

**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	Profit Mount Advisory Service (Prop: Mr. M Ashok Kumar)	AWIPA1302K

In the matter of Profit Mount Advisory Service

BACKGROUND

1. Profit Mount Advisory Service (“**firm**”) is a sole proprietorship firm of Mr. M Ashok Kumar. Its registered address is, D-31, 13 Nehru Street, Thirunagar, 5th Stop Street, Madurai, Tamil Nadu - 625006.
2. Securities and Exchange Board of India (“**SEBI**”) received a complaint against Profit Mount 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 acknowledgment given by Government of Tamil Nadu, Department of Industries and Commerce, the firm was incorporated on March 2, 2015. Its website, <https://profitmount.com/> 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. 546 credit transactions have been made in the bank accounts of the firm during the period April 16, 2015 to November 17, 2020. The total credit received in the various accounts maintained by the firm is approximately Rs. 40.92 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 has offered investment advisory services and has collected money from various investors without obtaining registration from SEBI. In this context, *prima facie*, the following issues arise for determination in the instant matter:
- 4.1. *Whether Profit Mount 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 Profit Mount 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 Profit Mount 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. *Profit Mount Advisory Service is located at Madurai in Tamil Nadu which essentially provides the tips for Future (Intraday and Premium), Intraday Option, Nifty Future, Nifty Option and MCX Bullion (Gold, Silver), Genuine Stock Market Tips, 100 Accurate Tips. We are giving different range of Services as per the investments of Trader and Investor.*

5.1.2. *We are giving GENUINE STOCK TIPS/CALLS to our customers based on Fundamental and Technical Analysis. We provide SURESHOT NSE TIPS based on Intraday, BTST, and STBT. Our Technical Team furnishes Premium Service also in STOCK FUTURE and MCX BULLION (Gold, Silver).*

5.1.3. *Profit Mount Vision is to provide more than 90% Success Ratio in the Indian Stock Market based on Fundamental and Technical analysis and also marketing traders, Investors to earn.*

5.1.4. *Our Vision is to become the Top most Stock Advisory Company in India and also to expedite the Small Traders to enter into the Stock Market for multiplying their opulence.*

5.1.5. *We are helping our traders to benefit from Indian Stock Market by approving a rationally precise strategy with discipline. Our Well-versed Technical Analysts provide Strong Recommendations in any market scenario.*

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 website is as under:

S.No.	Package	2 Weeks Fee (in Rs.)	Monthly Fee (in Rs.)	Quarterly Fee (in Rs.)	Half Yearly Fee (in Rs.)
1.	Intraday Stock Future	5000	10000	30000	60000
2.	Nifty Future	4000	8000	24000	48000
3.	Premium MCX Bullion	6000	12000	36000	72000
4.	Jackpot Tips	7500	15000	45000	90000
5.	MCX Energy Tips	4000	8000	24000	48000
6.	MCX Base Metals	4000	8000	24000	48000

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

5.3.1. *Intraday Stock Future: Service Features*

- 5.3.1.1. *Daily 3-4 Accurate Intraday Future Tips.*
- 5.3.1.2. *Earn profit Rs.5000+ in any market scenario per day.*
- 5.3.1.3. *100 percent Intraday Stock Future Calls with 90% Accuracy.*
- 5.3.1.4. *Loss Recovery Calls will be given on same day or next day.*
- 5.3.1.5. *Proper follow-ups for all entry and exit calls to our paid customers.*
- 5.3.1.6. *Required investment is minimum Rs. 50k with 10 times exposure.*
- 5.3.1.7. *Calls delivery mode – SMS or G-talk.*
- 5.3.1.8. *Live support – 9.15AM to 3.30PM.*
- 5.3.1.9. *At a time Maximum 2 calls will be open. Stock Future Premium: Service Features*

5.3.2. *Intraday MCX Energy Tips*

- 5.3.2.1. *Intraday MCX Energy Calls only will be given*
- 5.3.2.2. *1 or 2 calls on daily.*
- 5.3.2.3. *Daily Profit Rs. 4000+.*
- 5.3.2.4. *Our Calls will be Genuine and Transparent with 100% Accuracy.*

5.4. It is further observed from the material available on record that Profit Mount Advisory Service was incorporated as a sole proprietorship on March 2, 2015. Further, from the firm's account opening form with HDFC Bank, it is noted that under the heading "Details of Activity", it is mentioned that the firm carries out "Stockbroking Share Advisory" activity. Moreover, from the merchant details submitted by Avenues (India) Pvt. Ltd. (Payment Gateway: CC Avenue), it is observed that under the heading "Business Description", it is mentioned that the firm falls under the service category of "Advisory Service" and the "Product Description" is mentioned as "Indian National Stock Exchange Market Stocks Buy Sell Tips and Advise provider".

5.5. From the firm's website, it is observed that payments can be made to the firm in its bank accounts maintained with HDFC Bank (A/c. No. 50200011186011) and Axis Bank (A/c No. 915020049484055). The transactions observed in the abovementioned bank accounts are summarized as under:

Transaction Period	Bank Name and account number	No. of transactions	Amount Collected in Rs.
November 21, 2015 to November 17, 2020	Credits by CC Avenue to HDFC Bank (A/c. No. 50200011186011)	136	13,37,469
April 16, 2015 to November 16, 2020	Direct Credits to HDFC Bank A/c. No. 50200011186011	240	16,84,578
October 14, 2015 to November 17, 2020	Direct Credits to Axis Bank A/c. No.915020049484055	170	10,70,839
Total		546	40,92,886

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. 40.92 lakh during the period April 16, 2015 to November 17, 2020.

5.6.3. It is observed that there are 546 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 HDFC Bank account of the firm is as under:

Transaction Date	Narration	Credit (Rs.)
28/7/2017	IMPS-720907444556-NAUSHAD I ANSARI-HDFC-XXXXXXXXX2426-OPTION AND PUT	8,000
11/9/2017	IMPS-725421189561-DIBIN KOSHY SAMUEL-HDFC-XXXXXXXXXX7313-SUBSCRIPTION FEE	7,000
15/2/2018	50200025945519 - TPT-PREMIUM FUTURE SANDIP	10,000
26/2/2018	50200025945519 - TPT-STOCK OPTION FOR SUMIT	8,000

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 Profit Mount 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 for all entry and exit calls. 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 Profit Mount 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 for 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 HDFC Bank 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, derivatives and commodity, 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 Profit Mount 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 Profit Mount 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 Profit Mount Advisory Service or its proprietor, Mr. M Ashok Kumar in his individual capacity has a certificate of registration as investment adviser. In this context, it is noted that Profit Mount Advisory Service or its proprietor, Mr. M Ashok Kumar in his individual capacity, is not registered with SEBI in any capacity. The characteristics and features of the business activity carried out by Profit Mount Advisory Service, as discussed in the preceding issue, *prima facie*, leads to the conclusion that Profit Mount 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 Profit Mount

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

12. It is observed from the website of the firm that it has mentioned on its website that it is not registered with SEBI. The said statement, however, does not absolve the firm from complying with the mandatory provisions of Section 12(1) of SEBI Act read with regulation 3(1) of the IA Regulations which state in unequivocal terms that no person shall act or hold itself as an investment adviser without obtaining a certificate of registration from SEBI. In the given facts and circumstances of the case, it has been *prima facie*, observed in preceding paragraphs that the firm is holding out as well as acting as an investment adviser. The same necessarily entails that the firm has to obtain a certificate of registration from SEBI which as noted from records, the firm has failed to obtain.

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

13. I note that Mr. M. Ashok Kumar is the sole proprietor of Profit Mount Advisory Service. I note the legal status of the proprietary firm from the judgment of the Hon'ble Supreme Court of India in *Ashok Transport Agency vs. 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 Mr. M. Ashok Kumar is liable for the acts and omissions of Profit Mount Advisory Service.

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?*

14. 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.

15. In the instant case, Profit Mount 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 Profit Mount Advisory Service through its proprietor, 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 of Profit Mount Advisory Service is in the month of November, 2020 (HDFC 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. Mr. M Ashok Kumar, vide his email dated July 8, 2019 had *inter-alia*, submitted that he has stopped the investment advisory activity and attached a screen shot in relation to the closure of the Profit Mount Advisory Service website. However, as noted, the website of the firm is still active. Thus, Mr. M Ashok Kumar had only temporarily closed the website. This act of Mr. M Ashok Kumar, *prima facie*, shows that he is determined in continuing his unregistered investment advisory activities. Therefore, the threat of investors getting lured towards the unregistered activity of Profit Mount Advisory Service in the securities market is still in existence and imminent. The amount of money, *prima facie*, observed to have been collected by Profit Mount Advisory Service is Rs. 40,92,886/- and indicates the magnitude of the prospective threat to the investors.
16. It is noted that permitting the investors to receive an investment advisory service from an unregistered entity, in effect means, the same is received from the unqualified person without following the safeguards mentioned in the IA Regulations. An investor receiving a service from registered investment advisor in consonance with the IA Regulations vis-a-vis an investor who receives such service from unregistered investment adviser stands

at a disadvantageous position in respect of his protection as an investor as envisaged under the IA regulations. An unregistered investment adviser has not satisfied the Regulator that he is a fit and proper person to hold the certificate of registration as investment adviser. Availing of service from such persons is detrimental to investors and such unqualified service results in irreparable detriment as the investors' money is invested based on unqualified and un-regulated service. 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.

17. 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.
18. 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 Profit Mount 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 of the firm as on November, 2020 and its bank accounts are still active. Moreover, the website of the firm is active. The same *prima facie* demonstrates that Profit Mount Advisory Service can still lure investors to deal through it in the securities market and probability of investors reaching Profit Mount Advisory Service is still high. Therefore, the threat of investors getting lured towards the unregistered activity of Profit Mount Advisory Service in the securities market is still in existence and imminent.

19. The amount of money, *prima facie*, observed to have been collected by Profit Mount Advisory Service is approximately Rs. 40.92 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 Profit Mount Advisory Service and its proprietor 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 its bank accounts 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 Profit Mount Advisory Service 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 Profit Mount Advisory Service and its proprietor 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 proprietor have been incorporated.
20. With the initiation of quasi-judicial proceedings and the given the fact that Profit Mount Advisory Service and its proprietor has already evaded the jurisdiction of SEBI, it is imminent that the firm and its proprietor 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

proprietor 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 proprietor 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 proprietor, which requires immediate action against them including not to divert the money collected from the subscribers / clients / investors.

ORDER

21. In view of the above, pending conclusion of enquiry on granting of hearing opportunity as per this Order, to Profit Mount Advisory Service and its proprietor, Mr. M Ashok 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:

21.1. Profit Mount Advisory Service and its proprietor, Mr. M Ashok Kumar are directed to:

21.1.1. *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.*

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

21.1.3. *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.*

21.1.4. *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.*

21.1.5. *Not to access the securities market and buy, sell or otherwise deal in securities in any manner whatsoever, directly or indirectly, until further orders.*

21.1.6. *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.*

21.1.7. *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.*

21.2. *If Profit Mount Advisory Service or 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. Profit Mount Advisory Service 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.*

21.3. *HDFC Bank Ltd. (A/c no.: 50200011186011) and Axis Bank Ltd. (A/c no.: 915020049484055) wherein Profit Mount Advisory Service 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 Profit Mount 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.*

- 21.4. *The Depositories are directed to ensure that till further directions not to permit any debits and not to allow any credits in the demat account of Mr. M Ashok Kumar, held jointly or individually.*
- 21.5. *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 Profit Mount 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, held jointly or individually, are not transferred or redeemed.*
22. This Order shall also be treated as a Show Cause Notice and Profit Mount Advisory Service and its proprietor, Mr. M Ashok Kumar, 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 Profit Mount Advisory Service be treated as unregistered activity under the SEBI Act and relevant Regulations.
23. Profit Mount Advisory Service and its proprietor, Mr. M Ashok Kumar, 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. Profit Mount Advisory Service and its proprietor, Mr. M Ashok 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.
24. The *prima facie*, observations contained in this Order are made on the basis of the material available on record. In this context, Profit Mount Advisory Service and its proprietor, Mr. M Ashok 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.

25. The above directions shall take effect immediately and shall be in force until further orders.

26. A copy of this order shall be served upon Profit Mount Advisory Service and its proprietor, Mr. M Ashok Kumar, HDFC Bank Ltd., 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

MADHABI PURI BUCH

Place: Mumbai

WHOLE TIME MEMBER

SECURITIES AND EXCHANGE BOARD OF INDIA