National Stock Exchange of India

Circular

Department: Investigation	
Download Ref No: NSE/INVG/54215	Date: October 27, 2022
Circular Ref. No: 156/2022	

To All NSE Members,

Sub: **SEBI Order in the matter of My Money Planet and its Proprietor - Mukesh Dixit**

SEBI vide Order No. WTM/ASB/WRO/WRO/20746/2022-23 dated October 27, 2022, has hereby debarred the below mentioned entities from accessing the securities market, directly or indirectly and is prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of 3 (three) years from the date of this Order or till the expiry of 3 (three) years from the date of completion of refunds to complainants /investors /clients along with depositing of balance amounts, if any, with SEBI, as directed in paragraphs 8(a) and 8(e) of the SEBI Order, whichever is later.

Sr. no.	Name of the entity	PAN
1.	Mukesh Dixit, Proprietor of My Money Planet	AITPD7238E

The order comes into force with immediate effect.

The detailed order is available on SEBI website (http://www.sebi.gov.in).

Further, the consolidated list of such entities is available on the Exchange website http://www.nseindia.com home page under “Home-Regulation-Members-Action against Members-Regulatory Actions”.

Members are advised to take note of the above and ensure compliance.

In case of any further queries, members are requested to contact the following officials:

National Stock Exchange of India

Mr. Souradeep Ghosh (Extension: 23345), Mr. Anand Jangir (Extension: 22385)
Direct No: 022-26598417/18 Fax: 022-26598195

For and on behalf of
National Stock Exchange of India Limited

Anand Jangir
Manager

ANNEXURE: SEBI Order in the matter of My Money Planet and its Proprietor - Mukesh Dixit

WTM/ASB/WRO/WRO/20746/2022-23

SECURITIES AND EXCHANGE BOARD OF INDIA, MUMBAI

ORDER

UNDER SECTIONS 11(1), 11(4), AND 11B(1) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992.

IN RESPECT OF –

NOTICEE	PAN
MUKESH DIXIT, PROPRIETOR OF MY MONEY PLANET	**AITPD7238E**

IN THE MATTER OF MY MONEY PLANET.

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1. Securities and Exchange Board of India ("**SEBI**") received two complaints dated March 17, 2016 and April 21, 2016, against My Money Planet and its Proprietor – Mukesh Dixit ("**Noticee**") from one, Saiju P.S. ("**Complainant**"), wherein it was *inter alia* alleged that the Noticee was offering a financial investment plan involving subscription to monthly commodity trading tips @ ₹10000 per month with a promise of assured returns (subscription packages offered by the Noticee are reproduced at paragraph 6.1.ii of page 4), to the Complainant. The Complainant alleged that he suffered a monetary loss of ₹87,000 on account of having received incorrect tips from the Noticee.

2. SEBI forwarded a copy of the aforementioned complaint to the Special Task Force, Madhya Pradesh Police vide letter dated February 10, 2017. Simultaneously, SEBI conducted an examination in the matter and thereafter, issued a *Show Cause Notice dated January 19, 2022* ("**SCN**"), against the Noticee on the basis of findings contained in the examination report, *inter alia* alleging that:

   i. The Noticee carried out investment advisory activities and held himself out as *'Investment Adviser'* without obtaining a Certificate of registration from SEBI in violation of the provisions of Section 12(1) of the SEBI Act, 1992 ("**SEBI Act**") read with Regulation 3(1) of SEBI (Investment Advisers) Regulations, 2013 ("**Investment Advisers Regulations**").

3. Vide the SCN, the Noticee was also called upon to show cause as to why suitable directions under Sections 11(1), 11(4) and 11B(1) of the SEBI Act, should not be issued against him for the violations alleged in the SCN.

4. Pursuant to the service of SCN, an opportunity of hearing was granted to the Noticee on July 14, 2022; however, the Noticee did not appear for the hearing nor was any request for adjournment received from him. Thereafter, another opportunity of hearing was granted to the Noticee on August 5, 2022. The Noticee failed to appear for the hearing. Further, the Noticee did not make any request for adjournment.

FINDINGS:

5. I have considered the SCN along with all the material available on record. I note that the Noticee has not filed any reply to the SCN or made any submission for consideration during the course of these proceedings despite several opportunities being granted to it. Accordingly, in this context, I rely upon the observations of the Hon'ble SAT in ***Sanjay Kumar Tayal & Ors. vs. SEBI (Order dated February 11, 2014 in Appeal no. 68 of 2013)***, wherein it had observed: *"… Appellants have neither filed reply to Show Cause Notices issued to them nor availed opportunity of personal hearing offered to them in the adjudication proceedings and, therefore, appellants are presumed to have admitted charges levelled against them in the show cause notices."* Even though the Noticee has remained *ex–parte*, I nonetheless find it relevant that I should be guided by the documents available on record as laid down by the Hon'ble SAT in ***Shri B. Ramalinga Raju vs. SEBI (Order dated May 12, 2017 in Appeal No. 286 of 2014)***.

6. As per the SCN, it is alleged that the Noticee held himself out as *'Investment Adviser'* without obtaining registration from SEBI in violation of the provisions of Section 12(1) of the SEBI Act read with Regulation 3(1) of the Investment Advisers Regulations. The aforementioned provisions of law read as under:

Provisions of the SEBI Act:

"Section 12 of the SEBI Act – Registration of stock brokers, sub-brokers, share transfer agents, etc.

12. (1) 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:

Provided that a person buying or selling securities or otherwise dealing with the securities market as a 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 immediately before the establishment of the Board for which no registration certificate was necessary prior to such establishment, may continue to do so for a period of three months from such establishment or, if he has made an application for such registration within the said period of three months, till the disposal of such application:

Provided further that any certificate of registration, obtained immediately before the commencement of the Securities Laws (Amendment) Act, 1995, shall be deemed to have been obtained from the Board in accordance with the regulations providing for such registration."

Provisions of the Investment Advisers Regulations:

*"**Regulation 3 of the Investment Advisers Regulations – Application for grant of certificate.***
3.(1) 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:"

6.1 From the material available on record, the following is observed:

i. The Noticee through its website www.mymoneyplanet.com *(the website is no longer active; however, archived pages of the website were downloaded from web.archive.org)*, contained the following information:

- *"MY MONEY PLANET is a Financial Advisory firm. We know that the money is valuable for all of us but trust and dreams are more valuable. We have expertise in* *reading the volatility of the market. Our customers are reached twice or thrice, (if) needed, to instruct (them) for intraday and positional transactions.*

- *We provide equity advice and commodity advice on the basic analysis done by the dedicated experts team and not only this, we also cover almost all the major segments of the equity market such as stock cash, nifty futures, stock futures, F & O. We offer advice in commodity market indicating base metals, precious metals and energies."*

ii. Through its website, the Noticee offered prospective clients, various subscription packages relating to recommendations for stock advice, premium stock advice, stock future advice, Nifty future advice, Bullion metal advice, stock option advice, premium stock option advice, metal advice and energy advice, etc. details of which are reproduced below:

SUBSCRIPTION PACKAGE	***SUBSCRIPTION AMOUNT IN ₹***			
	MONTHLY	***QUARTERLY***	***HALF – YEARLY***	***YEARLY***
STOCK ADVICE	*5000*	*12000*	*21000*	*39000*
PREMIUM STOCK ADVICE	*13000*	*31200*	*54600*	*101400*
STOCK FUTURE ADVICE	*7000*	*16800*	*29400*	*54600*
NIFTY FUTURE ADVICE	*4000*	*9600*	*16800*	*31200*
BULLION METAL ADVICE	*10000*	*24000*	*42000*	*78000*
STOCK OPTION ADVICE	*5000*	*12000*	*21000*	*39000*
PREMIUM STOCK OPTION ADVICE	*10000*	*24000*	*42000*	*78000*
PREMIUM NIFTY FUTURE ADVICE	*8000*	*19200*	*33600*	*62400*
PREMIUM STOCK FUTURE ADVICE	*15000*	*36000*	*63000*	*117000*
BULLION ADVICE	*7000*	*16800*	*29400*	*54600*
METAL ADVICE	*5000*	*12000*	*21000*	*39000*
ENERGY ADVICE	*5000*	*12000*	*21000*	*39000*

iii. The Noticee's website mentioned two bank accounts nos. for payment of consideration towards subscription for the above mentioned packages i.e. (i) HDFC Bank account no. 50200014092250 (linked to *PayUmoney Gateway*) and (ii) Axis Bank account no. 915020040738841. As noted from the material available on record, the total credits received in the aforesaid bank accounts including through PayUmoney gateway for the period from August 21, 2015 to April 21, 2017, amounted to ₹22,01,557 (including amounts observed to have been received from the Complainant), as detailed below:

BANK		A/C OPERATED BY	PERIOD	AMOUNT IN ₹
HDFC BANK A/C NO.	50200014092250	*MUKESH DIXIT, PROPRIETOR OF MY MONEY PLANET*	*23.08.2015 – 1.02.2017*	*16,13,146*
AXIS BANK A/C NO.	915020040738841		*21.08.2015 – 21.04.2017*	*5,88,411*
		TOTAL		***22,01,557***

6.2 In the instant proceedings, it is reiterated that the Noticee has not submitted any reply nor appeared for the hearing in response to the allegations contained in the SCN. It is pertinent to note that the bank accounts mentioned on the website *www.mymoneyplanet.com* for the purpose of receiving consideration in lieu of subscription to the services advertised therein, were held in the name of the Noticee, thereby indicating that the beneficiary of the monies transferred in pursuance to the claims made on the website, was indeed Mukesh Dixit. Considering the aforesaid, I find that all such sums were consideration received by the Noticee from investors /clients, in lieu of *'Investment Advice'* offered through subscription to investment advisory services.

6.3 The definition as given in Regulation 2(m) of the Investment Advisers Regulations states that *'Investment Adviser'* shall mean *"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, Regulation 2(l) of the Investment Advisers Regulations defines *'Investment Advice'* as "*advice relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products, whether written, oral or through any other means of communication for the benefit of the client and shall include financial planning."* The aforementioned definitions when viewed in light of the observations contained in the preceding paragraphs lead me to conclude that the Noticee had indeed held himself out as *'Investment Adviser'* by offering to give *'Investment Advice'* related to investing in, purchasing and selling of securities in lieu of consideration received from prospective investors /clients through various investment packages offered for subscription on the website *www.mymoneyplanet.com*.

6.4 Section 12(1) of the SEBI Act *inter alia* provides that no Investment Adviser shall buy, sell or deal in securities except under, and in accordance with, the conditions of a Certificate of registration obtained from the Board. Further, Regulation 3(1) of the Investment Advisers Regulations provides that no person shall act as an Investment Adviser or hold himself out as an Investment Adviser unless he has obtained a Certificate of Registration from the Board. It is pertinent to mention that the Noticee was never registered with SEBI, in any capacity as an intermediary. By operating as *'Investment Adviser'* as defined under Regulation 2(m) of the Investment Advisers Regulations, without obtaining registration from SEBI, I find that the Noticee violated Section 12(1) of SEBI Act read with Regulation 3(1) of the Investment Advisers Regulations.

7. The SCN had *inter alia* called upon the Noticee to show cause as to why suitable directions under Sections 11(1), 11(4) and 11B (1) of the SEBI Act, should not be issued against it. In the instant proceedings, the amount of fees /consideration collected by the Noticee as a result of providing unregistered *'Investment Advice'* to investors, amounted to ₹22,01,557. In light of the findings in the preceding paragraphs, I am of the considered view that the Noticee is liable to refund the aforementioned amount collected as fees in lieu of unregistered *'Investment Advice'* offered to its clients /investors, and accordingly, a direction to the Noticee to refund such amount will be in the interest of investors in the securities market. I however, note that the SCN does not identity any particular investor or any specific group of investors who have suffered losses due to unauthorized activity carried out by the Noticee.

ORDER:

8. In view of the foregoing, I, in exercise of the powers conferred upon me in terms Sections 11(1), 11(4) and 11B(1) read with of Section 19 of the SEBI Act, hereby direct that:

(a) The Noticee, **Mukesh Dixit, Proprietor of My Money Planet**, shall within a period of three months from the date of coming into force of this Order, refund the money received from any complainants /investors /clients, as fees /consideration or in any other form, in respect of its unregistered investment advisory activities.

(b) The Noticee shall cause to effect a public notice in all editions of two National Dailies (one English and one Hindi) and in one local daily with wide circulation, inviting claims from complainants /investors /clients within a period of fifteen (15) days from the date of this Order. The said public notice shall detail the modalities for refund, including the details of the contact persons such as names, addresses and contact details. A period of two (2) months from the date of the publication of the public notice shall be provided to the complainants /investors /clients for submitting their claims.

(c) The repayments to the complainants /investors /clients shall be effected only through Bank Demand Draft or Pay Order or electronic fund transfer or through any other appropriate banking channels, which ensures audit trails to identify the beneficiaries of repayments.

(d) Within a period of 15 days after completing the refund as directed in paragraph 8(a) above, the Noticee shall file a report detailing the amount refunded to complainants/ investors / clients, which should be addressed to the "*Division Chief, Division of Post-Inspection Enforcement Action, Market Intermediaries Regulation and Supervision Department, SEBI Bhavan II, Plot No. C7, G Block, Bandra Kurla Complex, Bandra (East) Mumbai –400051*". The above mentioned report should be duly certified by an independent Chartered Accountant and should indicate the amount of refund, mode of payment by bank transactions, name of the parties, communication address, mobile / telephone numbers, etc.

(e) The remaining balance amount shall be deposited with SEBI, which shall be kept in an escrow account for a period of one year for distribution to complainants/ clients / investors who were availing the investment advisory services from the Noticee. Thereafter, the remaining amount, if any, shall be deposited in the Investors Protection and Education Fund, maintained by SEBI.

(f) The Noticee is restrained from selling his assets, properties and holding of mutual funds /shares /securities held by him in demat and physical form except for the sole purpose of making the refunds /depositing balance amount with SEBI, as directed above. Further, the banks are directed to allow debit only for the purpose of making refunds to the complainants /investors /clients who were availing the unregistered investment advisory services from the Noticee, as directed in this Order, from the bank accounts of the Noticee.

(g) The Noticee is debarred from accessing the securities market, directly or indirectly and is prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of **3 (three) years** from the date of this Order or till the expiry of **3 (three) years** from the date of completion of refunds to complainants /investors /clients along with depositing of balance amounts, if any, with SEBI, as directed in paragraphs 8(a) and 8(e), whichever is later.

(h) Upon submission of reports on completion of refunds to complainants /investors /clients to SEBI and deposit of the balance amount if any, with SEBI, the direction at paragraph 8(f) shall cease to operate within 15 days thereafter.

(i) The Noticee shall not undertake, either during or after the expiry of the period of debarment /restraint as mentioned in paragraph 8(g), either directly or indirectly, investment advisory services or any activity in the securities market without obtaining a certificate of registration from SEBI as required under the securities laws.

9. The above direction for refunds /repayment to clients /investors and depositing the balance amount with SEBI, as given in paragraphs 8(a) and 8(e) above, does not preclude such complainants /investors /clients to pursue other legal remedies available to them under any other law against the Noticee for refund of money or deficiency in service.

10. This Order shall come into force with immediate effect.

11. A copy of this Order shall be served upon the Noticee. A copy of this Order shall also be forwarded to the recognised Stock Exchanges, Depositories, Banks and Registrar and Transfer Agents for necessary compliance with the above directions and also the Government of Madhya Pradesh for its information.

Place: Mumbai
Date: October 27, 2022

ASHWANI BHATIA
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA