

BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA

CORAM: MADHABI PURI BUCH, WHOLE TIME MEMBER

INTERIM ORDER

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

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

In respect of:

Sr. No.	Name of the Entities	PAN
1	Money Plus Research Advisory & Financial Services (Prop: Pravin Meshram)	FODPM0460J

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1. Securities and Exchange Board of India (“**SEBI**”) received a complaint vide email dated May 06, 2020 against M/s. Money Plus Research Advisory & Financial Services (hereinafter referred to as “**Money Plus**”/ “**the Noticee**”) wherein, the complainant, *inter-alia*, alleged that he paid Rs. 16,500/- as registration charges for advisory services to Money Plus. The company executive told him that he made a trading profit of Rs. 2,30,000/- and asked him to deposit Rs. 48,552/- in lieu of GST. After he transferred Rs. 48,552/- there was no response from the company. Further, Money Plus had claimed to be registered with SEBI for providing Investment Advisory services.

SEBI’s Examination:

2. In view of the complaint 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.moneyplusresearch.com and particulars of its bank accounts were perused to gather information. It is noted that above website is active and the print out of the web pages of the firm's website are taken and have been placed on record.

3. SEBI's preliminary examination found as follows:

1. The entity is not registered with SEBI.
2. The website provides information that Money Plus offers packages in Equity, Derivatives, Commodities traded on MCX and NCDEX etc. to its clients as part of its advisory activity.
3. Bank account displayed on the website for clients who wish to subscribe to its 'advisory services' is directed to the Bank of Baroda Ltd. account number 08260200001856 opened in the name of Money Plus.
4. The Complainant has provided additional details with respect to payments made by him and account details of Money Plus. The same shows that payments were made to the account of Pravin Meshram, proprietor of Money Plus having the account number 100076322135 with IndusInd Bank.

CONSIDERATION & PRIMA FACIE FINDINGS

4. I have perused the material available on record such as investor complaint, information available on the website of Money Plus and information obtained from Bank of Baroda and IndusInd Bank. A preliminary examination of the material available on record was made in order to verify whether Money Plus has offered investment advisory services and collected money from various investors without registration from SEBI. In this context, *prima facie*, the following issues arise for determination in the instant matter:

1) Whether Money Plus is, holding itself out and/or acting as investment adviser?

2) If answer to the aforesaid issue is in affirmative, whether Money Plus has, prima facie, violated any provisions of SEBI act read with IA and PFUTP Regulations?

3) If answers to Issue Nos. (1) & (2) are affirmative, who are all responsible for the violations?

4) If answer to Issue No. (2) is in affirmative, whether urgent directions, if any should be issued against those who are responsible for the violations?

Issue No. 1: Whether Money Plus is, holding itself out and/or acting as investment advisers?

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

5.1 As per the information gathered from the website of Money Plus which is active as on date, the following claims are noted:

(a) Money Plus Research Advisory & Financial Services(Investment Adviser) is an ISO 9001 - 2008 certified Central India's leading Advisory in Equity, Commodity, Currency (Forex) &Comex Market. We are registered with SEBI (Securities & Exchange Board of India) under SEBI (Investment Adviser) Regulations, 2013 as an Investment Adviser.

(b) We are among the few organizations providing advisory services based on Technical and Fundamental analysis. Our research work which includes investment advisory on Indian Capital Markets, Commodity Market & Currency Market is mainly based on Technical Analysis and chart formations. Our team is highly skilled, experienced and dedicated. Our efforts are to provide more & more profit to our clients in every trade and to provide excellent financial planning. We provide investment advisory in the following segments:

- *Equity Market (Stock Market / Capital Market)*
- *Commodity Market*
- *Currency (Forex) Market*
- *Comex Market*

(c) *Money Plus Research Advisory provides advisory services to clients with the help of SMS, Email, Telephonic support, and Live Chat by using state-of-the-art technologies. By using best possible SMS gateway for advisory calls, we want to make sure that our advice reaches to the client within few seconds, so that they have adequate time to enter into the trade and maximize their profit.*

(d) Pricing details for various packages are mentioned on the website

5.2 The following are noted from the information available on the website of Money Plus:

- i. Money Plus has started its operation on July 23, 2019.
- ii. The advisory business of Money Plus is based on 'subscription model'.
- iii. The advisory fee was charged from clients based on the product subscribed and the subscription period.
- iv. Advice given by the entity is through Email, Telephonic support, and Live Chat.
- v. Money Plus offers advisory services in Equity, Commodity, Currency (Forex) & Comex Market to its clients as part of its advisory activity.
- vi. The charges for the packages depend upon the period of subscription.

5.3 Illustration of some of the subscription packages provided by Money Plus and the fees for the same are as under:

Morning Shiners (Cash)	
Quarterly	20,000
Half Yearly	35,000
Yearly	55,000

M2F Positional (Cash)	
Quarterly	35,000
Half Yearly	60,000
Yearly	1,00,000

Big Boys (Cash)	
Quarterly	45,000
Half Yearly	80,000
Yearly	1,30,000

HNI Intraday Bazooka (Cash)	
Quarterly	1,50,000
Half Yearly	2,50,000
Yearly	4,00,000

5.4 As per the information available on the website, payment to subscribe to the services could be made directly to the Bank of Baroda Ltd. account number 08260200001856 opened in the name of Money Plus.

6. The following information is gathered from the bank account statements:

6.1 As per the Bank Statement of “Money Plus” bearing Account Number 08260200001856 held with Bank of Baroda Ltd., it is observed that Rs. 46,54,019/- was credited to the account of Money Plus..

6.2 As per the Bank Statement of IndusInd Bank Account Number in the name of Pravin Meshram, Proprietor of Money Plus, it is observed that, Rs. 7,31,204/- was credited to the account of Pravin Meshram including the amount from the complainant.

7. Further, I note the following information gathered from the KYC documents and bank account statements collected from the banks viz., Bank of Baroda and IndusInd Bank :

- i. Money Plus is a proprietorship concern of Pravin Meshram. The registered address of the firm is mentioned as G-2, Amritshri Apartment, Plot no-36, Shrinagar X, Indore-452001, Madhya Pradesh and Permanent address is mentioned as Ward no-

16, Boda, Balaghat-481102, Madhya Pradesh. The nature of business is mentioned as commission and trading.

- ii. The account statements for the period from August 21, 2019 to May 20, 2020 from Bank of Baroda and the account statement for the period from August 02, 2019 to May 26, 2020 from IndusInd Bank, showed credit entries in the accounts of Money Plus and Pravin Meshram which included UPI Payments. The detail of the bank account is as follows-

<u>Sr no.</u>	<u>A/c Name</u>	<u>A/c number</u>	<u>Cr entry date</u>	<u>significant Cr entry (in Rs.)</u>	<u>Remarks in the bank statement</u>
<u>1.</u>	<u>Money Plus Research</u>	08260200001856	<u>23/03/2020</u>	<u>7,812.14/-</u>	<u>UPI payment</u>
<u>2.</u>	<u>Pravin Meshram</u>	100076322135	<u>26/05/2020</u>	<u>5,000/-</u>	<u>UPI payment</u>

8. Considering the above analysis of the details on the website of Money Plus, payment receipts, and bank statement of Money Plus, I, prima facie, observe that Money Plus has represented as follows:
- Money Plus is an investment advisory firm that provides tips for the stock and commodity markets.
 - Money Plus offers services in investment planning and strategy for consideration.
9. Considering the above facts and circumstances, especially the contents of the website of Money Plus coupled with the credit transactions in the Bank Accounts and UPI payments as detailed in preceding paragraphs, *prima facie*, it is inferred that the fees/ funds credited to the Bank Accounts, were for the purpose of providing the services indicated on the website of Money Plus. Hence, as reflected in the bank statements referred to above, I note that Money Plus has commenced with the collection of fees/ funds for the purpose of

providing the services from July 2019 and has continued the same at least till the period of examination.

10. It is, *prima facie*, observed that Money Plus is placing information in public domain/ advertising by using its website, about various services offered by it in the securities market. Further, it is also, *prima facie*, observed that various packages are being offered by Money Plus through its website to avail its services. The website categorically mentions the advantages of availing its services in various fields of securities market and the “independent advice” they offer to their clients in the securities market through telephone calls and SMSes.
11. I have perused the definition of Investment Adviser as given in Regulation 2(m) of the IA Regulations, which states that Investment Adviser means “*any person, who for consideration, is engaged in the business of providing investment advice to clients or other persons or group of persons and includes any person who holds out himself as an investment adviser, by whatever name called*”. Further, I have perused Regulation 2(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.*”
12. In light of the aforesaid definitions, it is observed from the contents of the website of the company that the company is holding itself out as investment adviser by *prima facie* offering to provide investment advice as defined under regulation 2(l) of IA Regulations by offering to give 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 and as instructed to the Complainant, that there are 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 company to its clients. Thus, *prima*

facie the company is an investment adviser as defined under regulation 2 (m) of IA Regulations.

13. Therefore, the activity of the Money Plus by virtue of its website contents is holding itself to be giving trading tips, stock specific recommendations, etc., to the investors and general public. The fact that payment receipt to the complainant has been given indicating the payment was made for receiving investment advice and the receipt of money in the bank statements, *prima facie*, shows, on preponderance of probability, that the credit for payment of fees is in fact meant for the advisory services actually rendered by the firm. Therefore, Money Plus has not only held itself out as an investment adviser but has also acted as an investment adviser for consideration.

Issue No.2: If answer to the aforesaid issue is in affirmative, whether Money Plus has, prima facie, violated any provisions of SEBI act read with IA and PFUTP Regulations?

14. 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 the Securities and Exchange Board of India Act, 1992 (“**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 the SEBI (Investment Advisers) Regulations, 2013 (hereinafter referred to as the 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”.

15. The activities of Money Plus, as brought out from the various materials described above, seen in the backdrop of the aforesaid provisions show that Money Plus is holding itself out and acting as an investment adviser. However, no material is available on record to indicate that Money Plus is having a certificate of registration as investment adviser. In this context, it is noted that Money Plus is not registered with SEBI in the capacity of Investment Advisor and the characteristics and features of the business activity carried out by Money Plus, as discussed in the preceding issue, *prima facie*, leads to the conclusion that Money Plus is holding itself out and acting as an investment adviser without a certificate of registration.
16. In my view, these activities/ representations without holding the certificate of registration as investment adviser is *prima facie*, in violation of Section 12(1) of SEBI Act read with Regulation 3(1) of the IA Regulations.
17. Further, I would like to refer to the provisions of securities laws which are relevant to the present case i.e. 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”.

18. In my view, unregistered investment advisor like Money Plus can put investors at great risk by misleading them. The analysis of details of bank accounts mentioned on the website shows that Money Plus has received money in various denominations from various individuals. As per the payment details provided by the Complainant it is also noted that Pravin Mehram's account has also received money from various individuals. These proceeds, as discussed in preceding paragraphs, *prima facie*, leads to the inference that it is consideration for the services that Money Plus provide in the securities market. Further, the Noticee does not have a registration with SEBI to provide investment advisory services and has misrepresented on its website that it is SEBI registered intermediary. I note from the contents of website and the e-mail sent to the complainant that Money Plus has clearly claimed to be a SEBI registered Investment Adviser. Thus, *prima facie*, it appears that Money Plus is not only knowingly concealing the fact that it is not registered with SEBI as an investment advisor but also making a false representation that it is registered with SEBI as Investment Adviser, thereby luring and inducing investors to deal in securities by availing its services.

19. The above discussed misleading and misrepresentations are deceptive activities of Money Plus is therefore, *prima facie*, fraudulent and are covered within the definition of “fraud” defined under Regulation 2(1)(c) of the 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;

20. It is noted that *prima facie*, fraudulent activities/ the conduct/ act/ practice of Money Plus as discussed above are *prima facie* in violation of provisions of Section 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 answers to Issue Nos. (1) & (2) are affirmative, who are responsible for the violations?

21. I note that Pravin Meshram is the sole proprietor of Money Plus. I note the legal status of the proprietary firm from the judgment of the Hon’ble Supreme court in *Ashok Transport Agency v. Awadhesh Kumar & another*, [(1998) 5 SCC 567] that “.....A proprietary concern is only the business name in which the proprietor of the business carries on the business. . A suit by or against a proprietary concern is by or against the proprietor of the business...”. Therefore, I find that Pravin Meshram is liable for the acts of Money Plus.

Issue No. 4: If answer to Issue No. (2) is affirmative, whether urgent directions, if any should be issued against those responsible for the violations?

22. 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 regulating such activities to safeguard the interests of investors and hence registration of such 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.
23. In the instant case, Money Plus is soliciting and inducing the investors to deal in securities market on the basis of investment advice, stock tips etc., *prima facie*, without having the requisite registration/certification 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, the website is active as on date and money has been credited to the Bank accounts of Money Plus and its Proprietor Pravin Meshram even recently during the period of examination. Thus, the accounts are active and can continue to be used to collect fees from unsuspecting investors.
24. 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 Money Plus through its proprietor from collecting any more fees from the public and indulging in unauthorized investment advisory activities. I note that the website is active as on date and the investors can also reach Money Plus (9826008931 as mentioned on website) through telephone also as the said telephone

number is also active as per <https://www.findandtrace.com>. Therefore, the threat of investors getting lured towards the unregistered activity of Money Plus in the securities market is still in existence and imminent. The amount of money, prima facie, observed to have been collected by Money Plus is Rs. 46,54,019/- and money collected in the account of its proprietor Pravin Meshram is Rs. 7,31,204/- totaling to Rs. 53,85,223/- and indicate the magnitude of the prospective threat to the investors.

25. 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 vis-a-vis an investor who receives such service from a registered investment adviser in consonance with the IA Regulations 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 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 persons is detrimental to investors and such unqualified service would result in irreparable damage 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 victims 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.
26. Further if an ex-parte order is not passed, many prospective investors may have to part with large fees and investments 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 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 entity.

27. 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 Money Plus and its proprietor from collecting any more fees from the public and from indulging in unauthorized investment advisory activities. As noted in the preceding paragraphs, at least till the examination period, monies were being received in the bank account of the firm and bank accounts are still active. Moreover, the website of the firm is still active. The aforesaid *prima facie* demonstrates that Money Plus can still lure investors to deal in the securities market while acting on its advice and probability of investors reaching them is still high. Therefore, the threat of investors getting lured towards the unregistered activity of Money Plus in the securities market is still in existence and imminent.
28. The amount of money, *prima facie*, observed to have been collected by Money Plus and its Proprietor is Rs. 53,85,223/- and indicate the magnitude of the prospective threat to the investors. I note that out of Rs. 53,85,223/-, money collected in the account of proprietor Pravin Meshram is Rs. 7,31,204/-. The account details of Proprietor Pravin Meshram were given by the Complainant as he had transferred amount of Rs. 48,552/- to the account of Pravin Meshram on April 20, 2020. From the perusal of the account of Pravin Meshram, I note that there were several credit transactions from several people amounting to Rs. 7,31,204/-. Considering the multiple credits of various denominations in the bank account of proprietor of Money Plus coupled with the complainant's payment to the proprietors

bank account, I am of the view that the preponderance of probability is that the same amounts to the consideration for the investment advisory services being offered by Moneyplus. In light of the same, I find that there is no other alternative but to take recourse through an interim ex-parte order against Money Plus and its proprietor for preventing them 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 website and bank accounts of Money Plus is active and the investors can reach them through telephone also, the balance of convenience demands the preventive measure of stopping the collection of money in the bank accounts of the Money Plus and its proprietor from investors. The same can be effectively achieved by an appropriate direction of stopping the credit into the bank account of Money Plus and its Proprietor. As Money Plus and its Proprietor have already evaded the jurisdiction of SEBI by *prima facie*, acting as unregistered investment adviser, the balance of convenience also demands that Money Plus and its Proprietor need 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 Money Plus and its Proprietor have been incorporated.

29. With the initiation of quasi-judicial proceedings, it is imminent that the Noticee 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 Noticee 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 Noticee and also the interests of those who may fall prey to the unregistered investment advisory by reaching the company through the website or telephone, the balance of convenience lies against the Noticee, and requires immediate action against them including not to divert the money collected from the subscribers / clients / investors.

Order

30. In view of the above, pending detailed investigation, I, in exercise of the powers conferred upon me by virtue of Section 19 read with Sections 11, 11(4), 11B and 11D read with Section 19 of the SEBI Act, 1992, hereby issue by way of this *interim ex-parte order*, the following directions:

a) *Money Plus and its Proprietor Pravin Meshram are directed to:*

- i. 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.*
- ii. Not to divert any funds raised from investors, kept in bank account(s) and/or in their custody until further orders.*
- iii. 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.*
- iv. Immediately withdraw and remove all advertisements, representations, literatures, brochures, materials, publications, documents, communications etc., physical or digital in relation to their investment advisory activity or any other unregistered activity in the securities market until further orders.*
- v. Not to access the securities market and buy, sell or otherwise deal in securities in any manner whatsoever, directly or indirectly, until further orders.*
- vi. If Money Plus and its Proprietor have 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. Money Plus and its Proprietor 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.

- vii. 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.*
 - viii. Bank of Baroda and IndusInd Bank wherein Money Plus (BOB Account No. 08260200001856 of Money Plus) and Pravin Meshram (IndusInd Bank Account No. 100076322135) are holding bank accounts, 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.*
 - ix. The Depositories are directed to ensure that till further directions no debits are made in the demat accounts of Money Plus and its Proprietor Pravin Meshram.*
 - x. 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 Money Plus and its Proprietor Pravin Meshram, are not transferred or redeemed.*
31. This order shall come into force with immediate effect and shall be in force until further orders. This order is without prejudice to the right of SEBI to take any other action that may be initiated against the aforementioned entity in accordance with law.
32. This Order shall also be treated as a Show Cause Notice and Money Plus and its Proprietor Pravin Meshram are show caused as to why the various representations made/ services offered by Money Plus 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 Money Plus be treated as unregistered activity under the SEBI Act and relevant Regulations.

33. Money Plus and its Proprietor Pravin Meshram 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 to continue the prohibition on them from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, for a particular period, directions to not be associated with any registered intermediary/ listed entity in the securities market, in any manner whatsoever, and why any 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.
34. The *prima facie* observations contained in this Order, pending enquiry, are made on the basis of the material available on record and based on a strong *prima facie* case and keeping in view of the balance of convenience in the interest of investors. In this context, Money Plus and its Proprietor Pravin Meshram may file their objections, if any, within 21 (twenty one) days from the date of this Order and, if it so desire, avail an opportunity of personal hearing before SEBI, on a date and time to be fixed on a specific request to be made in that regard.
35. A copy of the order shall be served upon the Noticee, Banks viz., Bank of Baroda and IndusInd Bank, Stock Exchanges, Depositories and Registrar and Transfer Agents for necessary action and compliance with the above directions.

Date: August 14, 2020

Place: Mumbai

MADHABI PURI BUCH

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA