

**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:

S. No.	Name of the Entity	PAN
1	Money Increase and its Proprietor Ashish Chourasiya	APAPC1516N
2	Venture Revenue and its Proprietor Ashish Chourasiya	APAPC1516N
3	Ms. Shinal Jain	JANPS2088N

In the matter of Money Increase and Venture Revenue

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1. Securities and Exchange Board of India (“SEBI”) had received complaints against an entity namely, **Money Increase**, a proprietorship firm, *inter alia* alleging that Money Increase has cheated people by making false promises for unrealistic returns and in lieu of their advisory services Money Increase had charged hefty fees. The proprietor of Money Increase is Mr. Ashish Chourasiya (PAN: APAPC1516N).
 2. SEBI conducted an examination in relation to the affairs of Money Increase. During the examination, various credit entries were noted in the bank account of Money Increase (ICICI Bank Account Number – 657305500468) from **Venture Revenue**, a proprietorship firm, on a periodic basis. The proprietor of Venture Revenue is also Mr. Ashish Chourasiya

(PAN: APAPC1516N). Further, one of the complainants Mr. Ritesh Kumar in his complaint alleges that he had made payment to Money Increase in the bank account of Ms. Shinal Jain. Upon perusal of Bank account statement of Money Increase and Ms. Shinal Jain, it is observed that there are funds movements between Ms. Shinal Jain and Money Increase. Thus, the examination entailed, *inter alia*, an analysis of the details available on the website of Money Increase and Venture Revenue, complaints filed by the complainants against Money Increase, KYC documents of Money Increase, Venture Revenue, Mr. Ashish Chourasiya and Ms. Shinal Jain; and bank account details of Money Increase, Venture Revenue, Mr. Ashish Chourasiya and Ms. Shinal Jain. The prima facie findings based on the examination are noted in the subsequent paragraphs.

3. In view of the facts and circumstances of the case and a preliminary examination of the material available, the following issues arise in the instant matter on a *prima facie* basis:

1. ***Whether Money Increase Proprietor Mr. Ashish Chourasiya; Venture Revenue Proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain are, holding themselves out and/or acting as investment advisers?***
2. ***If answer to issue no. 1 is in affirmative, whether Money Increase Proprietor Mr. Ashish Chourasiya; Venture Revenue Proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain has prima facie, violated the provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as “PFUTP Regulations”) and SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred to as the “IA Regulations”)?***
3. ***If answer to issue no. 2 is in affirmative, whether urgent directions, if any should be issued against Money Increase, Proprietor Mr. Ashish Chourasiya; Venture Revenue, Proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain?***

ISSUE No. 1: *Whether Money Increase Proprietor Mr. Ashish Chourasiya; Venture Revenue Proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain are, holding themselves out and/or acting as investment advisers?*

4. Upon examination of material available on record, the following *prima facie* findings were observed:

Money Increase, Proprietor Mr. Ashish Chourasiya

5. ***Examination of the details available on website of Money Increase:*** The website of the entity www.moneyincrease.in was browsed, but the same is no longer active. The archive pages of the website was downloaded from web.archive.org to gather information and the following information was observed wherein Money Increase has claimed as under:

- 5.1. *Money Increase is an India's leading financial market research firm specializing in National Stock Exchange AND Multi Commodity Exchange of India. We provide stock market commentary along with technical chart analysis & fundamental analysis with two significant aspects. The first is the management of capital and the second is market psychology on derivative markets and major global Market Worldwide.*
- 5.2. *Money Increase has been promoted by a team of highly skilled analysts and experienced Investment professionals, providing client's advice with handcrafted trading ideas on Derivative segment of national stock exchange. Our analysts consistently monitors market segment stocks in real-time with advanced indicators, top-down bottom-up approach and software's which at an early stage forecast the future movement of the underlined securities. Money Increase Financial Market Research Firm with an innovative and unique business model striving to create value for its clients.*
- 5.3. *AIM- We aim to provide disciplined equity & derivative trading and investment solutions to help creating true value for your investment.*
- 5.4. *MISSION- To provide our clients with secured and finest financial solutions to achieve sustained growth delivering superior and sustainable services.*
- 5.5. *VISION- To facilitate investors in financial wealth creation process, exceptional research methodologies creating mutual-enforcing relationship.*
- 5.6. *STRENGTH- Our research team consists of highly qualified and experienced analysts who use state of art technologies and Financial Research.*

5.7. Various packages such as stock cash, stock future, option, nifty future, nifty option, HNI services etc. are being offered for subscription at specified rates and for specific products. One such illustration is given below.

STOCK CASH

The Stock Cash service is basically designed for the traders dealing in NSE stock cash. We provide traders with stock cash trading calls with high accuracy tips which will always lead a trader to handsome profit on their investment. We deliver the calls with well equipped SMS system which delivers the calls to you instantly. Thus with the help of our stock cash tips a small trader with little investment and with no experience in stock cash can earn big profits as successful trader. You can subscribe this package at very nominal cost.

We provide tips via Super-Fast Transactional route through SMS, Gtalk, Messenger, Rediff.

All GSM & CDMA Network covered around the globe 600+ international networks.

Super-Fast Delivery Service delivers immediately within a fraction of a second

5.8. The advisory fee ranges from Rs. 24,999/- to Rs. 2.51 lakh per month.

6. **Bank Account / payment details:** It is noted that the website of the entity www.moneyincrease.in is no longer active. Further, archive pages of the website downloaded from web.archive.org did not reflect the Bank Account details of Money Increase, however link of payment gateway 'PAYU' is mentioned. Further, bank account details of Money Increase are gathered from the complaints. The complainant Mr. Saraschandra Nivarthi, vide his complaint has *inter-alia*, mentioned that the payments were made to Money Increase via bank transfer to bank account number - 657305500468 with ICICI Bank (IFSC code-ICIC0006573). Further, another complainant Mr. Ritesh Kumar vide his complaint has *inter alia* mentioned two bank account numbers of Money Increase. The details of said two bank accounts are as follows:

6.1. Account name - Ashish Chourasiya, A/c no - 657401571933, IFSC code - ICIC0006574 (ICICI Bank)

6.2. Account name - Shinal Jain, A/c no- 917010064711151, IFSC code - UTIB0000568 (Axis Bank).

7. SEBI vide email dated October 29, 2019 and February 05, 2020 to ICICI Bank and email dated January 16, 2020 to Axis Bank, had requested to furnish copies of the Account Opening Form (AOF), Know Your Client (KYC) details and bank statements available with the bank (from opening of bank account till the date of the email) for Mr. Ashish Chourasiya (ICICI Bank Account number - 657401571933), Money Increase (ICICI Bank Account number - 657305500468) and Ms. Shinal Jain (Axis Bank Account Number – 917010064711151). ICICI Bank and Axis Bank had inter alia, forwarded the KYC documents, AOF and account statement for Mr. Ashish Chourasiya, Money Increase and Ms. Shinal Jain. From the above stated information / documents submitted by ICICI Bank and Axis Bank, following observations are noted:

- 7.1. Mr. Ashish Chourasiya is the proprietor of Money Increase.
- 7.2. On March 09, 2016, Mr. Ashish Chourasiya had obtained the license / registration certificate from the Municipal Corporation of Indore to carry the business of whole sale in the name of Money Increase, a proprietorship firm. The period of license from April 01, 2015 to March 31, 2016.
- 7.3. Mr. Ashish Chourasiya has furnished a copy of his Aadhar Card and PAN Card to the Bank as proprietor of Money Increase. The PAN is APAPC1516N.
- 7.4. In the account opening form of Money Increase, Mr. Ashish Chourasiya and Ms. Shinal Jain, the type of account has been mentioned as 'Savings', 'Salary' and 'Savings', respectively.
- 7.5. Account Opening Form date of Money Increase is March 11, 2016; of Mr. Ashish Chourasiya is April 29, 2015 and of Ms. Shinal Jain is December 06, 2017
- 7.6. The address of Money Increase is 358, MR3 Mahalaxmi Nagar, Near Pioneer College, Indore (M.P.) PIN: 452010.
- 7.7. The address of Mr. Ashish Choursiya is S/o of Mr. Umesh choursiya Ward No. 11, Mahswan Post Mahswan (501), Rewa, (M.P.) PIN: 486553.

7.8. The address of Ms. Shinal Jain is 174, Ganga Devi Nagar, Vijaynar, MR 10, Neat Krishna Milk Diary, Indore (M.P) PIN: 452010.

8. The details of credits in the abovementioned bank accounts are as under:

Sr No	Account Name	Bank Name	Period	A/c no.	Total Credit in Rs	Date of last receipt	A/c Active
1	Money Increase	ICICI Bank	17.03.2016 to 31.01.2020	657305500468	2,04,52,038	02.01.2020	yes
2	Ashish Chourasiya	ICICI Bank	05.05.2015 to 28.10.2019	657401571933	62,52,735	23.10.2019	yes
3	Shinal Jain	Axis bank	20.12.2017 to 31.12.2019	917010064711151	4,64,579	22.05.2018	yes
Total					2,71,69,352		

8.1. From the aforesaid bank account statements maintained with the above mentioned banks, it is noted that Rs. 2,71,69,352/- was credited since May 2015 till January 2020. Further, upon perusal of bank account statement of Mr. Ashish Chourisiya and Money Increase, it is observed that there are various multiple credit entries in the bank accounts of Mr. Ashish Chourisiya and Money Increase from payment gateway “PayU”. Furthermore, it is also observed that in the bank account of Ms. Shinal Jain, credit entries from the complainant Mr. Ritesh Kumar wife Ms. Neha Kumar is observed. Thus, these bank accounts prima facie appears to be designated by Money Increase for the purpose of receiving payments for its services as mentioned in the website.

8.2. It is noted that the ICICI Bank Account number – 657305500468 is opened in the name of Money Increase, therefore, it can reasonably considered that all amount credited (i.e. Rs. 2,04,52,038) in this bank account was paid by the investors / clients towards advisory fee.

8.3. From the bank account statement of Money Increase (ICICI Bank Account Number – 657305500468), various credit entries were noted in the bank account of Money Increase from Venture Revenue, a proprietorship firm, on a periodic basis. The proprietor of Venture Revenue is Mr. Ashish Chourasiya (PAN: APAPC1516N). The

details of RTGS/ NEFT credit entries in the bank accounts of Money Increase are as under:-

S. No	Entry date	From	UTR no.	Amount (in Rs.)
1.	31-12-2018	Venture Revenue	AXSK183650024253	2,00,000/-
2.	07-01-2019	Venture Revenue	AXSK190070037726	1,36,000/-
3.	04-02-2019	Venture Revenue	AXSK190350026915	1,96,000/-
4.	06-03-2019	Venture Revenue	UTIBR52019030600352706	5,28,500/-
5.	14-03-2019	Venture Revenue	UTIBR52019031400359264	3,15,000/-
6.	04-04-2019	Venture Revenue	UTIBR52019040400356002	3,80,000/-
Total				17,55,500/-

From the above table, it is prima facie observed that on a monthly basis, Money Increase had received credits from the account of Venture Revenue.

Venture Revenue, Proprietor Mr. Ashish Chourasiya:

9. ***Examination of the details available on website of Venture Revenue:*** In order to gather additional information on Venture Revenue, the website of M/s Venture Revenue was searched. The website of M/s Venture Revenue was found on the internet as www.venturerevenue.in and is active. The following information was observed wherein the Venture Revenue has claimed as under:

- 9.1. *Venture Revenue is an India's leading financial market research firm specializing in National Stock Exchange AND Multi Commodity Exchange of India. We provide stock market commentary along with technical chart analysis & fundamental analysis with two significant aspects. The first is the management of capital and the second is market psychology on derivative markets and major global Market Worldwide.*
- 9.2. *Venture Revenue has been promoted by a team of highly skilled analysts and experienced Investment professionals, providing client's advice with handcrafted trading ideas on Derivative segment of national stock exchange. Our analysts consistently monitors market segment stocks in real-time with advanced indicators, top-down bottom-up approach and software's which at an early stage forecast the future movement of the underlined securities. Venture Revenue Financial Market Research Firm with an*

innovative and unique business model striving to create value for its clients. RVS Capital is in the business of simplifying the investment to provide analytics to create long wealth through Investment

- 9.3. *AIM- We aim to provide disciplined equity & derivative trading and investment solutions to help creating true value for your investment.*
- 9.4. *MISSION- To provide our clients with secured and finest financial solutions to achieve sustained growth delivering superior and sustainable services.*
- 9.5. *VISION- To facilitate investors in financial wealth creation process, exceptional research methodologies creating mutual-enforcing relationship.*
- 9.6. *STRENGTH- Our research team consists of highly qualified and experienced analysts who use state of art technologies and Financial Research.*
- 9.7. Various packages such as stock cash, stock future, option, nifty future, nifty option, HNI services, Base metals, VR ultrasonic services, VR HNI commodity etc. are being offered for subscription at specified rates and for specific products. One such illustration is given below
- 9.8. *The Stock Cash service is basically designed for the traders dealing in NSE stock cash. We provide traders with stock cash trading calls with high accuracy tips which will always lead a trader to handsome profit on their investment. We deliver the calls with well equipped SMS system which delivers the calls to you instantly. Thus with the help of our stock cash tips a small trader with little investment and with no experience in stock cash can earn big profits as successful trader. The Features of stock Cash services are as under:*
 - 9.8.1. *Provide 1-2 calls per day.*
 - 9.8.2. *Follow Ups & All Important News & Information.*
 - 9.8.3. *Complete Support via SMS, G-Talk, Messenger, Rediff.*
 - 9.8.4. *High Accuracy Tips check the performance in our reports.*
 - 9.8.5. *Daily track sheet of the calls provided in our reports.*
 - 9.8.6. *Strategies can be Intraday as well as Positional.*
 - 9.8.7. *Dedicated customer relationship managers providing 1-1 attention.*
 - 9.8.8. *24/7 customer support.*
 - 9.8.9. *Provide tips via Super-Fast Transactional route through SMS, Gtalk, Messenger, Rediff.*
 - 9.8.10. *All GSM & CDMA Network covered around the globe 600+ international networks.*
 - 9.8.11. *Super-Fast Delivery Service delivers immediately within a fraction of a second*
- 9.9. Various packages are being offered for subscription at specified rates and for specific products. The pricing ranges from Rs. 8,500/- monthly to Rs. 12,50,000/- half yearly.

9.10. Payment can be made through payment gateway Easebuzz.

10. **Bank Account / payment details:** SEBI vide email dated February 13, 2020 had requested Easebuzz Payment Gateway to provide the merchant details with respect to Venture Revenue along with the KYC documents and transaction statement. Easebuzz, vide email dated February 13, 2020 provided the following details along with the KYC documents and transaction statement / payout details:

Name:	Venture Revenue
Email:	info@venturerevenue.in
Contact Number:	6232804284
Bank Name:	Axis Bank
Branch Name:	VIJAYANAGAR INDORE
Bank Info:	VENTURE REVENUE
IFSC Code:	UTIB0000568
Account Number:	918020097535391
Business Name:	Venture Revenue
PAN ID:	APAPC1516N
State:	Madhya Pradesh
Organization:	Proprietorship Firm

From the payout details received from Easebuzz, it is observed that Rs. 57,13,443/- were credited to the above mentioned Axis bank account of Venture Revenue.

11. SEBI vide email dated February 13, 2020, had requested Axis Bank to furnish copies of the Account Opening Form (AOF), Know Your Client (KYC) details and bank statements available with the bank (from opening of bank account till the date of the email) for Venture Revenue. Axis Bank vide email dated February 13, 2020, had inter alia, forwarded the KYC documents, AOF and account statement for Venture Revenue. From the above stated information / documents submitted by Axis Bank, following observations are noted:

11.1. Mr. Ashish Chourasiya is the proprietor of Venture Revenue.

- 11.2. On November 13, 2018, Mr. Ashish Chourasiya had obtained the license / registration certificate from the Municipal Corporation of Indore to carry private or administrative business in the name of Venture Revenue, a proprietorship firm. The period of license from April 01, 2018 to March 31, 2019.
- 11.3. Mr. Ashish Chourasiya has furnished a copy of his Aadhar Card and PAN Card to the Bank as proprietor of Venture Revenue. The PAN is APAPC1516N.
- 11.4. In the account opening form, the type of account has been mentioned as 'Savings'.
- 11.5. Email id mentioned in the AOF is shinaljain@gmail.com.
- 11.6. Account Opening Form dated November 15, 2018.
- 11.7. The address of Venture Revenue is 456, MR3 Mahalaxmi Nagar, Near Pioneer College, Indore (M.P.) PIN: 452010.
- 11.8. The address of Mr. Ashish Choursiya is S/o of Mr. Umesh choursiya Ward No. 11, Mahswan Post Mahswan (501), Rewa, (M.P.) PIN: 486553
- 11.9. From the Bank account statement of Axis Bank for account number - 918020097535391, it is observed that around Rs. 63,53,097/- have been credited during the period November 15, 2018 to February 13, 2020 in the said account. Further, upon perusal of bank account statement of Venture Revenue, it is observed that there are various multiple credit entries in the bank accounts of Venture Revenue from payment gateway "Easebuzz". Thus, this bank account prima facie appears to be designated by Venture Revenue for the purpose of receiving payments for its services as mentioned in the website. Furthermore, the Axis bank Account number 918020097535391 is opened in the name of Venture Revenue, therefore, it can reasonably considered that all amount (Rs. 63,53,097/-) credited in this bank account was paid by the investors / clients towards advisory fee.
- 11.10. Further, it is also noted that out Rs. 63,53,097/- from the bank account of Venture Revenue, an amount of Rs. 17,55,500/- is transferred in the bank account of Money Increase during the period December 31, 2018 to April 04, 2019. Therefore, an amount of Rs. 17,55,500/- be excluded from the total amount collected in the bank account of Money Increase (Rs. 2,04,52,038) prima facie through fee for services as mentioned in the website. Hence, total amount collected in the bank account of

Money Increase prima facie through fee for services as mentioned in the website was Rs. 1,86,96,538/-.

Shinal Jain:

12. Connection of Ms. Shinal Jain with Mr. Ashish Chourasiya:

12.1. The complainant Mr. Ritesh Kumar vide his complaint through email dated January 29, 2019 has *inter alia* mentioned he had made payments in the bank account of Shinal Jain, A/c no- 917010064711151, IFSC code - UTIB0000568 (Axis Bank) and in the bank account of Ashish Chourasiya, A/c no - 657401571933, IFSC code - ICIC0006574 (ICICI Bank) on behalf of Money Increase. In this regard, SEBI vide email dated May 12, 2020 had sought further clarifications / evidence from the complainant. The complainant vide email dated May 16, 2020 has stated that he had made a payment of Rs. 26,000/- in the aforementioned bank account of Ms. Shinal Jain on January 15, 2018. The said payment of Rs. 26,000/- to the said bank account of Ms. Shinal Jain was made through the account of Ms. Neha Kumari w/o Mr. Ritesh Kumar. The complainant Mr. Ritesh Kumar had submitted the bank account statement of Ms. Neha Kumari, A/c no. – 520101053165329 (Corporation Bank) for the period January 01, 2018 to January 31, 2018 reflecting the debit entry of Rs. 26,000/- on January 15, 2018. Further, the credit entry of Rs. 26,000/- in the account no. 917010064711151 of Ms. Shinal Jain is reflected in the statement of the account received from Axis Bank.

12.2. The details of the bank accounts of Ms. Shinal Jain (PAN: JANPS2088N) were sought from Axis bank Ltd. Vide email dated April 24, 2020 Axis Bank provided details of bank accounts of Ms. Shinal Jain which are as under:

S. no.	Account Name	PAN	Account No.	Account Opening Date	Status
1	SHINAL	JANPS2088N	918010028930478	09/04/2018	Active
2	SHINAL D/O VIJAYKUMAR	JANPS2088N	914010016895794	15/05/2014	Active
3	SHINAL	JANPS2088N	917010064711151	18/09/2017	Active

- 12.3. It is *prima facie* observed that there have been various credit entries in the account of Money Increase A/c no- 657305500468 as well as in the account of Mr Ashish Chourasiya A/c no – 657401571933 from the aforesaid bank accounts of Ms. Shinal Jain.
- 12.4. I note that the aforesaid bank account of Money Increase is used for receiving the payment for the advisory services. On certain days, certain amount is transferred to the bank account no. 657305500468 of Money Increase from the Shinal Jain's bank account. Therefore, the said amount transferred should be considered as payment for the advisory services routed through the Bank Account of Shinal Jain. Further, upon perusal of the bank statement of account no. 914010016895794 of Ms. Shinal Jain it is *prima facie* observed that there are various credit entries from some people just on the same day or previous day of transfer from Shinal Jain's bank account to the bank account of Money Increase.. One of the such instance is that on March 24, 2017, in bank account no. 914010016895794, Ms. Shinal Jain had received Rs. 13,000/- in two transaction from one Sridhar Majhi. Subsequently, on March 25, 2017 Ms. Shinal Jain had transferred Rs. 13,000/- in the bank account no. 657305500468 of Money Increase. As Shinal Jain's Bank account is used as channel for payment to Money increase, the preponderance of probability shows that such receipt of money in the bank account of Shinal Jain is from the clients of Money Increase.
- 12.5. Further, from the bank statement of Money Increase bearing account no. 657305500468, it is *prima facie* observed that there were credit entries from an account named Shinal DO Vijay Kumar (as can be seen from the narration). The details of few such entries are as under:

Account Number	Date of Transaction	Narration	Credit amount (in Rs.)
657305500468	18-03-2017	NEFT-AXIR170773793595-SHINAL DO VIJAYKUMAR—91401	11,000
657305500468	23-03-2017	NEFT-AXIR170824950246-SHINAL DO VIJAYKUMAR—91401	4,000
657305500468	25-03-2017	NEFT-AXIR170845329973-SHINAL DO VIJAYKUMAR—91401	13,000

Account Number	Date of Transaction	Narration	Credit amount (in Rs.)
657305500468	30-03-2017	NEFT-AXIR170896135774-SHINAL DO VIJAYKUMAR—91401	7,000
657305500468	31-03-2017	NEFT-AXIR170906664362-SHINAL DO VIJAYKUMAR—91401	20,000
657305500468	27-04-2017	NEFT-AXIR171174847024-SHINAL DO VIJAYKUMAR—91401	10,000
657305500468	01-05-2017	NEFT-AXIR171215945365-SHINAL DO VIJAYKUMAR—91401	12,000
657305500468	15-05-2017	NEFT-AXIR171350129403-SHINAL DO VIJAYKUMAR—91401	6,000
657305500468	23-06-2017	NEFT-AXIR171749766531-SHINAL DO VIJAYKUMAR—91401	10,000
657305500468	20-07-2017	NEFT-AXIR172016740289-SHINAL DO VIJAYKUMAR—91401	15,000
657305500468	29-07-2017	NEFT-AXIR172108565202-SHINAL DO VIJAYKUMAR—91401	4,000
657305500468	08-08-2017	NEFT-AXIR172201488904-SHINAL DO VIJAYKUMAR—91401	5,000

12.6. Further, Email id mentioned in the AOF of Venture Revenue is shinaljain@gmail.com.

12.7. Thus, based on the the continuous transfers of funds (*prima facie* appears to be received from the clients of Money Increase) from the account of Ms. Shinal Jain to the account of Money Increase and contact details of Venture Revenue A/c no- 918020097535391, it is *prima facie* appears that Ms. Shinal and Mr Ashish Chourasiya are connected to each other. Thus, Ms. Shinal Jain has *prima facie* aided and abetted Mr. Ashish Chourasiya in collection of payments / fee for the services which are mentioned in the website of Money Increase.

13. With respect to the period of Unregistered Investment Advisory activity in the present matter, following is noted that:

13.1. Mr. Ashish Chourasiya is the proprietor of both Money Increase and Venture Revenue.

13.2. Ms. Shinal Jain is connected to Mr. Ashish Chourasiya.

- 13.3. Payment gateway used for the purpose of payment for availing services as mentioned in the website of Money Increase was PayU and Venture Revenue is Easebuzz.
- 13.4. First Credit entry from PayU gateway in the bank account of Mr. Ashish Chourasiya is observed from February 15, 2016.
- 13.5. Bank account in the name of Money Increase is opened on March 17, 2016 and credit entry in said bank account is observed till January 2020.
- 13.6. Bank account in the name of Venture Revenue is opened on November 15, 2018 and credit entry in the said bank account is observed till February 2020.
- 13.7. Website of Money Increase is no longer active but website of Venture Revenue is active as on date.
14. Thus, from the above, it *prima facie* appears that Mr. Ashish Chourasiya through its proprietorship Money Increase and Venture Revenue and Ms. Shinal Jain by aiding and abetting Mr. Ashish Chourasiya is carrying services related to investments in securities market as mentioned in websites from February 15, 2016 till date.
15. In summary, following *prima facie* findings are observed:
 - 15.1. That Mr. Ashish Chourasiya (PAN: APAPC1516N) is the proprietor of both Money Increase and Venture Revenue.
 - 15.2. That website of Money Increase is no longer active but website of Venture Revenue is active.
 - 15.3. That as per the information gathered from the websites of Money Increase and Venture Revenue, they are providing services related to investment in securities market. The information available in both website is almost similar / identical.
 - 15.4. Mr. Ashish Chourasiya obtained certificate from the Municipal Corporation of Indore in the name of Money Increase for a period April 01, 2015 to March 31, 2016.
 - 15.5. Mr. Ashish Chourasiya obtained certificate from the Municipal Corporation of Indore in the name of Venture Revenue for a period April 01, 2018 to March 31, 2019.
 - 15.6. That Money Increase in its website has disclosed the link to PayU payment gateway for payment of advisory fee, An amount of Rs. 1,86,96,538/- has been collected in the

bank account of Money Increase through fee for the services as mentioned in the website.

15.7. That Venture Revenue in its website has disclosed the link to Easebuzz payment gateway for payment of advisory fee. An amount of Rs. 63,53,097/- has been collected in the bank account of Venture Revenue through fee for the services as mentioned in the website for period November 15, 2018 to February 13, 2020.

15.8. That Ms. Shinal and Mr Ashish Chourasiya are connected to each other. Ms. Shinal Jain has aided and abetted Mr. Ashish Chourasiya in collection of payments / fee for the services which are mentioned in the website of Money Increase.

15.9. That Mr. Ashish Chourasiya through its proprietorship Money Increase and Venture Revenue and Ms. Shinal Jain by aiding and abetting Mr. Ashish Chourasiya is carrying services related to investment in securities market as mentioned in websites from February 15, 2016 till date.

16. In light of the aforesaid discussions, I *prima facie* observe that Mr. Ashish Chourasiya, proprietor of Money Increase and Venture Revenue; and Ms. Shinal Jain by aiding and abetting Mr. Ashish Chourasiya, has been putting the information in public domain / advertising by using websites namely www.moneyincrease.in (No longer active) and www.venturerevenue.in (currently active) about the various services offered by them in securities market. The information available in both website is almost similar / identical. Further, it is also *prima facie* observed that various plans / packages are being offered by them to avail their services. The services as mentioned on website *inter alia* provide “trading calls with high accuracy tips which will always lead a trader to handsome profit on their investment”. The services also include dedicated customer relationship managers and 24/7 customer support. The website also indicates that “with the help of their tips a small trader with little investment and with no experience in stock can earn big profits as successful trader”. The website of Venture Revenue had also mentioned that it has been promoted by a team of highly skilled analysts and experienced Investment professionals, providing client’s advice with handcrafted trading ideas on Derivative segment of national stock exchange. In view of the above facts and circumstances, especially the content of the

websites 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 Money Increase and Venture Revenue. Thus, I *prima facie* find that Mr. Ashish Chourasiya, proprietor of Money Increase and Venture Revenue; and Ms. Shinal Jain by aiding and abetting Mr. Ashish Chourasiya is trying / has induced the public in general to deal in securities by availing their services.

17. The definition of investment adviser as given in regulation 2(m) of the IA Regulations, 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*”. Regulation 2(l) of the IA Regulations 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.*”
18. In light of the aforesaid definitions, it is observed that Mr. Ashish Chourasiya, proprietor of Money Increase and Venture Revenue; and Ms. Shinal Jain by aiding and abetting Mr. Ashish Chourasiya through websites namely www.moneyincrease.in (No longer active) and www.venturerevenue.in (currently active) *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 plans / packages for subscription. Further, as noted from bank accounts of Mr. Ashish Chourasiya, Money Increase, Venture Revenue, and Ms. Shinal Jain that there are various multiple credit entries which when seen together with the contents of the websites leads to a *prima facie* conclusion that the credit entries in the bank accounts of Mr. Ashish Chourasiya, Money Increase, Venture Revenue and Ms. Shinal Jain are for consideration for the investment advice given by them to its clients. Thus, *prima facie*, Mr. Ashish Chourasiya, proprietor of Money Increase and Venture Revenue; and Ms. Shinal Jain by aiding and abetting Mr.

Ashish Chourasiya are holding themselves out and are acting as an investment adviser as defined under regulation 2 (m) of IA Regulations.

19. The activity of Mr. Ashish Chourasiya through proprietorship Money Increase and Venture Revenue of by virtue of their websites contents is holding itself to be giving trading tips, stock specific recommendations, etc., to the investors and general public. Further, it is observed that there are various multiple credit entries in the bank accounts of Mr. Ashish Chourasiya and Money Increase from payment gateway “PayU” and in the bank account of Venture Revenue from payment gateway “Easebuzz”. Furthermore, it is also observed that payment for availing services mentioned in the websites of Money Increase and Venture Revenue can be made through the payment gateway “PayU” and “Easebuzz” respectively. Thus, considering the content of the websites of Money Increase and Venture Revenue, coupled with the credit transactions in the bank accounts of Mr. Ashish Chourasiya and Money Increase and Venture Revenue from PayU and Easebuzz, respectively, *prima facie*, shows on preponderance of probability that the fees / funds credited to the bank accounts, were for the purpose of availing the services indicated on the website of Money Increase and Venture Revenue including for the purpose of providing tips/calls to their clients.
20. Thus, from the above, there is a *prima facie* evidence that Money Increase, proprietor Mr. Ashish Chourasiya; Venture Revenue proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain by aiding and abetting Mr. Ashish Chourasiya (hereinafter collectively referred to as “*Noticees*”) are engaged in ‘investment advisory services’, which falls under the definition of investment advice and investment advisor as defined under Regulations 2(l) & 2(m) of IA Regulations.

ISSUE No. 2: If answer to issue no. 1 is in affirmative, whether Money Increase Proprietor Mr. Ashish Chourasiya; Venture Revenue Proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain has *prima facie*, violated the provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (hereinafter referred to as “PFUTP Regulations”)

and SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred to as the “IA Regulations”)?

Unregistered investment advisory activity by Money Increase, proprietor Mr. Ashish Chourasiya; Venture Revenue proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain by aiding and abetting Mr. Ashish Chourasiya:

21. The regulation 3(1) of the IA regulations, states 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”*.
22. In order to ensure that no investor falls prey to the assurances and allurements provided by random entities, 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 the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as **“SEBI Act”**) 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”*
23. Thus, as per regulation 3(1) of IA Regulations and Section 12(1) of SEBI Act, 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 i.e. the registration of the investment advisers is mandatory.
24. The activities of Money Increase, proprietor Mr. Ashish Chourasiya; Venture Revenue proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain connected to Mr. Ashish Chourasiya,

as brought out from the various materials described above, seen in the backdrop of the aforesaid provisions shows that Money Increase, proprietor Mr. Ashish Chourasiya; Venture Revenue proprietor Mr. Ashish Chourasiya and Shinal Jain by aiding and abetting Mr. Ashish Chourasiya has acted as investment advisers. However, no material was available on record to indicate that Money Increase or Venture Revenue or Mr. Ashish Chourasiya had a certificate of registration as an Investment Adviser. Therefore, I find that the activities of Money Increase, proprietor Mr. Ashish Chourasiya; Venture Revenue proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain connected to Mr. Ashish Chourasiya, such as giving trading tips, stock specific recommendations, providing services in various categories viz., Stock cash, Stock Future, Premium MCX, HNI Group calls, etc. to the investors and general public on payment of fees indicates *prima facie* that they were engaged in providing unregistered investment advisory services.

25. In this context, it is noted that neither Money Increase nor Venture Revenue nor Mr. Ashish Chourasiya are registered with SEBI in the capacity as an Investment Advisor. The characteristics and features of the business activity carried out by both Money Increase and Venture Revenue as discussed in the preceding paragraphs, *prima facie*, leads to the conclusion that Mr. Ashish Chourasiya through its proprietorship Money Increase and Venture Revenue and Ms. Shinal Jain by aiding and abetting Mr. Ashish Chourasiya is holding out as Investment Advisor and had also provided services of an investment adviser without a certificate of registration during the period February 15, 2016 till date..

26. 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. IA Regulations have been formulated with the main objective of regulating such activities to safeguard the interests of investors and hence registration of such activities with SEBI has been made mandatory. 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.

27. In the instant case, there is *prima facie* evidence that Noticees were / are holding themselves out as Investment Advisers and were / are carrying investment advisory activity without certificate of registration and *prima facie* in violation of the provisions of Section 12(1) of the SEBI Act and regulation 3(1) of the IA Regulations.

Money Increase, proprietor Mr. Ashish Chourasiya; Venture Revenue proprietor Mr. Ashish Chourasiya and Shinal Jain by aiding and abetting Mr. Ashish Chourasiya had promised assured/guaranteed returns to its Clients:

28. It is noted that Regulation 2(1)(c) of the PFUTP Regulations defines '*fraud*' and '*fraudulent*' which state as under:

“(c) “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 behaviour 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 ...”

29. It is also noted that fraudulent activities / dealings are prohibited under the provisions of section 12A(a), (b) and (c) of the SEBI Act, 1992 and regulations 3 (a), (b), (c) and (d) of the PFUTP Regulations. The provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992 and Regulations 3 (a), (b), (c) and (d) of the PFUTP Regulations, which are reproduced below:

SEBI Act, 1992

“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 recognized stock exchange, in contravention of the provisions of this Act or the rules or the regulations made thereunder;”*

PFUTP Regulations

“Prohibition of certain dealings in securities

3. 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.

30. Upon analysis of complaints filed by the complainants against Money Increase & documents attached with the complaints and website content of Money Increase and Venture Revenue, prima facie it is observed that Money Increase and Venture Revenue had assured / guaranteed target returns to its clients on the investment made by the clients based on the calls / tips given by Money Increase and Venture Revenue.

31. Extract of the of the complaints along with Money increase emails received by the complainant are reproduced below which shows that the complainants were given to understand that assured returns will be delivered by Money Increase, proprietor Mr. Ashish Chourasiya.

31.1. Complaint of **Mr. Ritesh Kumar**:

31.1.1. Vide complaint through email dated January 27, 2019, the complainant, Mr. Ritesh Kumar has inter alia alleged that Money Increase had committed package for return of Rs. 60,000/- upon fee payment of Rs. 20,000/- for commodity services for 45 days and for return of Rs. 3,33,000/- upon payment of Rs. 1,11,000/- for stock services for 45 days. He had made the payment of Rs. 1,31,000/- in six installment for both commodity and stock services / tips for 45 days. He further alleged that based on advisory tips of Money Increase he had invested Rs. 1,63,000/- and suffered loss.

31.1.2. In support of his allegation, he had submitted the copy of email dated January 15, 2018 received from Money Increase. Vide email dated January 15, 2018 Money Increase stated as under:

*“Hello Sir,
Greeting from Money Increase,
Services: - **Commitment Package**
Charge: - The total Service Charge is Rs. 1,11,000/-
Token Amount: - Rs. 26,000/-
Paid Amount:- Rs. 35,000/-
Total Paid Amount:- Rs. 61,000/-
Remaining Amount:- Rs. 50,000/-
Tenure: - 45 Days of Working Session
Return: - Rs. 2,75,750/-
Requirement: - Capital Required of 80K – 90K Lac in Equity
Researcher Team: - Highly Qualified at International Level with Experience of
15-17 years”*

31.1.3. Thus, from the above, prima facie it is observed that Money Increase, proprietor Mr. Ashish Chourasiya has induced complainant, Mr. Ritesh Kumar to deal in securities by giving promise of assured returns/profits

31.2. Complaint of **Mr. Saraschandra Nivarthi**:

31.2.1. Vide complaint received on April 09, 2018, the complainant **Mr. Saraschandra Nivarthi** has inter alia alleged that in August 2017, Money Increase had called him and stated that they give advisory services and with their advices he can earn a minimum of Rs. 1.5 lakh per month. Further, their calls will be of high quality and stop loss can be a maximum of Rs. 3,000 per lot. Based on this, he opted for Future calls services of Money Increase and transferred Rs. 20,000 in the bank account of Money Increase as subscription fee. He further alleged that initially Money Increase gave calls with good accuracy and later started giving wrong calls because of which he suffered losses. Later on with respect to the change of plan, Mr. Anupam Diwan of Money Increase had promised him a profit of Rs. 7,25,000/- against the payment of Rs 1,51,000/- as Option Commitment Plan fee.

Despite making the payment of more than Rs. 1,00,000/- for Option Commitment Plan, he had received only few calls and suffered loss. Later on Money Increase had stop providing any calls for Option Commitment Plan.

31.2.2. In support of his allegation, he had submitted the copy of email dated September 11, 2017 and October 27, 2017 received from Money Increase. Vide email dated September 11, 2017 Money Increase stated as under:

*“Hello Sir,
Greeting from Money Increase,
Services: - **Commitment Package**
Charge: - The total Service Charge is Rs. 1,51,000/-
Paid Amount:- Rs. 20,000/-
Net Amount: - Rs. 1,31,000/-
Token Amount: - Rs. 58,950/- (45% of Net Amount)
Tenure: - 35 Days of Working Session
Return: - Rs. 4,35,270/-
Requirement: - Capital Required 5-10 LOT in Stock Option
Researcher Team: - Highly Qualified at International Level with Experience of
15-17 years”*

31.2.3. Vide email dated October 27, 2017 Money Increase stated as under:

*“Hello Sir,
Greeting from Money Increase,
Services: - **Commitment Package**
Charge: - The total Service Charge is Rs. 1,51,000/-
Paid Amount:- Rs. 86,000/-
Remaining Amount: - Rs. 45,000/-
Tenure: - 35 Days of Working Session
Return: - Rs. 7,25,270/-
Requirement: - Capital Required 5-10 LOT in Stock Option
Researcher Team: - Highly Qualified at International Level with Experience of
15-17 years”*

31.2.4. Vide email dated October 31, 2017 Money Increase stated as under:

*“Services: - **Commitment Package**
Charge: - The total Service Charge is Rs. 1,51,000/-
Paid Amount:- Rs. 86,000/-*

Net Amount: - Rs. 1,31,000/-
Remaining Amount: - Rs. 45,000/-
Tenure: - 35 Days of Working Session
Return: - Rs. 7,25,270/-

This is the commitment that the level you will be getting from tomorrow will get executed at 9:25 AM and you will be able to say the TGT at 10:00AM with a definite profit of Rs. 15,000/-. For that you just need to complete your file first with the remaining amount of Rs. 15,000/- after that your total commitment will be fulfilled. Then further you have to take decision whatever to switch in more handsome package or not."

31.2.5. Thus, from the above, prima facie it is observed that Money Increase, proprietor Mr. Ashish Chourasiya has induced complainant, Mr. Saraschandra Nivarthi to deal in securities by giving promise of assured returns/profits.

31.3. Complaint of **Mr. Bhaskar Sengupta**:

31.3.1. Vide complaint dated May 08, 2018, the complainant, **Mr. Bhaskar Sengupta** has inter alia alleged that Money Increase has been functioning as stock-market consultants and are cheating people with false promises to get attractive returns, ranging from 3 to 4 times of the investments made by the investors. Based on the attractive returns and safe investment, he got enrolled with Money Increase on October 04, 2017 and started receiving trading advices over phone calls from them for investment in various scrips. Based on their false assurances, misguided advices and commitment to get a return of at least Rs. 12.5 lakh on investment of Rs. 5 lakh, he had invested Rs. 5 lakh and suffered loss.

31.3.2. In support of his allegation, he had submitted various copies of emails received from Money Increase. Vide said emails Money Increase stated as under:

Content of First Email:

Sub: Greeting Mail

"Hello Sir,
Greeting from Money Increase,
*Services: - Beta Binary (**Commitment Package**)*
Charge: - The total Service Charge is Rs. 3,50,000/-
Paid Amount:- Rs. 3,50,000/-
Remaining Amount: - Nil

Return: - Rs. 12,24,000/-
Requirement: - 4-5 LOT in Stock Future”

Content of Second Email:

Sub: Correction Mail

“Hello Sir,
Greeting from Money Increase,
Services: - Beta Binary (**Commitment Package**)
Charge: - The total Service Charge is Rs. 4,80,000/-
Discount: - Rs. 1,30,000/-
Paid Amount:- Rs. 3,50,000/-
Remaining Amount: - Nil
Return: - Rs. 12,46,000/-
Requirement: - 4-5 LOT in Stock Future”

Content of Third Email:

Sub: Greeting Mail

“Hello Sir,
We are happy to welcome you as our existing customer with MI.....,
Services: - Global Cause Calls (Equity & Commodity)
Package: Rs. 70 Lac
Paid: - Rs. 1.50 Lac (as token amount)
Capital Required:- Equity Rs. 25 Lac, Commodity Rs 20 Lac-
Per day return: Rs. 90,000/-
Tenure: - 363 days of working sessions
Return: - Gross Rs. 3,26,70,000/- ”

31.3.3. Thus, from the above, prima facie it is observed that Money Increase, proprietor Mr. Ashish Chourasiya has induced complainant, Mr. Bhaskar Sengupta to deal in securities by giving promise of assured returns/profits

32. It is noted that from the website of Money Increase and Venture Revenue that it provided tips / tele-messages pertaining to products of different segments of securities market viz. equity cash segment, commodity segment, derivatives segment, etc., which are traded on the exchange platform. Further, the services as mentioned on website of Money Increase and Venture Revenue *inter alia* provide “trading calls with high accuracy tips which will always lead a trader to handsome profit on their investment”. The website also indicates that “with

the help of their tips a small trader with little investment and with no experience in stock can earn big profits as successful trader". Further, the performance/ return / profits on investment in such securities cannot be predicted and is subject to market risk.

33. Thus, from the above it is observed that Noticees, while knowing very well that the investment by clients based on the advice given by Investment Adviser in Securities Market, is subject to market risk, has promised assured / guaranteed returns / profits to its clients on the investments made by the clients. It is a well-known fact that returns / profit on investments in stocks, derivatives and commodity are subject to market risk. This act of assuring of returns is *prima facie*, indulged for the purpose of luring more customers and thereby increasing its income.
34. An Investment Advisers whether registered or unregistered cannot make a false statement without reasonable ground for believing it to be true as mandated in PFUTP Regulations. An investment adviser whether registered or unregistered cannot sell products by assuring returns to investors as was being done by Noticees in the present case. The Noticees was falsely assuring returns to investors knowing fully well that all investments in stocks, derivatives, commodity, etc. in respect of which it was offering investment advice are subject to market risk.
35. Therefore, the said act of false promise by the Noticees, falls under the definition of 'fraud' as mentioned in Regulation 2(1)(c) of PFUTP Regulations and the said act has been construed as fraudulent activities. Thus, Noticees through its fraudulent activities/ dealings as discussed above, has *prima facie* violated the above mentioned provisions of Section 12A(a), (b) and (c) of the SEBI Act, 1992 and Regulations 3 (a), (b), (c) and (d) of the PFUTP Regulations.

ISSUE NO. 3: *If answer to issue no. 2 is in affirmative, whether urgent directions, if any should be issued against Money Increase, Proprietor Mr. Ashish Chourasiya; Venture Revenue, Proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain?*

36. As a regulator of capital market, 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 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 such activities with SEBI has been made mandatory. 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 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. 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.
37. In the instant case, it is noted that Noticees are 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. Since the conduct of Noticees, mentioned above does not *prima facie*, appear to be in the interest of investors and the securities market, therefore, urgent necessary action has to be taken against Noticees immediately, else it may lead to loss of investors' trust in the securities market. Further, in view of the facts and circumstance of the case, one also cannot lose sight of the fact that the violations discussed hereinabove are ongoing and there is every possibility that Noticees may continue to carry out this business of unregistered investment adviser, in contravention of IA Regulations, which may lead to its engaging with more investors and may continue to charge fee from investors in the pretext of providing securities market related advice. Further, I note that Venture Revenue website and telephone number given on website are in operation. Therefore, the probability of investors reaching Venture Revenue through a website and telephone is high. Further, it is also noted that the bank accounts and payment gateway

details are mentioned in website to receive credit for investment advisory services. Therefore, the threat of investors getting lured to the unregistered advisory services is still looming large and is imminent. Further, as per the information available on website, investors can become prey to the different packages offered by Venture Revenue. Furthermore, the total amount of money, *prima facie*, observed to have been collected in the bank account of Money Increase (Rs.1,86,96,538/-) and Venture Revenue (Rs.63,53,097/-) is approximately Rs. 2,50,49,635/-, which also indicates the magnitude of the prospective threat to the investors.

38. 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 unregistered investment advisor not in consonance with the IA Regulations vis a vis an investor who receives such service from registered investment adviser following the IA Regulations stands in a disadvantageous position in respect of his protection as investor as envisaged under the IA regulations. An unregistered investment adviser has not even 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 person is detrimental to investors and such unqualified service can result in irreparable detriment as the investors' money is invested based on unqualified and un-regulated service. 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 to the development of the securities market also qualifies as "irreparable injury" or "irreparable detriment" as the objective of SEBI as enshrined in the SEBI Act is not only the protection of investors but also orderly development of securities market.

39. Further, if an ex-parte order is not passed, many prospective investors may subscribe by parting with significant fees and may cause irreparable injury to themselves as discussed earlier. However, if an ex-parte order is passed, what is at stake is right of the current Noitcees herein vis-a-vis multitude of prospective and current clients of the Noitcees. 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 potential loss of investment by the investors by following the advice from an unqualified person and resultant loss of investor’s confidence and reliability of securities market, cannot be retrieved, if prima facie unregistered investment advice is permitted 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 Noticees.

40. Thus, considering the facts and circumstances of this case and such a fraudulent scheme, plan, device and artifice as, prima facie, found in this case, I am convinced that this is a fit case where, effective and expeditious preventive and remedial action is required to be taken by way of *ad interim ex parte order* to protect the interests of investors and preserve the safety and integrity of the securities market. Such action needs to be taken not only to prevent any further harm to investors but also to preserve the integrity of the market.
41. As noted earlier, in the present case, prima facie violations of section 12(1) of SEBI Act read with Regulation 3 (1) of the IA Regulations, section 12A(a), (b) and (c) of the SEBI Act and regulations 3 (a), (b), (c) and (d) of the PFUTP Regulations have been noticed on the basis of the examination carried out by SEBI. It is pertinent to mention that a number of complaints have been filed against the Noticees alleging perpetration of fraud and in many complaints, the complainants have claimed refund of the money paid by them towards subscription of the services / products being offered by the entities. One of the directions that can be passed against Noticees, subject to the adjudication of the allegation on the merits in the final order, under Sections 11(1), 11(4), 11B(1) and 11D of SEBI Act is that of direction to refund the money collected by Noticees from their clients.
42. With the initiation of quasi-judicial proceedings, it is possible that the Noticees may divert the money collected from the subscribers / clients. The same may result in defeating the

effective implementation of the direction of refund, if any, to be passed after deciding the matter on merits. It therefore becomes necessary for SEBI to take urgent steps to prevent Noticees from diverting the money collected from the subscribers / clients. It is also essential to take urgent steps to prevent them from alienating any assets, whether movable or immovable, or any interest or investment or charge in any of such assets, so that the final remedies, if any, do not become infructuous. In view of the facts and circumstances discussed hereinabove, and considering the interests of already existing clients of these Noticees and also the interests of those who may fall prey to the unregistered investment advisory being carried out through the websites created by the Noticees, the balance of convenience lies against the Noticees, which requires immediate action against them including not to divert the money collected from the subscribers / clients / investors.

43. Further, as the bank account of Noticees are active, the balance of convenience demands the preventive measure of stopping the collection of money in the bank account of Noticees from investors. The same can be effectively achieved by an appropriate direction of stopping the credit into the bank account of Noticees. As Noticees has already evaded the jurisdiction of SEBI by prima facie, acting as unregistered Investment Advisers, the balance of convenience also demands that MSS is 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 Noticees has been incorporated.

44. In respect of bank account of Mr. Ashish Chourasiya, it is noted that apart from credit entries from Payment gateway PayU, credit entries were also observed from some people. Further, in respect of bank accounts of Ms. Shinal Jain, it noted that apart from the payment made by the complainant Mr. Ritesh Kumar, various credit entries were observed from some people on the same day or previous day of transfer from Shinal Jain's bank account to the bank account of Money Increase. Furthermore, in bank accounts of Ms. Shinal Jain funds movement were also observed from the banks accounts of Mr. Ashish Chourasiya. Thus, at this stage, more information is needed to ascertain the total amount credited / collected in the bank accounts of Mr. Ashish Chourasiya and Ms. Shinal Jain through fee for the services as

mentioned in the website, although, there is prima facie evidence that, their banks accounts mentioned in this order were used for receiving payment for availing services mentioned in the website. Hence, SEBI is directed to ascertain the quantum of fee collected in these accounts. Thereafter, SEBI shall issue additional SCN directing to show cause why the amount collected by the Noticees as fee for the investment advisory services be refunded to the investors. Thus, appropriate direction in this regard has been incorporated.

ORDER:

45. In view of the foregoing, I, in exercise of the powers conferred upon me under Sections 11(1), 11(4), 11B(1) and 11D read with Section 19 of the SEBI Act, hereby direct by way of this *interim ex-parte order*, the following directions: -

45.1. *Money Increase, proprietor Mr. Ashish Chourasiya (PAN: APAPC1516N); Venture Revenue proprietor Mr. Ashish Chourasiya (PAN: APAPC1516N) and Ms. Shinal Jain (PAN:JANPS2088N) are directed:-*

45.1.1. *to 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;*

45.1.2. *not to divert any funds collected from investors, kept in bank account(s) and/or in their custody until further orders;*

45.1.3. *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.*

45.1.4. *to immediately withdraw and remove all advertisements, representations, literatures, brochures, materials, publications, documents, websites, communications etc., in relation to their investment advisory activity or any other unregistered activity in the securities market until further orders;*

- 45.1.5. *not to access the securities market and buy, sell or otherwise deal in securities or associate themselves with securities market, either directly or indirectly, in any manner whatsoever, until further orders;*
- 45.1.6. *If Noticees have any open position 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. Noticees 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.*
- 45.1.7. *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.*
- 45.2. *The Depositories are directed to ensure that till further directions no debits and credits are made in the demat accounts of Noticees held jointly or severally.*
- 45.3. *The Registrar and Transfer Agents are also directed to ensure that till further directions the securities, including Mutual Funds units, held in the name of Noticees, jointly or severally, are not transferred or redeemed.*
- 45.4. *ICICI Bank and Axis Bank wherein bank accounts are held in the name of Mr. Ashish Chourasiya, Money Increase, Venture Revenue and Ms. Shinal Jain, are directed not to allow any debits / withdrawals from and credits to the following bank accounts, without the permission of SEBI. The Banks are directed to ensure that this directions are strictly enforced.*

Sr. No	Name of Bank Account Holder	Bank Acoount Number	Name of the Bank
1	Mr. Ashish Chourasiya	657401571933	ICICI Bank
2	Money Increase	657305500468	ICICI Bank
3	Venture Revenue	918020097535391	Axis Bank
4	Ms. Shinal Jain	914010016895794	Axis Bank
		917010064711151	Axis Bank
		918010028930478	Axis Bank

46. This Order shall also be treated as a Show Cause Notice and Money Increase, proprietor Mr. Ashish Chourasiya, Venture Revenue proprietor Mr. Ashish Chourasiya and Ms. Shinal Jain are show caused as to:

46.1. why their act of promising assured/guaranteed returns to its clients in securities market may not be treated as a fraudulent practice/ act/ conduct, in terms of PFUTP Regulations;

46.2. 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 Money Increase and Venture Revenue be treated as unregistered activity under the SEBI Act and relevant Regulations;

46.3. why suitable directions / prohibitions under Sections 11(1), 11(4), 11B(1) and 11D of the SEBI Act and relevant SEBI Rules/Regulations, including the following, should not be issued / imposed against them, for the alleged violation of provision of SEBI Act, PFUTP Regulations and IA Regulations as discussed above in this order:

46.3.1. Suitable directions for prohibition from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, for an appropriate period;

46.3.2. Directions to not be associated with any registered intermediary/ listed entity in the securities market, in any manner whatsoever;

46.3.3. Any other directions as it deemed necessary.

47. The *prima facie* observations contained in this Order, are made on the basis of the material available on record. In this context, Noticees may, within 21 days from the date of receipt of

this Order, file their reply/objections, 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.

48. SEBI after ascertaining the quantum of money for refund in the present matter, shall issue additional Show Cause Notice directing to show cause as to why the amount collected by the Noticees as fee for the investment advisory services be refunded to the investors / clients / subscribers.
49. This Order is without prejudice to the right of SEBI to take any other action that may be initiated against Noticees in accordance with law
50. The above directions shall take effect immediately and shall be in force until further orders.
51. A copy of this order shall be served upon Noticees, Stock Exchanges, relevant Banks, Registrar and Transfer Agents and Depositories for necessary action and compliance with the above directions.

-Sd-

DATE: JULY 31, 2020

PLACE: MUMBAI

MADHABI PURI BUCH

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA