

**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

In respect of:

Sl. No.	Name of the Entity	PAN
1	Right Target Advisory Service	AAPFR4002A
2	Mr. M Ashok Kumar	AWIPA1302K
3	Mr. D Murugan	AOOPM6615H
4	Mr. D Saravanan	BHUPS1380R
5	Mr. D Kumar	AZNPK8135G

In the matter of Right Target Advisory Service

BACKGROUND

1. Right Target Advisory Service ("**firm**") is a partnership firm and its partners are Mr. M Ashok Kumar, Mr. D Murugan and Mr. D Saravanan. Its registered address is, No. 469, Madurai Road, Thirumangalam, Madurai, Tamil Nadu - 625706.
2. Securities and Exchange Board of India ("**SEBI**") received a complaint against Right Target Advisory Service alleging that it is providing advisory services without obtaining registration from SEBI.

SEBI's EXAMINATION

3. 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 and particulars of its bank accounts and payment gateway were perused to gather information. SEBI's preliminary examination found as follows:

- 3.1. As per the partnership deed, the firm came into existence on March 10, 2013. Its website, <https://righttarget.in/> is currently active.
- 3.2. The firm held itself as an Investment Advisor and collected subscription fees from investors for providing stock recommendations without obtaining a registration under SEBI (Investment Advisers) Regulations, 2013 ("**IA Regulations**").
- 3.3. 1,471 credit transactions have been made in the bank accounts of the firm during the period October 21, 2013 to November 24, 2020. The total credit received in the various accounts maintained by the firm is approximately Rs. 43.83 lakh.

Issues for Consideration and Prima Facie Findings

4. I have perused the materials available on record, information available on the website and information obtained from various Banks and payment gateway. A preliminary examination of the material available on record was made in order to verify whether the firm is offering investment advisory services and has collected money from various investors without obtaining registration from SEBI. In this context, *prima facie*, the following issues arise for determination in the instant matter:
 - 4.1. *Whether Right Target Advisory Service is prima facie, holding itself out and / or acting as an investment adviser?*
 - 4.2. *If answer to aforesaid issue is in affirmative, whether Right Target Advisory Service has, prima facie, violated any provisions of SEBI Act read with IA Regulations?*
 - 4.3. *If answers to issue nos. (4.1) & (4.2) are affirmative, who are responsible for the violations?*
 - 4.4. *If answer to issue no. 4.2 is in affirmative, whether urgent directions, if any, should be issued against those responsible for the prima facie, violations?*

Issue No. 1: *Whether Right Target Advisory Service is prima facie, holding itself out and / or acting as an investment adviser?*

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



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

5.1.1. *Right Target Advisory Service is situated at Madurai in Tamil Nadu. Right Target started in the year 2013 with the motive of creating awareness among the investors for better investments in terms of safety and growth. Right Target Advisory service is a one stop portal for all active and passive players in Indian Stock Market. We come across as an unbiased information provider across the wide spectrum of personal finance comprising of the equity market.*

5.1.2. *Our main goal is to provide accurate and timely calls (tips) to our clients, where the clients can earn handsome profit. Our clients are supported by a dedicated business development team, available 24/7 to solve their queries. We assure 85-95% accuracy in all market condition with Our Recommendation with personal attention given to each and every Client.*

5.1.3. *Our team consists of highly qualified analysts who are skilled and impeccable in their analysis. These analyst, using their experience and latest software tools, are able to predict the movements in share market on time and with high accuracy. As a result, using our tips, our clients gain the most out of the share market.*

5.1.4. *We offer diversified range of services as per the investments of an investor, trader or a broker. We assure more than 85-90% accuracy in our recommendations and provide a second to one customer support. We believe in giving each and every client a special treatment by providing online and telephonic assistance round the clock for 24 hours in a day.*

5.2. On a further perusal of the website, it is observed that the firm is providing several services in the cash and commodities segment of the securities market. Pricing of some of the services offered by the firm as per its websites is as under:

Sl. No.	Package	1 month (Rs.)	3 months (Rs.)	6 months (Rs.)	1 year (Rs.)
1	Stock Cash	9000	25000	50000	100000
2	Stock Future	15000	42000	85000	170000
3	Stock Combo (Fut + Nifty)	20000	55000	110000	200000
4	All in one pack	35000	100000	200000	400000



Sl. No.	Package	1 month (Rs.)	3 months (Rs.)	6 months (Rs.)	1 year (Rs.)
5	Bonanza Option Tips	18000	49000	100000	200000

5.3. Some of the features of services provided by the firm, as observed from its website, is as under:

5.3.1. *Stock Cash: We provide 3-4 intraday cash calls in this service with an accuracy of more than 85% in NSE. You will get sufficient time to enter and exit in the call and can maximize your profit with us. You can judge the accuracy by the paid trial provided to you. Thus with the help of our hot stock market tips a small trader with little investment and without much experience in stock cash can earn big profit just like experienced stock cash traders.*

5.3.1.1. *Service Features:*

5.3.1.1.1. *3-4 calls on a daily basis.*

5.3.1.1.2. *Sms and Gtalk services are very fast and takes not more than few seconds to reach you.*

5.3.1.1.3. *An accuracy of 85-95% maintained on all our intraday calls.*

5.3.1.1.4. *Complete support through SMS and chat room.*

5.3.1.1.5. *Timely Follow Ups of all the calls.*

5.3.1.1.6. *24/7 customer support.*

5.3.1.1.7. *Loss recover calls provided only for paid customers via phone call.*

5.4. It is further observed from the material available on record that Right Target Advisory Service was incorporated as a partnership firm on March 10, 2013. Further, from the firm's account opening form with ICICI Bank Ltd., it is noted that under the heading "Type of Industry", it is mentioned that the firm is in "Share Market" industry. Moreover, from the merchant details submitted by Avenues (India) Pvt. Ltd. (Payment Gateway: CC Avenue), it is observed that under the heading "About Products" is mentioned as "share trading advisory company providing tips for share market in cash and future and customer pay a monthly or weekly subscription through online".

5.5. From the firm's website, it is observed that payments can be made to the firm in its bank accounts maintained with City Union Bank (A/c No.: 273001001860756)



and Bank of Baroda (A/c No.: 59440100000789). The said two bank accounts are in the name of Mr. D Kumar, who is *prima facie*, not a partner of the firm. Further, it is also observed from the material available on record that the firm also has bank accounts with ICICI Bank Ltd. (A/c. No. 618305500021), HDFC Bank Ltd. (A/c No.: 50200000843316) and Axis Bank Ltd. (A/c. No. 913020052470836). The transactions observed in the abovementioned bank accounts are summarized as under:

Transaction Period	Bank Name (A/c. no.)	No. of transactions	Amount Collected in Rs.
November 6, 2013 to September 27, 2018	Credits by CC Avenue to HDFC Bank (A/c. No. 50200000843316)	647	32,755
October 21, 2013 to July 17, 2019	Direct Credits to ICICI Bank A/c. No. 618305500021	362	17,61,437
November 8, 2013 to August 9, 2018	Direct Credits to HDFC Bank A/c. No. 50200000843316	184	8,35,696
December 9, 2013 to March 18, 2017	Direct Credits to Axis Bank A/c. No. 913020052470836	80	4,13,742
October 5, 2018 to November 24, 2020	Direct Credits to City Union Bank A/c. No. 273001001860756	122	7,52,662
January 9, 2018 to November 18, 2020	Direct Credits to Bank of Baroda A/c. No. 59440100000789	76	5,86,998
Total		1,471	43,83,290

5.6. From the analysis of Bank statements, the following is observed:

5.6.1. The bank accounts are active.

5.6.2. The total credit received in the aforesaid accounts is approximately Rs. 43.83 lakh during the period October 21, 2013 to November 24, 2020.

5.6.3. It is observed that there are 1,471 credit transactions received in the said bank accounts. From the narrative of the transactions, it appears that the payments have, *prima facie*, come from various investors / clients. An illustrative list of narrations in the ICICI Bank account of the firm is as under:

Transaction Date	Narration	Credit (Rs.)
4-3-2016	BIL/000928308139/subscription/NSP	7000
14-3-2016	BIL/000933740987/nifty/NSP	5500



Transaction Date	Narration	Credit (Rs.)
28-3-2016	BIL/000939871451/nifty/NSP	5500
29-4-2016	BIL/000959185745/May2016Subscription/NSP	20000

6. In light of the aforesaid discussions, I *prima facie* observe, based on the contents of firm's website wherein various services offered by the firm has been described, that Right Target Advisory Service is *prima facie*, holding itself out as an investment adviser. Further, it is also *prima facie*, observed from the firm's webpages that it offers various tips / services to its clients in the securities market through SMSs, G-talk and phone including live support and follow ups. Considering the above facts and circumstances, especially the content of the website of the firm coupled with the credit transactions in the bank accounts, *prima facie*, it is inferred that the fees / funds credited to the bank accounts, were for the purpose of availing the services indicated on the website of Right Target Advisory Service.
7. In this factual context, I have perused the definition of Investment Adviser as given in regulation 2(m) of IA Regulations, which states that Investment Adviser means "*any person, who for consideration, is engaged in the business of providing investment advice to clients or other persons or group of persons and includes any person who holds out himself as an investment adviser, by whatever name called*". Further, I have perused regulation 2(l) of the IA Regulations which defines Investment Advice as "*advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the client and shall include financial planning.*"
8. In light of the aforesaid definitions, it is observed from the contents of the website of the firm that the firm is, *prima facie* holding itself out as investment adviser by 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 the bank accounts that there are multiple credit entries which when seen together with the contents of the website leads to the *prima facie* conclusion that the credit entries in the bank accounts are consideration for the investment advice given by the firm to its clients.



Thus, *prima facie*, the firm is an investment adviser as defined under regulation 2 (m) of IA Regulations.

9. Further, the fact that the firm, in its account opening form with ICICI Bank Ltd. and the details submitted to the payment gateway, has mentioned that its business activity is providing advisory service in securities market, coupled with the various subscription packages offered by the firm in various segments of the market viz, equity and derivatives, when seen in light of the receipt of money in its bank accounts, is an acknowledgment / admission, that the credit of money is in fact the fee for the investment advisory services rendered by the firm. Therefore, the firm has not only held itself out as investment adviser but has also acted as an investment adviser for consideration.

Issue No. 2: *If answer to aforesaid issue is in affirmative, whether Right Target Advisory Service has, prima facie, violated any provisions of SEBI Act read with IA Regulations?*

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

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

Further, as per regulation 3(1) of IA Regulations, the registration of the investment advisers is mandatory. It provides that, *"On and from the commencement of these regulations, no person shall act as an investment adviser or hold itself out as an investment adviser unless he has obtained a certificate of registration from the Board under these regulations".*

11. The activities of the firm, as brought out from the various materials described above, seen in the backdrop of the aforesaid provisions show that Right Target Advisory Service



was holding itself out as an investment adviser and also has been acting as an investment adviser. However, no material is available on record to indicate that Right Target Advisory Service or its partners, Mr. M Ashok Kumar, Mr. D Saravanan and Mr. D Murugan in their individual capacity, have a certificate of registration as investment adviser. In this context, it is noted that Right Target Advisory Service or its partners, Mr. M Ashok Kumar, Mr. D Saravanan and Mr. D Murugan in their individual capacity are not registered with SEBI in any capacity. The characteristics and features of the business activity carried out by Right Target Advisory Service, as discussed in the preceding issue, *prima facie*, leads to the conclusion that Right Target Advisory Service is holding itself out and acting as an investment adviser without a certificate of registration from SEBI. In my view, these activities/ representations of Right Target Advisory Service are, *prima facie*, in violation of Section 12(1) of SEBI Act read with regulation 3(1) of the IA Regulations.

Issue No. 3: *If answers to issue nos. (4.1) & (4.2) are affirmative, who are responsible for the violations?*

12. I note from the partnership deed dated March 10, 2013 that following are the partners of the firm:

Sl. No.	Name of the Partner	Tenure
1	Mr. M Ashok Kumar	10-3-2013 till date
2	Mr. D Saravanan	
3	Mr. D Murugan	

13. As per Section 25 of The Partnership Act, 1932, “*every partner is liable jointly with all the other partners and also severally, for all acts of the firm done while he is a partner*”. It has been noted in preceding paragraphs that the website of the firm is active. The same *prima facie*, shows that the firm is carrying out its unregistered investment advisory activity. Thus, for the *prima facie*, unregistered investment adviser activities, all the aforesaid partners of Right Target Advisory Service, are *prima facie*, jointly and severally liable for their respective terms as partners.

14. It is observed from the payment page of the firm’s website that payments can be made to the firm in the bank accounts maintained with Bank of Baroda and City Union Bank. Both



the said accounts have Mr. D Kumar as the account holder. As noted in the preceding paragraphs, *prima facie*, the primary activity of the partnership firm is to provide investment advisory service to investors in lieu of fees collected from them. In this context, it is noted that Mr. D Kumar by his conduct has received payments in his bank accounts on behalf of the firm from its clients. It is further relevant to note that though the firm has other bank accounts but the two bank accounts of Mr. D Kumar are the only accounts displayed currently on its website. Thus, based on the aforesaid discussion it is *prima facie*, observed that Mr. D Kumar by his conduct has represented himself as a partner in the firm, as per Section 28 (1) of The Partnership Act, 1932 and the payments made by the clients are, *prima facie*, made with the belief that they are making payment to one of the partners of the firm. The text of the said Section is reproduced below:

"HOLDINGOUT.

28 (1) Anyone who by words spoken or written or by conduct represent himself, or knowingly permits himself to be represented, to be a partner in a firm, is liable as a partner in that firm to anyone who has on the faith of any such representation given credit to the firm, whether the person representing himself or represented to be a partner does or does not know that the representation has reached the person so giving credit."

Hence, *prima facie*, Mr. D Kumar is also liable, jointly and severally with the other three partners of the firm for the firm's unregistered investment adviser activities and is also liable, jointly and severally with the other three partners of the firm for the refund of fees collected during the period when he holds out as partner.

Issue No. 4: *If answer to issue no. 4.2 is in affirmative, whether urgent directions, if any, should be issued against those responsible for the prima facie, violations?*

15. 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 has been formulated with the main objective of regulating investment advisory activities to safeguard the interests of investors and hence registration of investment advisory activities with SEBI has been made mandatory. The IA Regulations, *inter alia*, seek to create a structure within which investment advisers will operate and



also make them duly accountable for their investment advice by requiring investment advisers to comply with the criteria set out in the relevant provisions of the IA Regulations. The same is imperative for the protection of interests of investors and to safeguard the integrity of the securities market.

16. In the instant case, Right Target Advisory Service is soliciting and inducing investors to deal in securities market on the basis of investment advice, stock tips, intra-day calls etc., *prima facie*, without having the requisite registration / certification as mandated under the IA Regulations. 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 Right Target Advisory Service through its partners, from collecting any more fees from the public and indulging in unauthorized investment advisory activities. It is noted from material available on record that the last transaction in the bank account as displayed on its website is in the month of November, 2020 (City Union Bank). Moreover, the website of the firm is active as on date. Furthermore, the details of the firm including its email and telephone number are mentioned on its website. The firm vide its email dated July 6, 2019 has *inter-alia*, submitted that it has decided to close its website and has already surrendered its registration granted under GST. However, as noted, the website of the firm is still active. Thus, the website of the firm had only closed temporarily. This act of the firm, *prima facie*, shows that the partners of the firm are determined in continuing the unregistered investment advisory activities. Therefore, the threat of investors getting lured towards the unregistered activity of Right Target Advisory Service in the securities market is still in existence and imminent. The amount of money, *prima facie*, observed to have been collected by Right Target Advisory Service is Rs. 43,83,290/- and indicates the magnitude of the prospective threat to the investors.
17. It is noted that permitting the investors to receive an investment advisory service from an unregistered entity, in effect means, the same is received from the unqualified person without following the safeguards mentioned in the IA Regulations. An investor receiving a service from registered investment advisor in consonance with the IA Regulations vis-a-vis an investor who receives such service from unregistered investment adviser stands



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

18. Further if an *ex-parte* order is not passed, many prospective investors may have to part away with large fees and investment resulting into irreparable injury to themselves as discussed earlier. However, if an *ex-parte* order is passed, what is at stake is right of the current entity herein vis-a-vis multitude of prospective and current clients of the entity. It may be noted that one of the underlying differences between the *ex-parte* orders in the case of private suits and *ex-parte* public enforcement actions, is the identification of the injured party. In private damage suits, the injured individual, as "whole", is identifiable whereas *ex-parte* public enforcement actions, seeks to protect the floating multitude of investing public by preventing, continuous and imminent violations of the securities laws. Though, it can be argued that a final remedy by way of refund is available, as against the step of passing an *ex-parte interim* order, the potential deployment of funds 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 *ex-parte interim* order at this stage. Therefore, I consider the balance of convenience is also not in favour of the entity.
19. Considering the facts and circumstances of the present matter and on the basis of the *prima facie* findings, it is necessary to take urgent preventive action in this matter and to take immediate steps to prevent Right Target Advisory Service from collecting any



more funds from the public and indulging in unauthorized investment advisory activities. As noted in the preceding paragraphs, monies were being credited in the bank account as displayed on the website of the firm as on November, 2020 and the said bank accounts are still active. Moreover, the website of the firm is active. The same *prima facie* demonstrates that Right Target Advisory Service can still lure investors to deal through it in the securities market and probability of investors reaching Right Target Advisory Service is still high. Therefore, the threat of investors getting lured towards the unregistered activity of Right Target Advisory Service in the securities market is still in existence and imminent.

20. The amount of money, *prima facie*, observed to have been collected by Right Target Advisory Service is approximately Rs. 43.83 lakh and indicates the magnitude of the prospective threat to the investors. In light of the same, I find that there is no other alternative but to take recourse through an *interim ex-parte* order against Right Target Advisory Service and its partners for preventing them from collecting funds by indulging in unauthorized investment advisory services without obtaining the mandatory registrations from SEBI in accordance with the law. As the website of the firm is active which *prima facie*, shows that the investors can reach it and also the bank accounts displayed on its website are active, the balance of convenience demands the preventive measure of stopping the collection of money in the bank accounts of the firm from investors. The same can be effectively achieved by an appropriate direction of stopping credit into the bank account of the firm. As Right Target Advisory Service and its partners have already evaded the jurisdiction of SEBI by *prima facie*, acting as unregistered investment adviser, the balance of convenience also demands that Right Target Advisory Service and its partners have to be prevented from diverting the funds collected from the investors through unauthorized investment advisory activity. Accordingly, an appropriate direction stopping the debit from the bank account of the firm and its partners have been incorporated.
21. With the initiation of quasi-judicial proceedings, given the fact that Right Target Advisory Service and its partners have evaded the jurisdiction of SEBI by not applying for registration as IA, it is imminent that the firm and its partners 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 the firm and its partners 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 the firm and its partners and also the interests of those who may fall prey to the unregistered investment advisory by reaching the firm through email or telephone, the balance of convenience lies against the firm and its partners, which requires immediate action against them including not to divert the money collected from the subscribers / clients / investors.

ORDER

22. In view of the above, pending conclusion of enquiry on granting of hearing opportunity as per this Order, to Right Target Advisory Service, Mr. M Ashok Kumar, Mr. D Saravanan, Mr. D Murugan and Mr. D Kumar, I, in order to protect the interests of investors and integrity of the securities market, in exercise of the powers conferred upon me under Sections 11, 11(4), 11B (1) and 11D read with Section 19 of the SEBI Act hereby issue by way of this *interim ex-parte order*, the following directions:

22.1. Right Target Advisory Service and its partners, Mr. M Ashok Kumar, Mr. D Saravanan, Mr. D Murugan and Mr. D Kumar are directed to:

22.1.1. *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.*

22.1.2. *Not to divert any funds raised from investors, kept in bank accounts and/or in their custody until further orders.*



- 22.1.3. *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.*
- 22.1.4. *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.*
- 22.1.5. *Not to access the securities market and buy, sell or otherwise deal in securities in any manner whatsoever, directly or indirectly, until further orders.*
- 22.1.6. *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.*
- 22.1.7. *To submit the number and details of clients who have availed their investment advisory services and to submit details of fees collected from each such client, immediately but not later than 5 working days from the date of receipt of this order.*
- 22.2. *If Right Target Advisory Service or its partners 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. Right Target Advisory Service and its partners 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.*
- 22.3. *ICICI Bank Ltd. (A/c no.: 618305500021), HDFC Bank Ltd. (A/c No.: 50200000843316) and Axis Bank Ltd. (A/c no.: 913020052470836) wherein Right Target Advisory Service is holding an account and City Union Bank (A/c no.: 273001001860756) and Bank of Baroda (A/c no.: 59440100000789) where Mr. D Kumar is holding an account, are directed not to permit any debits / withdrawals and not to allow credits to the said accounts, without the permission of SEBI. CC Avenue*



where Right Target Advisory Service is holding an account, is directed to deactivate the said account till further orders. The Banks and payment gateway are directed to ensure that all the above directions are strictly enforced.

22.4. *The Depositories are directed to ensure that till further directions not to permit any debits and not to allow any credits in the demat accounts of Mr. M Ashok Kumar, Mr. D Saravanan, Mr. D Murugan and Mr. D Kumar held jointly or individually.*

22.5. *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 Right Target Advisory Service are not transferred or redeemed. Further, Registrar and Transfer Agents are also directed to ensure that till further directions the securities, including mutual fund units, held in the name of Mr. M Ashok Kumar, Mr. D Saravanan, Mr. D Murugan and Mr. D Kumar, held jointly or individually, are not transferred or redeemed.*

23. This Order shall also be treated as a Show Cause Notice and Right Target Advisory Service and its partners, are show caused as to 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 Right Target Advisory Service be treated as unregistered activity under the SEBI Act and relevant Regulations.

24. Right Target Advisory Service and its partners, 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 prohibit them from buying, selling or otherwise dealing in securities market, either directly or indirectly, in any manner whatsoever, for a particular period and directions not to be associated with any registered intermediary/ listed company and any public company which intends to raise money from public in the securities market, in any manner whatsoever, should not be issued against them. Right Target Advisory Service and its partners, Mr. M Ashok Kumar, Mr. D Saravanan, Mr. D Murugan and Mr. D Kumar, are also show caused as to why they should not be directed to refund, jointly and severally, the fees collected from the investors/clients for its unregistered investment advisory activities under Sections 11 and 11B (1) of SEBI Act.



25. The *prima facie*, observations contained in this Order are made on the basis of the material available on record. In this context, Right Target Advisory Service and its partners, Mr. M Ashok Kumar, Mr. D Saravanan, Mr. D Murugan and Mr. D Kumar, may, within 21 days from the date of service of this Order, file reply, if any, to this Order and may also indicate whether they desire to avail an opportunity of personal hearing on a date and time to be fixed on a specific request to be made in that regard.
26. The above directions shall take effect immediately and shall be in force until further orders.
27. A copy of this order shall be served upon Right Target Advisory Service and its partners, Mr. M Ashok Kumar, Mr. D Saravanan, Mr. D Murugan and Mr. D Kumar, ICICI Bank Ltd., HDFC Bank Ltd., Bank of Baroda, City Union Bank, Axis Bank Ltd., CC Avenue, Stock Exchanges, Depositories and Registrar and Transfer Agents for necessary action and compliance with the above directions.

Date: December 9, 2020

Place: Mumbai



madhabi puri buch.

MADHABI PURI BUCH

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA