Sanjeev Singh are show caused as to why the various representations made/ services offered by M/s Wild Stock in securities market may not be treated as a fraudulent practice/ act/ conduct, in terms of PFUTP Regulations, why the investment advisory plans floated by them should not be held as “Investment Advisory Services” in terms of the IA Regulations and thereby the activity of M/s Wild Stock be treated as unregistered activity under the SEBI Act and relevant Regulations.
- 23. M/s Wild Stock and its Sole Proprietor, Mr. Sanjeev Singh are also show caused as to why appropriate directions, under Sections 11, 11(4), 11B(1) and 11D of the SEBI Act and

relevant SEBI Rules/Regulations, including directions for an appropriate period, for a prohibition on them from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, for an appropriate period, directions to not be associated with any registered intermediary/ listed entity in the securities market, in any manner whatsoever, and why a direction to refund the amount collected from the investors/clients for its various schemes under Sections 11 and 11B (1) of SEBI Act, should not be issued against them.

24. The, *prima facie*, observations contained in this Order are made on the basis of the material available on record. In this context, M/s Wild Stock and its Sole Proprietor, Mr. Sanjeev Singh may, within 21 days from the date of receipt of this Order, file reply, if any, to this Order and may also indicate whether they desire to avail an opportunity of personal hearing on a date and time to be fixed on a specific request to be made in that regard.
25. The above directions shall take effect immediately and shall be in force until further orders.
26. A copy of this order shall be served upon M/s Wild Stock and its Sole Proprietor, Mr. Sanjeev Singh, Stock Exchanges, Banks, Depositories and Registrar and Transfer Agents for necessary action and compliance with the above directions.

Date: July 16, 2020

MADHABI PURI BUCH

Place: Mumbai

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA