National Stock Exchange of India
Circular

Department: Investigation	
Download Ref No: NSE/INVG/56198	**Date: March 29, 2023**
Circular Ref. No: 87/2023	

To All NSE Members

Sub: **Final Order in the matter of Premium Research Financial Services and Premium Capital Services**

This is with reference to NSE circular no. NSE/INVG/ 41973 dated August 27, 2019, referring to SEBI order no. WTM/MPB/IMD-CIS/WRO-PLO/60/2019 dated August 26, 2019.

SEBI now vide its order no. WTM/AB/WRO/WRO/25160/2022-23 dated March 29, 2023, has debarred the following entities from accessing the securities market, directly or indirectly and are prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of 1 year from the date of this order or till the expiry of 1 year from the date of completion of refunds to complainants/investors along with depositing of balance amounts, if any, with SEBI as directed in para 32(a) and 32(e) of the SEBI Order, whichever is later.

Sr. No.	Name	PAN
1.	Premium Research Financial Services and its Proprietor, Mr. Jeevan Lal Maru	AXUPM0503H
2.	Premium Capital Services and its Proprietor, Mr. Jeevan Lal Maru	AXUPM0503H

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 at the below mentioned link:

https://www.nseindia.com/regulations/member-sebi-debarred-entities

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:

Mr. Ojas Murudkar (Extension: 22378), Mr. Sandesh Sawant (Extension: 22383)
Direct No: 022-26598417/18 Fax: 022-26598195

For and on behalf of
National Stock Exchange of India Limited

Sandesh Sawant
Senior Manager

ANNEXURE: Final Order in the matter of Premium Research Financial Services and Premium Capital Services

WTM/AB/WRO/WRO/25160/2022-23

SECURITIES AND EXCHANGE BOARD OF INDIA

FINAL ORDER

Under Sections 11(1), 11(4), 11(4A),11A, 11B (1), 11B(2) and 15I of the Securities and Exchange Board of India Act, 1992 read with Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995

In respect of:

	Name of the Noticee	**PAN**
1.	Premium Research Financial Services and its Proprietor, Mr. Jeevan Lal Maru	AXUPM0503H
2.	Premium Capital Services and its Proprietor, Mr. Jeevan Lal Maru	AXUPM0503H

In the matter of unregistered investment advisory, research analyst and portfolio management activities of Premium Research Financial Services and Premium Capital Services

1. The present proceedings emanate from an interim order cum show cause notice dated August 26, 2019 (hereinafter referred to as "**SCN 1**") and a supplementary show cause notice dated November 30, 2021 (hereinafter referred to as "**SCN 2**") issued by the Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") to Premium Research Financial Services and Premium Capital Services, the two proprietorship firms whose sole proprietor was Mr. Jeevan Lal Maru (hereinafter referred to as **"Noticees"**). It was *prima facie* found that the Noticees were engaged in investment advisory services without obtaining a certificate of registration from SEBI in violation of the provisions of Section 12(1) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act, 1992**") and Regulation 3(1) of SEBI (Investment Advisers)

Regulations, 2013 (hereinafter referred to as "**IA Regulations, 2013**"). It was also *prima facie* found that the Noticees were was engaged in research analyst services without obtaining a certificate of registration from SEBI in violation of the provisions of Section 12(1) of Securities and Exchange Board of India Act, 1992 (hereinafter referred to as "**SEBI Act, 1992**") and Regulation 3(1) of SEBI (Research Analysts) Regulations, 2014 (hereinafter referred to as "**RA Regulations, 2013**"). The SCN 2 alleged that Premium Research Financial Services had also indulged in unregistered portfolio management service activity in violation of Section 12(1) of SEBI Act 1992, read with Regulation 3 of SEBI (Portfolio Managers) Regulations, 1993 (hereinafter referred to as "**PM Regulations, 1993**"), read with Regulation 42 of the SEBI (Portfolio Managers) Regulations, 2020. SCN 2 also alleged that Premium Research Financial Services had violated Regulations 3(a), (b), (c) and (d) and 4(2)(s)(i) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (hereinafter referred as "**PFUTP Regulations, 2003**") read with section 12A (a), (b) and (c) of SEBI Act, 1992. SCN 1 and SCN 2 are hereinafter collectively referred to as "**SCNs**".

2. The interim order cum SCN dated August 26, 2019 also issued the following directions:

> "a. M/s. Premium Research Financial Services and M/s Premium Capital Services and their proprietor viz., Mr. Jeevan Lal Maru (PAN: AXUPM0503H) are directed to:
>
> i. Cease and desist from acting as an investment advisor 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 access the securities market and buy, sell or otherwise deal in securities in any manner whatsoever, directly or indirectly, until further orders;
>
> iii. Not divert any funds raised from investors, kept in bank account(s) and/or in their custody until further orders;
>
> iv. Immediately withdraw and remove all advertisements, representations, literatures, brochures, materials, publications, documents, websites, communications etc., in relation to their investment advisory activity or any other unregistered activity in the securities market until further orders.
>
> v. Provide a full inventory of all assets held in his name or his proprietary firm's name i.e., Premium Research Financial Services and Premium Capital Services, 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.

vi. Directed 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 his name or his proprietary firm's name i.e., Premium Research Financial Services and Premium Capital Services, including money lying in bank accounts except with the prior permission of SEBI.

b. Banks, including, Axis Bank, ICICI Bank and IndusInd Bank wherein M/s. Premium Research Financial Services and M/s Premium Capital Services and their proprietor viz., Mr. Jeevan Lal Maru (PAN: AXUPM0503H) 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 also directed to ensure that all the above directions are strictly enforced.

c. Depositories are directed to ensure that till further directions no debits are made in the demat accounts, of Mr. Jeevan Lal Maru (PAN: AXUPM0503H), proprietor of Premium Research Financial Services and Premium Capital Services, held jointly or solely.

d. Registrar and Transfer Agents are also directed to ensure that till further directions the securities / units held in the name of Mr. Jeevan Lal Maru, jointly or severally, are not transferred / redeemed."

3. The SCNs called upon the Noticees to show as to why the investment plans and various schemes floated by them should not be held as 'Investment Advisory Services' in terms of the IA Regulations, 2013 and thereby their activity be treated as unregistered activity under relevant SEBI Regulations, and why appropriate directions, under Sections 11, 11(4), 11B and 11D of the SEBI Act,1992 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 should not be issued and why a direction to refund the amount collected from the investors/clients for its various schemes under Sections 11 and 11B of SEBI Act, 1992 should not be issued against them. The SCNs also called upon the Noticees to show cause as to why appropriate directions under Sections 11, 11(4), 11B and 11D of the SEBI Act, 1992 should not be issued against them for the alleged violation of Section 12 (1) of the SEBI Act, 1992, Regulation 3 of the PM Regulations, 1993, Regulations 3(a), (b), (c) and (d) of PFUTP Regulations, 2003 read with Section 12A (a), (b) and (c) of SEBI Act, 1992 for acting as an unregistered portfolio manager and misleading investors by offering unrealistic guaranteed returns. Further, the SCNs also called upon the Noticees to show cause as to why appropriate directions under Sections 11(4A) and 11(B)(2) of the SEBI Act, 1992 and holding an inquiry under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995

read with Section 15I of the SEBI Act, 1992 and the subsequent imposition of penalty under Section 15HA of the SEBI Act should not be done for the alleged violation of Regulation 3(d), 4(2)(s)(i) of PFUTP Regulations and Section 12A (a), (b) and (c) of SEBI Act, 1992.

4. The facts of the case, as mentioned in the SCNs, are the following:

(i) SEBI received various complaints against M/s. Premium Research Financial Services (hereinafter referred to as "**PRFS**") alleging, *inter alia*, engagement in unregistered investment advisory activities. During the course of examining these complaints, SEBI also came across an entity named M/s. Premium Capital Services (hereinafter referred to as "**PCS**") providing investment advisory services without registration.

(ii) In view of the complaints received, SEBI conducted a preliminary inquiry and the following websites of the PRFS and PCS were perused to gather information:

Entity	**Website**	**Status of websites as on 31.07.2019**
M/s. Premium Research Financial Services	http://www.premiumresearch.co.in	Inactive
M/s. Premium Capital Services	http://www.premiumcapitalservices.com	Suspended

As the website of PRFS was found to be inactive, archives of the pages of the website were downloaded to gather information. The website of PCS was active at the time of the preliminary inquiry, thereafter the same was suspended.

(iii) Meanwhile, SEBI sent letters dated January 01, 2019, to PCS at its address, Office No. 255 PU4, Scheme No. 54, AB Road, Behind Country Inn, Indore-452001 and to its proprietor, Mr. Jeevan Lal Maru, at House No. 19B, Ambedkar Nagar, Near Shiv Mandir, Indore- 452001 and 202, 2nd Floor, Empire Residency, Shri Nagar Ext, Indore- 452001. Vide these letters, PCS was informed about the notification of IA Regulations, 2013, which have taken effect from April 21, 2013. The Noticees were advised to immediately restrain from providing any further investment advisory services and to provide the following information along with supporting documents:

a. Date of start of operations by it and addresses and telephone numbers of all the branches of the firm,
b. Registered corporate address of the entities along with phone numbers, legal structure and PAN;
c. Details of proprietors/ partners/ directors including address, PAN and phone numbers
d. TAN/GSTIN
e. URL (website) address for soliciting clients,
f. Details of various investment advisory products of the firm, terms and conditions,
g. Number of clients to whom investment advice has been provided and client wise total fees charged since start of operations,
h. Certified copies of audited financial statement for past three years,
i. Copy of IT returns filed for past three years,
j. Copy of bank statements of all bank accounts for the past three years and
k. Details of any other similar activities, if any, carried out by group/ associate companies.

(iv) SEBI obtained the Know Your Client (KYC) forms and bank statements of the following bank account numbers which were mentioned on the websites mentioned at point (ii) above. The following were noted from the same.

Name of Entity	Bank Account Number	Bank Name	Month and year of Account opening
PRFS	144105500510	ICICI Bank	August 2014

PRFS	916020018557086	Axis Bank	March 2016
PCS	201001526722	IndusInd Bank	August 2017

IndusInd Bank also informed SEBI about the following bank account held in the name of PRFS:

Name of Entity	Bank Account Number	Bank Name	Month and year of Account opening
PRFS	200999774603	IndusInd Bank	November 2014

(v) From the KYC documents it was observed that PRFS and PCS are proprietorship firms and their proprietor is Mr. Jeevan Lal Maru.

(vi) As per records available with SEBI, the most recent complaint against PRFS was received on February 11, 2019, while the most recent complaint against PCS was received on March 08, 2019.

(vii) As per the information gathered from the websites of PRFS and PCS, the following claims were noted:

i. *PRFS is a team of highly experienced research analysts who deliver their best recommendations in Stock market and Commodity market.*

ii. *The products of PRFS range from intraday stock advisor to PMS services in both BSE/NSE and MCX/NCDEX.*

iii. *PRFS provides accurate tips related to the stock and share market with great accuracy percentile. Their expert teams works dedicatedly in order to make intense research and then give calls to stock traders in NSE and BSE ensuring profit.*

iv. *PRFS gives 3 to 4 recommendations daily and provide calls or tips through SMS or Yahoo Messenger.*

v. *PCS is a research house and an investment advisory group carrying out operations in the Indian equities and commodity market. They generate intraday as well as delivery calls in Stock cash and F&O in NSE, BSE, Commodities, including bullions, metals and agro-commodities traded in MCX and NCDEX.*

vi. *PCS provides live recommendations through SMS and Chat room. Their SMS facility is a very effective system which ensures the instant message delivery without any loss of time, so the clients get sufficient time to execute their trades in order to fetch maximum profits.*

vii. *PCS is providing services in various categories such as Equity, Commodity and Derivatives. The services are Intraday Future tips, Intraday Option tips, Commodity Bullion, Commodity Agri, etc.*

viii. *The vision statement of PCS is to be India's best advisory in terms of service and job provider. Their highly qualified research team comprising of MBAs (Finance), CFA and Engineers and they are competent and well versed with the complexities and finer details of the Indian financial market. Their main goal is to provide accurate and timely calls (tips) to their clients, where the clients can earn handsome profit.*

ix. *The investment differs from segment to segment. There is no such minimum investment required for their calls. The client can choose the lot size according to their convenience but it would be easier for the client to have atleast Rs. 50,000 to trade in intraday efficiently.*

(viii) Credit transactions were observed in the bank accounts of the Noticees and through PayUMoney, and prima facie, it was inferred that the fees/ funds collected through PayUMoney and amounts credited directly to the Bank Accounts, were for the purpose of availing the services indicated on the websites of these Noticees.

(ix) As reflected in the bank statements, PRFS had commenced with the collection of fees/ funds for the purpose of availing the services, as indicated on its website, from August 2014 till July 2018, while PCS has commenced the same from August 2017 with the last such credit taking place in June 2019.

(x) The activities of Noticees such as giving trading tips, stock specific recommendations, etc., to the investors and general public on payment of fees indicated that they were engaged in providing investment advisory services. The Noticees also held themselves out to be Research Analysts by calling themselves to be a 'team of Research Analysts' and 'Research House'.

(xi) PRFS had also held itself out to be providing portfolio management services. In this regard, SEBI has received a complaint dated January 23, 2018, from one Mr. Balwinder Singh, a client of PRFS, who has provided a letter dated May 16, 2017, issued by PRFS to Mr. Balwinder

Singh, regarding an agreement between PRFS and Mr. Balwinder Singh. Stating that the Noticee would provide Portfolio Management Services to the client and assured 30% monthly return on the investment of the client. SEBI has received another complaint dated August 26, 2018 from Mr. Anilava Chakraborty, wherein the complainant has, inter alia, alleged that PRFS assured the complainant 25% return on his investments.

(xii) Upon further examination of the aforesaid complaints, it is observed that along with the aforementioned letter dated May 16, 2017, issued by PRFS to Mr. Balwinder Singh, PRFS had also attached a Certificate of Registration purportedly issued by SEBI. Further, SEBI received another complaint from one Mr. Satpal Singh Bakshi, in which the complainant enclosed copy of the same registration certificate provided to him by PRFS. Upon examination of the said certificate, it is observed that the Registration Number (INA100003287) mentioned in the said certificate belonged to another SEBI Registered Investment Advisor, viz. PFC Capital Advisory Services.

5. The interim order cum SCN could not be served on the Noticees vide Speed Post Acknowledgement Due or affixture and thus the service was completed through newspaper publication on two occasions in Times of India (Indore Edition) and Dainik Bhaskar (Indore Edition) on August 10, 2020 and in Times of India (Indore Edition) and Dainik Bhaskar (Indore Edition) on March 15, 2021. The SCN 2 dated November 30, 2021 could also not be served on the Noticees and thus, was served through publication in Times of India (Indore Edition) and Nai Dunia (Indore Edition) on March 04, 2022. The Noticees did not submit any reply to the SCNs. The matter was placed before me for obtaining hearing dates on April 07, 2022 and an opportunity of hearing was granted to the Noticee on August 25, 2022. The hearing notices were served on the Noticees by publication in newspapers on May 19, 2022 (in Times of India, Indore Edition and Nai Dunia, Indore Edition). On the said date of hearing, the Noticees did not appear nor did they seek any adjournment to the hearing. In view of the same, no further

opportunities of hearing were granted in the matter and the hearing was concluded *qua* the Noticees.

Consideration of submissions and findings

6. I have considered the allegations made in the SCN 1 and SCN 2 along with the findings of the examination by SEBI stated therein.

7. I note that the definition of Investment Adviser as given in Regulation 2(1)(m) of the IA Regulations, 2013 is as follows:

> "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, Regulation 2(1)(l) of IA Regulations, 2013 defines 'investment advice' as follows:

> "investment advice means 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:
> Provided that investment advice given through newspaper, magazines, any electronic or broadcasting or telecommunications medium, which is widely available to the public shall not be considered as investment advice for the purpose of these regulations;"

8. I also note that the definition of Research Analyst as given in Regulation 2(1)(u) of the RA Regulations, 2014 is as follows:

> "research analyst means a person who is primarily responsible for,-
> i. preparation or publication of the content of the research report; or
> ii. providing research report; or
> iii. making 'buy/sell/hold' recommendation; or
> iv. giving price target; or
> v. offering an opinion concerning public offer, with respect to securities that are listed or to be listed in a stock exchange, whether or not any such person has the job title of 'research analyst' and includes any other entities engaged in issuance of research report or research analysis.
> Explanation. -The term also includes any associated person who reports directly or indirectly to such a research analyst in connection with activities provided above;"

9. I also note that the definition of Portfolio Manager as given in Regulation 2(cb) of the PM Regulations, 1993 is as follows:

> "(cb) "portfolio manager" means any person who pursuant to a contract or arrangement with a client, advises or directs or undertakes on behalf of the client (whether as a discretionary portfolio manager or otherwise) the management or administration of a portfolio of securities or goods or the funds of the client, as the case may be;
> Provided that the Portfolio Manager may also deal in goods received in delivery against physical settlement of commodity derivatives."
>
> "(ca) "portfolio" means the total holdings of securities and goods belonging to any person;"

10. At the outset, I note that the SCNs have taken note of the following complaints made against the Noticees:

   a. SEBI received a complaint dated February 20, 2017, in SCORES, against PRFS with the complainant stating that he invested Rs. 30000/- with PRFS for one-time investment on a promise of 20% return per month. No such return was provided and complainant was asked to further deposit Rs. 10000/- to obtain the return of the initial capital.
   b. Another complainant, vide complaint dated October 18, 2018, in SCORES, stated that he has paid Rs. 10000/- to PRFS by PayU Money through his credit card. Thereafter, he lost Rs. 30000/- after working with PRFS. His requests for refund have not been replied to.
   c. A complaint dated December 22, 2017, can be seen on a public forum www.complaintboard.in wherein the complainant has stated that PRFS took Rs. 2,45,000/- from him and also signed an agreement with him assuring him minimum 30% return on his investment. The agreement also states that PRFS will invest the capital in segments like equity, commodity, currency, etc. Further, PRFS also offered to manage the portfolio of the complainant for a minimum investment of Rs. 5,00,000/-
   d. Another complainant in complaint dated September 07, 2018 which is also available in the public domain has stated that she gradually invested Rs. 12,50,000/- along with GST with PRFS and PRFS assured a return of 22% on the investment. Thereafter, they asked her to pay another Rs.

12,50,000/- citing some circular of SEBI. The complainant has stated that neither is PRFS returning the capital nor replying to her emails/ phones.

e. Another complainant dated February 25, 2017 (available in public domain) has stated that the complainant was telephonically contacted by an executive of PRFS for portfolio management and he paid them Rs. 22000/- by credit card. They assured him 20% return every month and thereafter, they asked him to pay Rs. 50000/- for a return of 30% per month.

f. SEBI received a complaint dated January 23, 2018, from one Mr. Balwinder Singh, a client of PRFS, who has provided copy of a letter dated May 16, 2017, issued by PRFS to Mr. Balwinder Singh, regarding an agreement between PRFS and Mr. Balwinder Singh stating that the Noticee would provide Portfolio Management Services to the client and assured 30% monthly return on the investment of the client.

g. SEBI has received another complaint dated August 26, 2018 from Mr. Anilava Chakraborty, wherein the complainant has, *inter alia*, alleged that PRFS assured the complainant 25% return on his investments.

11. I note that after the receipt of complaints against PRFS and PCS, SEBI conducted an inquiry in the matter and noted that PRFS was running the website http://www.premiumresearch.co.in and PCS was running the website http://www.premiumcapitalservices.com. I note that SEBI obtained the Know Your Client (KYC) forms and bank statements of the following bank account numbers which were mentioned on the websites of the Noticees, for the purpose of making payment for the services being offered by the Noticees through these websites:

Name of Entity	Bank Account Number	Bank Name	Month and year of Account opening
PRFS	144105500510	ICICI Bank	August 2014
PRFS	916020018557086	Axis Bank	March 2016
PCS	201001526722	IndusInd Bank	August 2017

IndusInd Bank also informed SEBI about the following bank account held in the name of PRFS:

Name of Entity	Bank Account Number	Bank Name	Month and year of Account opening
PRFS	200999774603	IndusInd Bank	November 2014

12. From the KYC documents, the SCN 1 has observed as follows:
    i) PRFS and PCS are proprietorship firms and their proprietor is Mr. Jeevan Lal Maru (PAN: AXUPM0503H).
    ii) The KYC of PRFS obtained from Axis Bank indicated its constitution as 'Proprietorship' and the authorized signatory is Mr. Jeevan Lal Maru who has been designated as the Proprietor. The certificate issued by the District Labour Office Indore, dated 20/06/2014, for PRFS, also had the name of Mr. Jeevan Lal Maru mentioned as its owner and manager. The KYC of PRFS executed with ICICI Bank also indicated its constitution as 'Proprietorship', with Mr. Jeevan Lal Maru as the Proprietor.
    iii) KYC of PCS obtained from IndusInd Bank indicated its constitution as 'Proprietorship', with Mr. Jeevan Lal Maru as the sole authorized signatory to this account. The date of incorporation of PCS was indicated as 10/08/2017 in the KYC of IndusInd Bank.
    iv) As per the KYC documents of these bank accounts, the nature of business of PRFS has been stated to be as 'Service Provider' (in Axis Bank), 'Services - Advisory Share Market' (in ICICI Bank), while that of PCS has been stated to be 'Service Provider - Financial Consultancy' (in IndusInd Bank).

    I find the abovementioned KYCs confirm that the sole proprietor of PRFS and PCS was Mr. Jeevan Lal Maru. Since both PCS and PRFS and proprietorship firms of Mr. Jeevan Lal Maru, in my view they are all considered to be the same entity and thus the term 'Noticees' has been used for all the entities.

13. I note that as per the information gathered from the websites of PRFS, the following claims were noted:

    i. *PRFS is a team of highly experienced research analysts who deliver their best recommendations in Stock market and Commodity market.*
    ii. *The products of PRFS range from intraday stock advisor to PMS services in both BSE/NSE and MCX/NCDEX.*
    iii. *PRFS provides accurate tips related to the stock and share market with great accuracy percentile. Their expert teams works dedicatedly in order to make intense research and then give calls to stock traders in NSE and BSE ensuring profit.*
    iv. *PRFS gives 3 to 4 recommendations daily and provide calls or tips through SMS or Yahoo Messenger.*

14. As per the information gathered from the websites of PCS, the following claims were noted:

    i. *PCS is a research house and an investment advisory group carrying out operations in the Indian equities and commodity market. They generate intraday as well as delivery calls in Stock cash and F&O in NSE, BSE, Commodities, including bullions, metals and agro-commodities traded in MCX and NCDEX.*
    ii. *PCS provides live recommendations through SMS and Chat room. Their SMS facility is a very effective system which ensures the instant message delivery without any loss of time, so the clients get sufficient time to execute their trades in order to fetch maximum profits.*
    iii. *PCS is providing services in various categories such as Equity, Commodity and Derivatives. The services are Intraday Future tips, Intraday Option tips, Commodity Bullion, Commodity Agri, etc.*
    iv. *The vision statement of PCS is to be India's best advisory in terms of service and job provider. Their highly qualified research team comprising of MBAs (Finance), CFA and Engineers and they are competent and well versed with the complexities and finer details of the Indian financial market. Their main goal is to provide accurate and timely calls (tips) to their clients, where the clients can earn handsome profit.*
    v. *The investment differs from segment to segment. There is no such minimum investment required for their calls. The client can choose the lot size according to their convenience but it would be easier for the client to have atleast Rs. 50,000 to trade in intraday efficiently.*

15. I also find that the Noticees were offering the following packages displayed on the websites. Some of the packages being offered by PRFS on its website http://www.premiumresearch.co.in were:

i) Intraday Cash Tips: the website claimed that this service was for NSE traders who are trading in cash Market. In which PRFS will be providing all the recommendation generated in Intraday Cash segment, Nifty Review, Resistance & Support. In this package PRFS will provide fair, reliable and timely calls so the clients can make money and get a high profit. This package included: a) 3-5 calls in a day, b) each call consist 3 targets and 1 Stop loss, c) proper follow-ups and Market News Updates d) daily information sheet e) Complete Support on Yahoo & Direct Mobile Number f) Domestic and Global Market position Overview g) Customer Support at Market Hours.

ii) Intra Day Future Tips: In this package the client could take intraday positions in various future contracts, but these positions will have to be necessarily squared off by day end. Intraday Future Service was offered for traders who trade in Stock Futures. With the help of this service, client can book a maximum profit from market. This package included: a) 3-5 calls in a day b) proper follow-ups and Market News Updates c) A Daily information sheet d) complete support on Yahoo & Direct Mobile Number f) Domestic and Global Market Position Overview g) Customer Support at Market Hours.

iii) Option Positional: This package included: a) 3 to 4 recommendation daily, b) premium calls, HNI calls, nifty calls, agri calls c) calls or tips through SMS or yahoo Messenger d) Nifty Review, Resistance & Support e) proper follow up f) daily, weekly and monthly market prediction g) Customer Support during Market Hour.

iv) NIFTY Future Tips: This package was designed for all traders and investors who want to deal in positional or intraday trading. This included: a) 1-2 recommendation daily on the market situation) domestic and world market review on consistence basis c) tips through SMS, Telephone and by yahoo Messenger d) daily, weekly and monthly market report.

v) Future positional: This service included: a) 2 calls in a week b) this service has been design for those who believe in swing trading and make profit c) There would be two targets and a Stop loss that investors have to follow d) medium of calls would be SMS, IVR Messenger & Phone e) proper follow ups and personal attention by executive.

Apart from the above mentioned packages, PRFS was also offering Intra Day Option Tips, Stock Future Power, Commodity Bullion, Commodity Agri and MCX HNI packages on its website.

16. The pricing of the packages being offered on http://www.premiumresearch.co.in were as follows. It is noted that the names of the packages appearing in the pricing list do not all match with the details of the packages provided on the home page of the website.

Name of package	Monthly	Quarterly	Half Yearly	Yearly
Intraday Cash	7000	18000	30000	50000
Stock Future	15000	35000	65000	121000
Stock Option	10000	25000	45000	75000
BTST/STBT Stock Future and Option	15000	40000	70000	10000
Nifty Future	7000	18000	30000	50000
Nifty Option	7000	18000	30000	50000
Future Power	50000	120000	240000	450000
Option Power	25000	60000	115000	225000
Stock Cash + future+ option Combo	25000	60000	115000	225000
MCX	21000	52000	91000	182000
Bullions Power	51000	121000	181000	251000
Agri	8000	20000	35000	75000
MCX + NCDEX	20000	40000	60000	110000

17. The subscription packages provided by PCS on its website http://www.premiumcapitalservices.com and the fees for the same are as under: (in Rs.)

Name of package	Monthly	Quarterly	Half Yearly	Yearly
Intraday Future	15000	35000	65000	121000
Intraday Option	10000	25000	45000	75000
Future Positional	7000	18000	30000	50000
Intraday Cash	7000	18000	30000	50000
Stock Future Power	15000	40000	70000	100000
Nifty Future	7000	18000	30000	50000
Commodity Bullion	51000	121000	181000	251000
Commodity Agri	8000	20000	35000	75000

18. From the above, I observe as follows:

i. PRFS and PCS have held themselves out to be investment advisory firms related to stock market and they claimed to be providing stock and commodity market tips/ recommendations to the clients through calls/ SMS/ chat. The website of PRFS and PCS claimed that the investment advise is provided to individual clients based on their requirements. For example, the NIFTY Future Tips package (provided by PRFS) or Intraday Option Tips (provided by PCS) is made specifically for all traders/ invetsors who want to do intraday trading, HNI packages will be available only for HNI individuals, etc. The pricing of the packages mentioned on the websites of the Noticees show that these packages were being offered *in lieu* of subscription fee/ consideration. Different packages were being offered to the clients for different fees going up to a maximum amount of Rs.4,50,000/- for yearly subscription to their services Thus, the activities carried out by the Noticees were in the nature of investment advisory activities and therefore, the Noticees fall within the definition of 'investment adviser' under Regulation 2(1)(m) of the IA Regulations, 2013.

ii. Moreover, the website of PCS stated that *"PCS is a research house ….".* The website of PRFS stated that "*PRFS is a team of highly experienced research analysts who deliver their best recommendations in Stock market and Commodity market."* I also note from the website of the Noticees that the Noticees were providing buy/ sell recommendation as well as market overview reports. Regulation 2(1)(u) of the RA Regulations, 2014 states that a research analyst means a person who is primarily responsible for *inter alia* providing research report; or making 'buy/sell/hold' recommendation. Thus, I find that the Noticees were also acting as 'research analyst' as defined under Regulation 2(1)(u) of the RA Regulations, 2014.

19. I also note that SEBI received a complaint dated January 23, 2018, from one Mr. Balwinder Singh, a client of PRFS, who has provided a letter dated May 16, 2017, issued by PRFS to Mr. Balwinder Singh, regarding an agreement between PRFS and Mr. Balwinder Singh stating that PRFS would provide portfolio management services to the client and assured 30% monthly return on the investment of the client. I also note from the material available on record that the complainant Mr. Anilava Chakraborty has also submitted a copy of the email from a representative of PRFS offering portfolio management services. I further note that a complainant dated February 25, 2017 by Raj Kumar (available in public domain) has stated that he was telephonically contacted by an executive of PRFS for portfolio management and he paid them Rs. 22000/- by credit card. They assured him 20% return every month and thereafter, they asked him to pay Rs. 50000/- for a return of 30% per month. Thus, I find that PRFS was also providing portfolio management services to the clients and promising assured returns. In my view, from the above, it can be concluded that the PRFS was also acting as a portfolio manager in terms of Regulation 2(cb) of the PM Regulations, 1993.

20. I also note that, it is imperative that any person carrying out investment advisory activities, research analysts activities and portfolio management services has to necessarily obtain registration from SEBI and conduct its activities in accordance with the provisions of SEBI Act, 1992 and Regulations framed thereunder. In this regard, Section 12(1) of SEBI Act, 1992 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:"

Regulation 3 of the PM Regulations, 1993 also stated as follows

> "3. Registration as portfolio manager. - No person shall act as portfolio manager unless he holds a certificate granted by the Board under these regulations:"

Regulation 3 (1) of the IA Regulations, 2013 read as follows:

> "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:
> …"

Regulation 3 (1) of the RA Regulations, 2014 read as follows:

> "Application for grant of certificate.
> 3.(1) On and from the commencement of these regulations, no person shall act as a research analyst or research entity or hold itself out as a research analyst unless he has obtained a certificate of registration from the Board under these regulations:"

21. It is relevant to note that in order to protect the interest of investors and to preserve the integrity of the securities market, PM Regulations, 1993, IA Regulations, 2013, RA Regulations, 2014 have been framed by SEBI which provide various safeguards to ensure that the interest of the investors who receive their services are protected. One such safeguard provided under the said Regulations is that any person carrying out these activities has to first obtain a certificate of registration from SEBI as mandated under the respective regulations. Further safeguards provided under IA Regulations, 2013 and RA Regulations, 2014 and PM Regulations, 1993 include continued compliance with net-worth , prior disclosure of all conflicts of interest, prohibition on entering into transactions which are contrary to advice given to the clients, mandatory risk profiling of investors (applicable to investment advisers), maintaining documented process for selecting investment products for clients based on client's investment objective and risk profile and understanding of the nature and risks of products or assets selected for such client (applicable to investment advisers), maintaining documented process for rationale for arriving at research recommendation (applicable to research analysts) etc. I also note that IA Regulations, 2013 and RA Regulations, 2014 prescribes minimum professional qualification required for seeking and continuing registration as these two intermediaries.

22. The activities engaged in by the Noticees, as brought out from the various materials described above, seen in the backdrop of the aforesaid regulatory provisions show that the Noticees were holding themselves out and were acting

as an investment adviser, research analyst as well as a portfolio manager, although the Noticees were not registered with SEBI in the capacity of any of these registered intermediaries. Hence, I find that these activities/ representations as were being made by the Noticees without holding the mandatory certificate of registration, are in violation of Section 12(1) of SEBI Act, 1992 read with Regulation 3 of PM Regulations, 1993, Regulation 3(1) of the IA Regulations, 2013 and Regulation 3(1) of the RA Regulations, 2014.

23. I note that the SCN 2 has alleged that the Noticees have also violated Regulations 3(a), (b), (c) and (d) 4 (2) (s) (i) of PFUTP Regulations, 2003 (read with section 12A (a), (b) and (c) of SEBI Act, 1992 based on the fact that the Noticees (PRFS) were promising assured returns and that the Noticees were representing that they were registered with SEBI based on a forged registration certificate.

24. I note that the definition of 'fraud' as given in Regulation 2(c) of the PFUTP Regulations, 2003 is as follows:

> "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 lfact 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;
>
> …"

The Hon'ble Supreme Court while interpreting the aforesaid definition in *SEBI Vs. Kanaiyalal Baldevbhai Patel* (2017) 15 SCC 1 held that to constitute fraud under aforesaid definition of fraud "inducement" while dealing in securities is required. I note that while offering unregistered services as a portfolio manager, research analyst and investments adviser the Noticees have induced its clients to invest in securities *inter alia* by promising assured returns to clients. In this regard, I note that investment in securities market are subject to market risks and an investor may end up in losing his invested money also let aside the returns. Therefore, any promise of assured return is *per se* false and maker of such promise can be said to have been knowingly making this false representation. I also note that the Hon'ble Securities Appellate Tribunal in its order dated December 12, 2022 in the matter of *MSS Trading System Centre & Anr Vs. SEBI* (Appeal No.807 of 2022) has observed as follows:

> "7. We also find that in addition to the aforesaid, the appellant was also giving an assured returns on the investment made by the investors. In this regard, the WTM found that the appellant was offering three types of services and in one of those agreements entered between the appellant and their clients, there was a specific clause for assured / guaranteed returns. We are of the opinion that such assurance of profit given by the appellant was totally fraudulent and in violation of Regulation 4 of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003."

In my view, the above-mentioned act of the Noticees of promising assured returns is squarely covered by the definition of 'fraud' and the Noticees have has also violated provisions of Regulation 3 (a) and (d) of the PFUTP Regulations, 2003 read with section 12A (c) of SEBI Act, 1992.

25. I also note that, Mr. Balwinder Singh, a complainant has provided a copy of a Certificate of Registration purported to be issued by SEBI which PRFS had

forwarded to the complainant, claiming to be its certificate of registration. Further, SEBI received another complaint from one Mr. Satpal Singh Bakshi, in which the complainant enclosed copy of the same registration certificate provided to him by PRFS. The SCN 2 notes that the Registration Number (INA100003287) mentioned in the said certificate belonged to another SEBI Registered Investment Advisor, viz. PFC Capital Advisory Services. From the material available on record, I find that PRFS was misrepresenting the registration number of another SEBI registered intermediary as its own. In my view this amounts to fraud as he was luring the investors to accept his services as a SEBI registered intermediary whereas he was not. I further note that Regulation 4(2)(s) of the PFUTP Regulations, 2003 provides that dealing in securities shall be deemed to be a manipulative fraudulent or an unfair trade practice if it involves mis-selling of securities or services relating to securities market and the Explanation to Regulation 4 (2) (s) states that mis-selling means sale of securities or services by knowingly making a false or misleading statement. I note that prior to February 2019, Regulation 4(2)(s) of the PFUTP Regulations, 2003 was only applicable to mis-selling of mutual fund units. However, I find that since the Noticees' activities extended beyond February 2019 they have also violated Regulation 4(2)(s) of the PFUTP Regulations, 2003

26. Coming to the funds collected by the Noticees as fees for the unregistered services offered by them, I note that the transactions observed in the bank accounts of the Noticees (as mentioned on their website and one additional account provided by IndusInd Bank) are summarized as under:

Account Name	PAN	Account Number	Transaction Period	Total Credits
PRFS	AXUPM0503H	144105500510 (ICICI Bank)	06/08/2014 till 19/06/2017	Rs. 2,47,27,730/-
PRFS	AXUPM0503H	916020018557086 (Axis Bank)	31/03/2016 till 17/11/2018	Rs. 1,32,44,306/-

Account Name	PAN	Account Number	Transaction Period	Total Credits
PRFS	AXUPM0503H	200999774603 (IndusInd Bank)	28/01/2016 till 03/04/2017*	Rs. 11,00,000/-
PCS	AXUPM0503H	201001526722 (IndusInd Bank)	10/05/2017 till 09/07/2019	Rs. 1,10,88,500/-
			Grand Total	Rs.5,01,60,537/-

* Note: This bank account has been opened in August 2014 and as such, the grand total of all the credits received into these four bank accounts could be more.

27. I also note from SCN 1 that the Noticees were also found to be collecting moneys through a payment gateway, viz., PayU Money (PayU Payments Private Limited) which were connected to their bank accounts as under. The transactions observed in these payment gateways are summarized as under:

Entity Name	Payment Gateway	Linked Bank Account Account Number	Transaction Period	No of Transactions
PRFS	PayU Money	144105500510	06/08/2014 till 19/06/2017	225
PRFS	PayU Money	916020018557086	31/03/2016 till 17/11/2018	58
			Total	**283**

The SCN1 notes from the ICICI Bank statements that there are 620 credit transactions (excluding payments from PayU Money) which range from Rs.1,000/- to Rs. 10,00,000/-, which aggregate to around Rs. 1.8 crores. Similarly, the IndusInd Bank account of PCS has around 206 credits in the range of Rs. 1,000/- to Rs.7,60,000/-, which aggregate to around Rs. 1.10 crores. I note that the Noticees have not explained the source of these funds. From the complaints against the Noticee as well as the fact that deposits have been made to the accounts of the Noticee from numerous depositors as well as through

PayU Money, I find that these deposits in the aforementioned bank accounts of the Noticees were fees paid for the investment advisory, research analysis and portfolio management services offered by the Noticees. I also note from SCN 1 that ICICI vide e-mail dated January 9, 2019 to SEBI stated that Mr. Jeevan Lal Maru is also holding a bank account having Number, 144101508389 and from the bank account details of PCS, there are transfers from the Indus Ind Account (201001526722) to the said account having Number 144101508389, for instance, on November 14,2018 (Rs. 60,000) and December 17,2018 (Rs. 1,00,000). Therefore, proceeds of money collected from the investors in the IndusInd Bank Account (201001526722) have been transferred to ICICI Bank Account (144101508389). I note that since this account (ICICI Bank Account Number, 144101508389) contains transfers from those accounts mentioned at para 26 above, it is not being considered again for calculating the amount collected as fees.

28. I also note from the SCN 1 that there are no credit transactions in the IndusInd Bank Account of PRFS after April 03, 2017, in the ICICI Bank account of PRFS after June 19, 2017, in the Axis Bank account of PRFS after July 16, 2018. However, there are transactions in the IndusInd Bank account of PCS, with the last credit transaction of Rs. 1,60,000/- taking place on June 27, 2019.

29. In view of the aforesaid facts, I find that in terms of Regulation 2(1)(l) of IA Regulations, 2013, the Noticee were providing investment advice through the aforesaid website and acting as an investments adviser, in terms of Regulation 2(1)(m) of IA Regulations, 2013 as detailed in para 18 above. I also note that the Noticee was acting as research analyst in terms of Regulation 2(1)(u) of the RA Regulations, 2014 as detailed in para 18 above. I also find that the Noticees were also acting as a portfolio manager in terms of Regulation 2(cb) of the PM Regulations, 1993 as detailed in para 19 above. I find that the Noticees were not registered with SEBI in the capacity of any of these registered intermediaries. Hence, I find that these activities/ representations as were being made by the Noticees without holding the mandatory certificate of registration, are in violation

of Section 12(1) of SEBI Act, 1992 read with Regulation 3 of PM Regulations, 1993, Regulation 3(1) of the IA Regulations, 2013 and Regulation 3(1) of the RA Regulations, 2014. I also find that the Noticees have also violated provisions of Regulation 3 (a) and (d) and 4(2) (s) of the PFUTP Regulations, 2003 read with section 12A (c) of SEBI Act, 1992 by promising assured returns to its clients. As noted above, the Noticees, while acting as investments adviser/ research analyst/ portfolio manager, received at least Rs.5,01,60,537/-in the four bank accounts mentioned at para 26 above which included amounts received through the PayU Money gateway mentioned on their websites. The Chartered Accountant while certifying the refunds made by the Noticee, as is being directed in para 32, may confirm/consider all material in this regard.

30. In view of the aforesaid findings and violations committed by the Noticees, I find that directions under Sections 11(1), 11(4), 11(4A) and 11B (1)and 11B(2) of the SEBI Act, 1992 including directions of refund needs to be issued. I note that in the case of Shri C. Paranitharan and others and Trend Market Advisory Services, SEBI had passed orders dated July 05, 2022 and July 07, 2022, respectively, *inter alia* directing the Noticees therein to refund the fees or consideration received from investors in respect of their unregistered investment advisory activities. In the respective appeals filed against these orders by the respective Noticees, Hon'ble SAT vide common order dated September 21, 2022 *inter alia* directed the appellants there into deposit the balance amount after making refunds to investors, with SEBI. It was also directed that the balance amount deposited with SEBI shall be kept in escrow account for a period of one year and be distributed to any claimants and thereafter, the remaining amount, if any, will be deposited in the Investor Protection and Education Fund. The Chartered Accountant while certifying the refunds made by the Noticee, as is being directed in para 32, may confirm/consider all material in this regard.

31. SCN 2 in the matter, also calls upon the Noticees to explain as to why appropriate penalty be not imposed upon them under Section 15HA of SEBI Act, 1992 for

the violations alleged in the SCN. Extract of these penalty provision, as existing at the relevant time is as under:

Extract of Section 15HA of SEBI Act, 1992:

> **Penalty for fraudulent and unfair trade practices.**
> 15HA.If any person indulges in fraudulent and unfair trade practices relating to securities, he shall be liable to a penalty which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of such practices, whichever is higher

Since the Noticees have violated Regulation 3 (a) and (d) , 4(2) (s) of the PFUTP Regulations, 2003 read with section 12A (c) of SEBI Act, 1992, I find that the Noticees are liable for penalty under Section 15HA of the SEBI Act, 1992. For imposition of penalty under the provisions of the SEBI Act, 1992, Section 15J of the SEBI Act,1992 provides as follows:

> "**Factors to be taken into account while adjudging quantum of penalty.**
> **15J.** While adjudging quantum of penalty under 15-I or section 11 or section 11B, the Board or the adjudicating officer shall have due regard to the following factors, namely: —(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;
> (b) the amount of loss caused to an investor or group of investors as a result of the default;
> (c) the repetitive nature of the default.
> Explanation. —For the removal of doubts, it is clarified that the power to adjudge the quantum of penalty under sections 15A to 15E, clauses (b) and (c) of section 15F, 15G, 15H and 15HA shall be and shall always be deemed to have been exercised under the provisions of this section."

I find that allegations made in the SCNs do not mention the amount of disproportionate gain or unfair advantage made as a result of the default. I find that allegations made in the SCN do not indicate the amount of specific loss caused to investors or group of investors as a result of the default by Noticees. As noted above, the Noticees, while acting as unregistered investments adviser/ research analyst/ portfolio manager, received at least Rs.5,01,60,537/-in the four bank accounts mentioned at para 26 above.

Directions

32. In view of the foregoing, I, in exercise of the powers conferred upon me in terms of Sections 11(1), 11(4), 11 (4A), 11B and 11B(2) read with of Section 19 of the SEBI Act, 1992 and Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, hereby direct that:

a) The Noticees shall within a period of three months from the date of coming into force of this order, refund the money received from any complainant/ investors, as fees or consideration or in any other form, in respect of their unregistered investment advisory, research analyst and portfolio manager activities;

b) The Noticee, shall issue public notice in all editions of two National Dailies (one English and one Hindi) and in one local daily with wide circulation, detailing the modalities for refund, including the details of contact person such as names, addresses and contact details, within 15 days of coming into force of this order;

c) The repayments to the complainants / investors 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) After completing the refund as directed in para 32 (a) above, within a period of 15 days, the Noticees shall file a report detailing the amount refunded to SEBI addressed to the Division Chief, Division of Registration-2, Market Intermediaries Regulation and Supervision Department (MIRSD), SEBI Bhavan II, Plot No. C7, G Block, Bandra Kurla Complex, Bandra (East) Mumbai - 400051. The report should be duly certified by an independent Chartered Accountant and indicate the amount, mode of payment by banking transactions, name of the parties, communication address, mobile numbers and telephone numbers etc.;

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

f) The Noticees are restrained from selling their assets, properties and holding of mutual funds/shares/securities held by them 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 clients/investors/complainants who were availing the unregistered investment advisory, research analyst and portfolio manager services from the Noticees and depositing balance amount with SEBI, as directed in this order, from the bank accounts of the Noticees;

g) The Noticees are jointly and severally hereby imposed with the monetary penalty, as specified hereunder:

Noticee No.	**Name of Noticees**	**Provisions under which penalty imposed**	**Penalty Amount**
Noticee no. 1 and 2 (Jointly and severally)	Premium Research Financial Services and Premium Capital Services and their proprietor Mr. Jeevan Lal Maru	Section 15HA of SEBI Act, 1992	Rs. 5,00,000/- (Rupees Five Lakh Only)

h) The Noticees are debarred from accessing the securities market, directly or indirectly and are prohibited from buying, selling or otherwise dealing in the securities market, directly or indirectly in any manner whatsoever, for a period of 1 year from the date of this order or till the expiry of 1 year from the date of completion of refunds to complainants/ investors along with depositing of balance amounts, if any, with SEBI as directed in para 32(a) and 32(e) above, whichever is later;

i) Upon submission of report on completion of refunds to complainants/ investors to SEBI and deposit of the balance money with SEBI, if any, the direction at para 32(f) above shall cease to operate within 15 days thereafter;

j) The Noticees shall not undertake, either during or after the expiry of the period of debarment/restraint as mentioned in para 32 (h) above, either directly or indirectly, investment advisory services or research analyst services or portfolio manager services or any activity in the securities market without obtaining a certificate of registration from SEBI as required under the securities laws.

33. The direction for refund and depositing the balance amount with SEBI, as given in para 32 (a) and (e) above, does not preclude the clients/investors to pursue the other legal remedies available to them under any other law, against the Noticee for refund of money or deficiency in service before any appropriate forum of competent jurisdiction.

34. This order comes into force with immediate effect.

35. A copy of this order shall be sent to the Noticee, recognized Stock Exchanges, the relevant banks, Depositories and Registrar and Transfer Agents of Mutual Funds to ensure that the directions given above are strictly complied with.

-Sd-

Date: March 29, 2023 **ANANTA BARUA**

Place: Mumbai **WHOLE TIME MEMBER**

SECURITIES AND EXCHANGE BOARD OF INDIA