QJA/AA/NRO/NRO/30187/2023-24

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTIONS 11(4), 11(B)(1), 11(4A) AND 11(B)(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH REGULATION 3(1) OF THE SEBI (INVESTMENT ADVISERS) REGULATIONS, 2013 AND UNDER SECTION 15-I OF THE SEBI ACT, 1992 READ WITH RULE 5 OF THE SEBI (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 1995.

In respect of:

Name of Noticee	**PAN**
Mr. Mrityunjay Kumar – Director of M/s. Future Intraday Positional Long Term Capital OPC Private Limited DIN : 06837799	**CDEPK3717K**

In the matter of Unregistered Investment Advisory Services

BACKGROUND OF THE CASE

1. The Securities and Exchange Board of India (hereinafter referred to as "SEBI"), received a complaint against M/s. Future Intraday Positional Long Term Capital OPC Private Limited (*hereinafter referred to as Company/ FIPL*) and Mr. Mrityunjay Kumar (*hereinafter referred to as "**Noticee**"*) was the sole director in the company. SEBI conducted an examination into activities of the Noticee in order to ascertain the veracity of the complaint and to determine whether there has been any violation of the provisions of Securities and Exchange Board of India,1992 ("SEBI Act,1992"), the Securities and Exchange Board of India (Investment Advisors) Regulations, 2013 ("IA Regulations") and any other Rules or Regulations made thereunder, by the Noticee.

2. Based on the examination of the aforesaid complaint, the account opening forms (AOF) of the company/ Noticee obtained from the bank where the accounts were held and the website of the company, it was, *prima facie*, found that the Noticee has been providing investment advisory services without obtaining a certificate of

registration from SEBI thereby violating Section 12 (1) of the SEBI Act, 1992 read with Regulation 3 (1) of the IA Regulations, 2013.

SHOW CAUSE NOTICE, REPLY AND HEARING

3. A Show Cause Notice dated 18.09.2023 (hereinafter referred to as "**SCN**") was issued to the Noticee calling upon it to show cause as to why suitable directions under Sections 11(4) and 11B (1) of the SEBI Act, 1992 including directions of debarment, restrain and refund of fees /monies collected from the investors should not be issued against the Noticee for the alleged violations. The Noticee was also called upon to show cause as to why inquiry should not be held against it in terms of Rule 4 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 and penalty be not imposed upon Noticee under Section 11(4A), 11B(2) read with Section 15HB of the SEBI Act, 1992 for the alleged violations. The following documents were enclosed as annexures to the SCN:

Table A

Annexures to SCN	
Annex. No.	**Particulars**
A	Copy of the various letters received from the complainant
B	Copy of emails dated 19.09.2022 received from NSE and BSE
C	Details of money deposited by complainant during calendar years 2015-2017
D	Documents submitted by complainant viz emails and letters from noticee/company demanding money from the complainant, fake ledger statements, screenshot of website www.futureiplcapital.com LinkedIn page
E	Extracts of website and LinkedIn page
F	SEBI registered intermediaries database
G	Memorandum of Association of FIPL
H	Company /LLP Master data of MCA
I	Information received from various banks viz ICICI Bank, HDFC Bank, Yes Bank and SBI Bank
J	SEBI's letter dated 28.12.2021 and email dated 08.03.2022 sent to Noticee
K	Noticee's email replies dated 16.03.2022 and 22.03.2022

4. The SCN has *inter alia* alleged the following which is summarized hereinbelow:-

4.1 SEBI received complaints *inter-alia* alleging that the company and its director approached the complainant through phone and opened a demat account on his behalf in the broking firm i.e CD Equisearch Pvt. Ltd. The complainant submitted that the entities collected money from him and submitted a fake ledger statement w.r.t investments executed on complainant's behalf. The complainant provided an email dated 22.11.2018 issued by the said broking firm that mentioned that there is no transaction in his account from the date of account opening. This was also confirmed by the stock exchanges vide their emails dated 19.09.2022. The complainant also submitted that he has deposited Rs. 41,38,510/- during calendar years 2015-2017 for investments in the bank accounts of the noticee/FIPL.

4.2 Subsequently, the noticee/FIPL informed the complainant that their accounts were frozen by SEBI and demanded money from the complainant under the same pretext. In this regard, the noticee/FIPL also provided the complainant with fake set of documents allegedly issued by SEBI. The complainant has submitted that he also received calls from persons claiming to be SEBI officials and demanding money for activating the account. He also submitted documents viz. complaint letters, date wise breakup of amounts deposited in the accounts of the noticee/FIPL, emails and letters from the noticee/FIPL demanding money from the complainant, fake ledger statements, screenshot of website www.futureiplcapital.com and LinkedIn page of the noticee/FIPL etc.

4.3 As the website was not operational, the archived pages of the website were perused. Last available archived page of the website is of August 2018. From the extracts of website and LinkedIn page, it was observed that the Noticee has held out himself as investment adviser and was offering investment advisory services in name of FIPL in different classes of securities in form of different packages through calls given by SMS, Phone call or email/personal assistance and collecting fees/charges in multiple bank accounts. It is observed that the said noticee/FIPL are not registered with SEBI in any capacity. From paras III (a) and (B) 1 of the Memorandum of Association (MOA) of FIPL, it was noted that the objectives of FIPL were stated to provide consultancy on capital markets based on various research on equity and other securities, to carry on the business of financial and investment consultant and act as issue manager, lead manager, etc.

4.4 Further, from the Company / LLP Master data of MCA, it was noted that the Noticee was the sole director of FIPL, which was a one person company.

4.5 It was observed that the Noticee had offered investment advisory services to the complainant for consideration. Noticee had opened a Demat account for the complainant and taken money from him in his bank accounts for the

purpose of making investments but not invested the same and shared fake ledger statements in respect of investments made on behalf of the complainant.

4.6 Based on the Know Your Customer (KYC) information gathered from bank accounts of the Noticee and FIPL *viz* ICICI Bank, HDFC Bank, YES Bank and SBI Bank, letters dated 28.12.2021 and reminder email dated 08.03.2022 were sent to the noticee and company seeking information in respect of the services provided, fees collected etc. The said letters returned undelivered. However, the noticee vide emails dated 22.03.2022 and 16.03.2022 replied to the said letters and *inter-alia* admitted to being involved in providing unregistered investment advisory services. Further, noticee also sought a month's time to provide the details of the company. However, no further reply was received from him.

4.7 From the analysis of the bank statements it was observed that the complainant had deposited a sum of Rs.41,20,010/- (out of Rs. 41,38,510/- as submitted by the complainant). Further, it is noted that there are entries with narrations suggesting receipt of money for trading/advising/carrying out activities pertaining to securities markets.

4.8 As the noticee failed to provide information about details of its clients, amount of fees charged, etc. the total sum of Rs. 1,84,64,929.84/- which was credited in the bank accounts of the noticee was considered as fees while holding out and acting as an investment advisor.

4.9 The noticee carried on business of investment advisory in the name of FIPL. Further, it is noted that the noticee being sole director of FIPL, which was one person company, was in charge of and responsible to the FIPL for the conduct of its business at the relevant time. It is observed that FIPL also violated Section 12(1) of the SEBI Act and Regulation 3(1) of the IA Regulations. In terms of Section 27 (1) and (2) of the SEBI Act, the Noticee is liable for acts of FIPL.

4.10 On the basis of the website, LinkedIn archived extracts, analysis of bank statements, KYC related documents viz. MoA, self-admission of the Noticee regarding rendering investment advisory without registration and details provided by the complainant, it was *prima facie* observed that the Noticee held out as an investment adviser. Further, it is observed that the Noticee rendered unregistered investment advisory services during December 16, 2014 (the date of incorporation of FIPL) and at least till September, 2018 (last observed archived page of the website is of August 2018) without obtaining certificate of registration from SEBI.

5. The SCN dated 18.09.2023 was sent by Speed Post with Acknowledgment Due to the available addresses of the Noticee i.e Back of Patna Museum, Vidyapati

Colony, Vijay Printing Press, Q.No.7, Patna 800001. However, the SCN returned as undelivered. Thereafter the affixture of the SCN was attempted through the Investor Service Centre (ISC) located at Patna. The occupants of the house strongly protested and refused to accept the SCN and did not allow affixture. Hence, delivery of SCN through the affixture was not successful. The delivery of SCN was then completed through newspaper publication on 23.12.2023 through Prabhat Patna (Hindi) and Hindustan Times (English). Vide said public notice, the noticee was provided details of the SCN. The SCN was also uploaded on the SEBI website. However, no reply was received from the noticee.

6. In the meantime, the instant matter was reassigned to the undersigned towards end of November 2023, pursuant to an internal reallocation of cases.

7. Thereafter, in order to comply with the principles of natural justice, an opportunity of personal hearing was granted to the Noticee on 15.02.2024. The hearing notice was delivered through newspaper publication in the Hindustan Times (English) and My Patna (Hindi). Based on available telephone numbers, attempts were once again made to contact the noticee and inform him about the personal hearing. Thereafter, vide email dated 14.02.2024 the SCN and hearing notice was once again forwarded to the noticee to his email ID i.e. miryankpi@gmail.com which was delivered to him. However, the noticee sought additional time and also requested for another hearing date vide return email of same date. Hence, at the request of noticee, another opportunity of personal hearing was granted to him on 01.03.2024.

8. On the scheduled date i.e. 01.03.2024, the Noticee viz Mr. Mrityunjay Kumar did not appear in person nor online. The video conferencing link was sent to him vide email dated 28.02.2024. The noticee vide email dated 01.03.2024 stated that he was unable to join the online meeting due to connectivity issue and once again requested for further opportunity to be heard in the matter. Accordingly, the noticee was granted another opportunity of personal hearing on 05.03.2024.

9. On the scheduled date i.e 05.03.2024, the noticee appeared for the online webex hearing. However, he did not switch on the camera during the hearing citing that he was unable to do so as it was inaccessible at the location from where he was attending the personal hearing. During the hearing, he stated that he was not provided the bank details which were considered by SEBI for the unregistered investment advisory activities. Accordingly, the noticee was provided with the bank details / bank statements considered by SEBI on the same email ID on 06.03.2024 wherein the webex link was sent to the noticee. Further, the noticee was also advised to provide his written submissions and clear bifurcations for the funds collected in the various bank accounts, duly certified by a chartered accountant. The noticee was also advised to provide his communication address and telephone numbers for records. During the hearing, he stated that his mobile no. is 92xxxxxx72. The noticee informed that as he is engaged in 'travel and tour related work' and not able to provide the details sought, he may be granted additional time to make his written submissions. Accordingly, at the request of the noticee, he was granted sufficient time i.e till 23.03.2024 to provide his written submissions including the details of the various credits in his various bank accounts. The annexures to the SCN and all the bank account statements were also once again forwarded on 06.03.2024 to the noticee on email IDs miryankpi@gmail.com and mjay7.m@gmail.com to enable him to provide his reply. The emails were delivered to the noticee on both these email IDs on the same day itself. However, the noticee has not provided his written submissions till date.

CONSIDERATION OF ISSUES AND FINDINGS

10. I have considered the allegations made in the SCN, submissions of noticee and the documents available on record. I note that the issue for consideration is whether the Noticee has been providing investment advisory services without obtaining a certificate of registration from SEBI in violation of Section 12 (1) of the SEBI Act, 1992 read with Regulation 3 (1) of the IA Regulations, 2013.

11. I note that the company i.e. Future Intraday Positional Long Term Capital OPC P Ltd., an unlisted one person company was incorporated on 16.12.2014 with registered address in Delhi with CIN U93000DL2014OPC274173. The company has been shown as “struck off” as per the details available on the MCA website. Further the said company is dissolved vide MCA’s Notice dated 29.10.2019 issued under sub-section (5) of Section 248 of the Companies Act, 2013 and rule 9 of the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2019. Section 248(7) of the Companies Act, 2013 provides that “*The liability, if any, of every director, manager or other officer who was exercising any power of management, and of every member of the company dissolved under sub-section (5), shall continue and may be enforced as if the company had not been dissolved.”*

12. Accordingly, the noticee being the sole director in the company, is liable for the acts of the company. Here, I would also like to quote the observations of the Hon'ble Supreme Court of India in the matter of *Shri N. Narayanan vs. SEBI[(2013) 12 SCC 152]* decided on 26.04.2013, wherein it was observed that -"... *Company though a legal entity cannot act by itself, it can act only through its Directors. They are expected to exercise their power on behalf of the company with utmost care, skill and diligence*." I also note that the complainant has deposited significant amount in the individual account of the noticee itself.

13. The complainant vide various complaints dated 26.03.2019, 02.05.2019, 19.11.2019 and 08.01.2020 had alleged that he was a victim of the noticee’s investment advisory firm i.e. FIPL. Vide his letters, the complainant has stated that the noticee contacted him on the phone around the year 2015 and had opened a demat account on his behalf with the broking firm i.e. CD Equisearch Private Ltd. The complainant submitted that the noticee collected money from him for investments and submitted fake ledger statements for the transactions executed on behalf of the complainant. The complainant forwarded an email dated 22.11.2018 issued by CD Equisearch Private Ltd. which mentioned that there is no transaction in his account from the date of account opening. During the

examination, the same was also confirmed by the stock exchanges. I note that the complainant stated that he deposited Rs.41,38,510/- during the calendar years 2015 to 2017 for investments in the bank accounts of the noticee/FIPL. The noticee is also alleged to have demanded money from the complainant on the pretext that their accounts were frozen by SEBI and provided him with fake documents purportedly issued by SEBI and also received calls from persons claiming to be SEBI officials. The complainant had forwarded the details of funds deposited with the noticee/FIPL, correspondence exchanged with the noticee, fake ledger statements, website screenshots and linkedIn page to SEBI.

14. From the details provided by the complainant, it is observed that the complainant had transferred funds to the noticee's/FIPL's bank account. Out of the total sum of Rs.41,38,510/- which the complainant alleged that he had transferred to the accounts of the noticee, a sum of Rs.41,20,010/- was traced in two bank accounts i.e the SBI Account No. 321xxxxx979 held in the name of the noticee and Yes Bank Account No. 283xxxxxxxx1000 held in the name of FIPL. The noticee had opened a demat account for the complainant and had taken money from the complainant in his bank account for the purpose of making investments. However, fake ledger statements in respect of investments made on behalf of the complainant were shared with the complainant. The transaction statement received from CD Equisearch Pvt. Ltd., a depository participant with CDSL, shows "NIL" transaction statement for the complainant for the period 01.01.2015 to 21.11.2018. Further, the stock exchanges i.e. BSE and NSE have also confirmed that no trades were executed either for the noticee or the complainant through CD Equisearch Pvt. Ltd. during the period January 1, 2015 to December 31, 2017. Further the complainant in his email dated 21.08.2020 had also stated that the noticee had sent a draft copy of agreement which, however, was not signed by the complainant.

15. Notwithstanding, I note from the archived pages of the website i.e. www.futureiplcapital.com (last available pages is August 2018) as well as the LinkedIn page that although FIPL/noticee was not registered with SEBI, yet it was

offering investment management services of different securities in the form of different packages. The website also contained the various bank accounts where funds could be transferred. Details collated from the archived pages of the website are as follows:-

Page Title	**Details**
Home/About Us	*"We respect your hard earned money. We always give suggestions/calls with our experience so that you can lead the life you have dreamt of. Future IPL Capital is a group of financial planners with various backgrounds of expertise. We are here to help all of our clients and their unique needs related to their retirement and financial help."*
Contact Us	*"You can contact or visit us in our office from Monday to Friday from 9:00 - 17:00. Gurgaon, New Delhi, India. info@futureiplcapital.com"*
Services We Offer-Money Back Plan	*"Money back plan is the king of all kind of equity research services. No other call Services can beat MBP Services as in the scheme the customer is given 100% authentic assurance of return of fee in case of non-fulfillment of money back guaranteed plan condition. We' r one of few or probably the only advisor in India giving such a money back guarantee plan to traders. Beware of fraud advisory company giving money back guarantee on non-enforceable contract. Our contract is written 100% in favor of the customer."*
Services We Offer- Back 2 Back Equity (Cash) Plan	*"Back to Back Stock is a Package which is specifically created for short term Investors who would like to earn more than average Returns with Leverage over a Short-Term Investment horizon say 7days to 15 days. Only Small Cap & MID CAP recommendation includes this package, the Package would give you the best Positional Calls in a month which will give returns above 50% MoM."*

Page Title	Details
Services We Offer- Personalize Services	*"In the personalize services we will give 100/100 sure shot call either cash or F & O. Futureipl will give you unlimited call in all segment and totally based of fundamental, technical and news based call. In this service minimum profit in single call is Rs. 5,000 on 1 lots. Call given by SMS, Phone call or email."*
Services We Offer- Option Writing (Buying & Selling The Options)	*"A maximum of 2 recommendations will be given in stock/index options through SMS. Depending on the market conditions, some of the recommendations may include a hedging strategy. 4-6 calls in month. 50%-150% return on each call. Execution time is 3-7 minutes. Target will be updated time to time. Call through SMS & Personal assistance"*
Services We Offer- Maths And Reality F & O	*"4-6 calls in month. 7%-15% return on each call. Execution time is 3-7 minutes. Target will be updated time to time. Call through SMS & Personal assistance"*
Investment Services-Long Term	*"Our flagship - Multibagger Stock Package will provide you with a highly potential Multibagger Stock every month with the best-in-class research report. Our intention is to help you discover the Hidden-Gems in the market which have the potential to generate multiple times returns in the future without taking extra risks. 12 Stock recommendations per year [One per month].* *[Offline MPS – The Millionaire Portfolio] Minimum Capital Required: 3L OR Savings > 25,000/Month Minimum Holding Period: 1 year Expected Return: 45-60% YoY Risk Factor: Very Low Call through SMS & Personal assistance"*
Investment Services-Short Term	*"Quick Rich-Rich Stock is a Package which is specifically created for Investors who would like to earn more than average Returns with Leverage over a Short-Term Investment horizon say 1 to 5 months. Only Small Cap recommendation includes this package, the Package would give you the best 16-20 Positional Calls in a Year which will give returns of 25-40% QoQ"*

Page Title	Details
	Blue-Chip- "Secure Stock : A Blue Chip Investment Advice" – Get your Positioning right in the Slow Secure moving counters.PACKAGE DESCRIPTION :Secure Stock is a Package which is specifically created for Investors who would like to earn on an average Returns with Leverage over a Short-Term Investment horizon say 1 to 5 year. Only blue-chip recommendation includes this package, the Package would give you the best 12-14 Positional Calls in a Year which will give returns of 25-30% YoY. *Mid-cap- "Stock Selection : A Mid-Cap Investment Advice" – Get your Positioning right in the Fastest Moving Tactical counters Our flagship – Stock Select will provide you with a highly potential Stock every month with the best-in-class research report. Our intention is to help you discover the Hidden-Gems in the market which have the potential to generate multi-fold returns in the future without taking extra risks. Stock Select is a Package which is specifically created for Investors who would like to earn huge return with a little risk over a Short-Term Investment horizon say 1 to 5 months. Only Mid-Cap recommendation includes this package, the Package would give you the best 18-24 Positional Calls in a Year which will give returns of 20-35% QoQ.*
Trading Services-Intraday Plan	*"One intraday call / day 1%-4% return on each call Execution time is 3-7 minutes Target will be updated time to time Accuracy of more than 90% Call through SMS & Personal assistance"*
Trading Services-Positional Plan	*"6-8 call/month 3%-7% return on each call Execution time is 7-10 minutes Target will be updated time to time Call through SMS & Personal assistance"*
Trading Services-BTST / STBT	*"One to Two intraday call/ day Cash: 2% to 5% Nifty Future: 35 points and Stock Future: 2% or INR 3500 Nifty Option: 20% to 40% and Stock Option: 15% to 30% Execution time is 7-10 minutes Target will be updated time to time Accuracy of more*

Page Title	Details
	than 90% Call through SMS & Personal assistance One dedicated analyst will be assigned for every customers"
Trading Services-Premium Plan	*"6-8 call/month 5%-10% return on each call Execution time is 7-10 minutes Target will be updated time to time Call through SMS & Personal assistance"*
Careers	*"Date/Time: Walk In between 11 am to 4pm IST* *b) Venue: FUTURE ipl CAPITAL OPC PVT. LTD.,* *245-A 2ND FLOOR SANT NAGAR EAST OF KAILASH* *NEW DELHI – 110065"*
Payment Methods	*"After making a successful payment please send your transaction details on "info@futureiplcapital.com" and contact us. BENEFICIARY NAME: FUTURE INTRADAY POSITIONAL LONGTERM CAPITAL OPC PVT LTD.* *HDFC BANK LIMITED ACCOUNT NUMBER : 50200011821695* *ICICI BANK LIMITED ACCOUNT NUMBER : 182505000114* *YES BANK LIMITED ACCOUNT NUMBER : 0283608000001000"*

16. Further, I also note the following from the archived webpages which are available on record:-

What we do

"Here at Future IPL, we understand that financial planning for your future is scary and uncertain, especially in today's economy. But, rest assured that in our hands we've helped clients with all types of backgrounds successfully and happily retire with their financial hopes and dreams met and, often exceeded. We want to help make that dream become a reality for you and your family too."

Why choose u

……

Dedicated Service

We believe in perfection. Our each client is taken care by expert / adviser dedicatedly assigned for them. "

Money Back Plan

…

We'r one of few or probably the only advisor in India giving such a money back guarantee plan to traders. ..

Website also states

" *FIPL helps you to select the best blue chip and assure to provide you consistent return over a period of time. This relaxes you from all financial risks.*

Secure Stock, as you may know, is our blue-chip recommendation service.

While most people would tell you its not possible to make big return from blue chips, Secure Stock helps you do just that by notifying you of reliable blue-chip companies when they are selling for cheaper than their real value.

"Secure Stock : A Blue Chip Investment Advice" – Get your Positioning right in the Slow Secure moving counters……

17. The following services and pricing details were also available on the archived pages of the website :-

	Fee / Price for the various plans (INR)		
Plan / Duration	**Intraday Plan**	**Positional Plan**	**Premium Plan**
Equity (Cash)			
1 month	7,000/-	10,000/-	15,000/-
3 months	17,500/-	25,000/-	30,000/-
6 months	30,000/-	40,000/-	45,000/-
1 year	50,000/-	50,000/-	60,000/-
Nifty Future			
1 month	10,000/-	15,000/-	17,500/-
3 months	25,000/-	30,000/-	35,000/-
6 months	40,000/-	50,000/-	50,000/-

1 year	60,000/-	60,000/-	75,000/-
Nifty Options			
1 month	7,500/-	15,000/-	15,000/-
3 months	18,000/-	30,000/-	30,000/-
6 months	32,500/-	40,000/-	45,000/-
1 year	50,000/-	50,000/-	60,000/-
Stock Future			
1 month	10,000/-	15,000/-	17,500/-
3 months	25,000/-	30,000/-	35,000/-
6 months	40,000/-	40,000/-	50,000/-
1 year	60,000/-	50,000/-	75,000/-
Stock Option			
1 month	7,500/-	15,000/-	15,000/-
3 months	18,000/-	30,000/-	30,000/-
6 months	32,500/-	40,000/-	40,000/-
1 year	50,000/-	50,000/-	50,000/-
BTST/STBT			
1 month	15,000/-		
3 months	25,000/-		
6 months	40,000/-		
1 year	50,000/-		
Secure Stock			
3 months	17,500/-		
6 months	30,000/-		
1 year	50,000/-		
2 years	65,000/-		
3 years	75,000/-		

18. The website also displayed the following bank accounts for payments :

HDFC Bank (A/c. No. 50200011821695)
ICICI Bank (A/c. No. 182505000114)
Yes Bank (A/c. 0283608000001000)

19. I note that the complainant has transferred funds to the above account number with Yes Bank and another bank account of FIPL with SBI. The LinkedIn profile in the name of *FutureIPL Capital Services Pvt Ltd*. also states *inter alia*, "*FutureIPL has well over 30 years of financial planning experience between it's planners…… We are proud that so many of our clients have repeatedly turned to us for guidance and assistance with their financial futures……. Specialties includes Stock Advisory".*

20. The Memorandum of Association of the company at Paras III (a) and (B) states that the objectives of FIPL is to provide consultancy on capital markets based on research on equity and other securities, to carry on the business of financial and investment consultant and act as issue manager, lead manager, etc.

21. I further note that during the examination when certain information / details were sought, the noticee vide his reply dated 16.03.2022 sent from email ID miryankpi@gmail.com had stated "*I already stopped working for my company from FY 2015-2016, named Future Intraday Positional long-term Capital opc pvt.ltd. because of lack of licence of Investment Advisory and unable to run due to capital & i was not aware of when I started my company its required licence but when I got information I have stopped working.*" Hence, vide his own submissions, the noticee has acknowledged that FIPL was providing investment advice without having the requisite registration / certificate. This further confirms that the noticee was providing unregistered investment advisory services.

22. During the examination, it was observed that there were other bank accounts which were linked to the noticee and FIPL, apart from those listed on the website. The details of the funds collected in the various bank accounts of FIPL/noticee are as follows:-

Sr. No.	Bank Name	Account No.	Account in name of	Last credit entry date	Total Credit (Rs)	Remarks
1.	HDFC Bank	50200011821695	FIPL	07.08.2015	30,500/-	
2.	ICICI Bank	182505000114	FIPL	25.05.2016	3,77,453.97	Mr.Mrityunjay Kumar was authorized signatory. Narration indicates IA activities eg. narration for entry on 22.04.2015 for Rs.4000/- states BIL/ 000756261863 /optin tip/ NSP Further, various cash deposits noticed in the bank account.
3.	YES Bank	28360800000100 0	FIPL	20.01.2016	9,60,410/-	Complainant has deposited Rs.6,05,160 in this account.
4.	SBI Bank	32xxxxxx979	Mr. Mrityunjay Kumar	Open	92,73,278.00	Complainant has deposited Rs. 35,14,850/- in this account. Total credit received in A/c post incorporation of FIPL on December 16, 2014 till end of September, 2018. Narrations with INB tip, investment, Nifty, bank nifty observed.
5.	ICICI Bank	107xxxxxx311	Mr. Mrityunjay Kumar	inactive	72,79,709.08	Total credit in A/c post incorporation of FIPL on December 16, 2014 till end of September, 2018 (last observed archived page of the website is of August 2018). Various cash deposits in account.

Sr. No.	Bank Name	Account No.	Account in name of	Last credit entry date	Total Credit (Rs)	Remarks
6.	ICICI Bank	347xxxxxx079	Faresure Private Limited	27.03.2018	5,43,578.79	Mrityunjay Kumar and Pinky are the directors in this company. Narration indicate that credits w.r.t unregistered IA activities were provided in this account
TOTAL					**1,84,64,929.84**	

23. Further, it is noted that there are narrations which suggest receipt of money for trading/advising/carrying out activities pertaining to securities markets which were observed from the narrations in the bank statement of the noticee. Details are as follows: -

Date of transaction	Narration	Bank Account Number	Credit Amount (Rs.)
11/06/15	17501610001461 -TPT-OPTN	HDFC Account No. 50200011821695	4,000
22/04/2015	BIL/000756261863/optin tip/NSP	ICICI Bank, Account number- 182505000114	4,000
15/07/2015	INB tips	SBI Bank, Account Number- 32xxxxxx979	3,000
17/09/2017	/…/Investment		5,000
06/10/2017	IMPS727916006615/9599106602/ XX1467/Investment		3,350
13/02/2018	INB IMPS804414042342/7530990813/XX6861/Nifty		35,212
08/03/2018	INB IMPS806711107188/9718619091/XX2372/Bank Nifty		1,000
08/01/2018	BIL/001369790395/Investment/NSP	ICICI Bank, Account Number- 347xxxxxx079	37,500
19/01/2018	BIL/001376527884/Investment/NSP		13,150
20/01/2018	NEFT-N020180457107891-SYED MOHAMMAD SAIF-investme		50,000
22-01-2018	NEFT-N021180457344411-SYED MOHAMMAD SAIF-Investme		40000.00
29-01-2018	NEFT-N028180460417134-SYED MOHAMMAD SAIF-Investme		20000.00
05-02-2018	NEFT-N036180467914960-SYED MOHAMMAD SAIF-investme		46000.00

24. I note from the bank statements that the noticee has been receiving monies from various persons through online transactions as well as cash deposits. The noticee has not provided any documentary evidence to explain these credits in the bank accounts.

25. I note that during the examination, a letter dated 28.12.2021 sent to the four available addresses of the noticee i.e at Bihar, Uttar Pradesh and New Delhi through speed post returned undelivered. Thereafter the letter was also sent through email (i.e. at miryankpi@gmail.com) on 08.03.2022 which was delivered to the noticee. The noticee replied vide email dated 16.03.2022 wherein, *inter alia*, he has stated " *I already stopped working for my company from FY 2015-16, named Future Intraday Positional long-term Capital opc pvt. ltd. because of lack of license of Investment Advisory and unable to run due to capital & I was not aware of when I started my company its required license but when I got information I have stopped working…".* With respect to the details of all the bank accounts maintained by the noticee alongwith details of fees collected for the advisory services, the noticee had stated in his email reply "*I don't have access to a bank account due to no transaction in the last 7 year or not having a statement. If you still require me to, sometime I will contact the bank and will make it available for you*." As no reply was received from the noticee, a reminder was sent to him once again vide email dated 16.03.2022 to make his submissions. The noticee vide email dated 22.03.2022 replied, *inter alia*, that he has contacted his home branch for the bank statements and he would share the details. However, it is noted that the noticee did not provide the requisite details.

26. Further, even during the hearing held on 05.03.2024, the noticee had stated that he was not provided bank statements, although the noticee was provided them alongwith the SCN. However, acceding to his request, the noticee was once again provided the bank statements and was granted adequate time till 23.03.2024 to make his written submissions and provide the details of funds mobilized towards unregistered investment advisory activities, duly certified by a chartered accountant. However, I note that the noticee has not availed the opportunity to clearly distinguish the credits in his bank accounts.

27. Further, on an independent analysis of the bank statements during the proceedings, it was observed that there were certain clear/ distinguishable inter-bank NEFT transfers from the SBI Account of the noticee to the other bank

accounts of the noticee/FIPL which have also been considered as credits in these bank accounts towards the total unregistered investment advisory activities. Details noticed are as follows:-

ICICI Account No. 107xxxxxx311 of Mr. Mrityunjay Kumar		
Date	**Narration**	**Credit Amount (Rs.)**
20-12-2014	NEFT-SBIN914354608258-Mr MRITYUNJAY KUMAR-/ATTN/	125
22-12-2014	NEFT-SBIN914356977327-Mr MRITYUNJAY KUMAR-/ATTN/	2500
13-01-2015	NEFT-SBIN815013065805-Mr MRITYUNJAY KUMAR-/ATTN/	10000
20-01-2015	NEFT-SBIN215020566687-Mr MRITYUNJAY KUMAR-/ATTN/	33000
30-01-2015	NEFT-SBIN815030933444-Mr MRITYUNJAY KUMAR-/ATTN/	39000
02-02-2015	NEFT-SBIN315033583962-Mr MRITYUNJAY KUMAR-/ATTN/	3000
03-02-2015	NEFT-SBIN515034057177-Mr MRITYUNJAY KUMAR-/ATTN/	16000
26-02-2015	NEFT-SBIN715057554256-Mr MRITYUNJAY KUMAR-/ATTN/	17000
02-07-2015	NEFT-SBIN715183593242-Mr MRITYUNJAY KUMAR-/ATTN	35000
16-07-2015	NEFT-SBIN715197740575-Mr MRITYUNJAY KUMAR-/ATTN	25000
27-07-2015	NEFT-SBIN515208809371-Mr MRITYUNJAY KUMAR-/ATTN	4000
03-08-2015	NEFT-SBIN615215031013-Mr MRITYUNJAY KUMAR-/ATTN	25000
20-08-2015	NEFT-SBIN315232654427-Mr MRITYUNJAY KUMAR-/ATTN	30000
15-09-2015	NEFT-SBIN715258520636-Mr MRITYUNJAY KUMAR-/ATTN	35000
05-10-2015	NEFT-SBIN515278609825-Mr MRITYUNJAY KUMAR-/ATTN	22000
12-10-2015	NEFT-SBIN215285670519-Mr MRITYUNJAY KUMAR-/ATTN	1300
21-10-2015	NEFT-SBIN415294841463-Mr MRITYUNJAY KUMAR-/ATTN	43775
13-11-2015	NEFT-SBIN115317468472-Mr MRITYUNJAY KUMAR-/ATTN	5000

20-11-2015	NEFT-SBIN415324683100-Mr MRITYUNJAY KUMAR-/ATTN	22000
24-11-2015	NEFT-SBIN715328641144-Mr MRITYUNJAY KUMAR-/ATTN	44000
27-11-2015	NEFT-SBIN915331215741-Mr MRITYUNJAY KUMAR-/ATTN	3500
02-12-2015	NEFT-SBIN615336444380-Mr MRITYUNJAY KUMAR-/ATTN	10000
30-01-2016	NEFT-SBIN416030024506-Mr MRITYUNJAY KUMAR-/ATTN	2000
03-02-2016	NEFT-SBIN816034093967-Mr MRITYUNJAY KUMAR-/ATTN	34000
03-03-2016	NEFT-SBIN116063956093-Mr MRITYUNJAY KUMAR-/ATTN	39000
02-06-2016	NEFT-SBIN216154181221-Mr MRITYUNJAY KUMAR-/ATTN	74000
08-06-2016	NEFT-SBIN716160333648-Mr MRITYUNJAY KUMAR-/ATTN	150000
04-07-2016	NEFT-SBIN416186665192-Mr MRITYUNJAY KUMAR-/ATTN	190000
04-07-2016	NEFT-SBIN416186666313-Mr MRITYUNJAY KUMAR-/ATTN	195000
04-07-2016	NEFT-SBIN416186722609-Mr MRITYUNJAY KUMAR-/ATTN	25000
11-07-2016	NEFT-SBIN816193933774-Mr MRITYUNJAY KUMAR-/ATTN	50000
28-07-2016	NEFT-SBIN916210088681-Mr MRITYUNJAY KUMAR-/ATTN	43000
15-09-2016	NEFT-SBIN516259620628-Mr MRITYUNJAY KUMAR-/ATTN	195000
15-09-2016	NEFT-SBIN516259792687-Mr MRITYUNJAY KUMAR-/ATTN	125000
19-09-2016	NEFT-SBIN716263483598-Mr MRITYUNJAY KUMAR-/ATTN	200000
26-09-2016	NEFT-SBIN116270137387-Mr MRITYUNJAY KUMAR-/ATTN	175000
26-09-2016	NEFT-SBIN116270137055-Mr MRITYUNJAY KUMAR-/ATTN	200000
04-10-2016	NEFT-SBIN716278554728-Mr MRITYUNJAY KUMAR-/ATTN	70000
TOTAL		**21,93,200**

YES Bank Account 283608000001000 of FIPL		
Date	**Narration**	**Credit Amount (Rs.)**
18/04/2015 12:06	NEFT-SBIN615108056266-MR MRITYUNJAY KUMAR	50,000.00
21/04/2015 12:17	NEFT-SBIN715111388354-MR MRITYUNJAY KUMAR	20,000.00
27/05/2015 12:22	NEFT-SBIN215147354618-MR MRITYUNJAY KUMAR	2,950.00
16/07/2015 10:41	NEFT-SBIN715197738183-MR MRITYUNJAY KUMAR	2,000.00
02/09/2015 09:32	NEFT-SBIN515245165341-MR MRITYUNJAY KUMAR	45,000.00
07/10/2015 14:18	NEFT-SBIN715280348859-MR MRITYUNJAY KUMAR	27,000.00
12/11/2015 15:02	NEFT-SBIN115316061680-MR MRITYUNJAY KUMAR	20,000.00
02/01/2016 11:24	NEFT-SBIN216002074508-MR MRITYUNJAY KUMAR	37,000.00
20/01/2016 13:07	NEFT-SBIN416020164515-MR MRITYUNJAY KUMAR	10.00
TOTAL		**2,03,960**

28. At this juncture, it will be relevant to quote the Order of Hon'ble Securities Appellate Tribunal in the matter of ***Vusa Ravi v. SEBI*** decided on July 27, 2023, wherein it was argued by the Appellant that the direction to refund is patently erroneous in as much as the entire amount shown in the bank accounts was not towards the advisory services but was for other services. Hon'ble SAT while upholding the order held as follows:-

"….However, with regard to the direction for refund, considering the facts and circumstances that have been brought above, we direct the appellant to move an appropriate representation within three weeks from today giving details of the credit entries of the three bank accounts and indicate with precision as to which amount relates to advisory services and which amount does not relate to advisory services. The authority will consider each and every entry and thereafter crystallize the amount to be refunded within two months thereafter."

29. The SCN has stated that the total funds collected by the noticee is Rs.1,84,64,929.84/- towards unregistered investment advisory activities. Further, as can be seen at Para 27, there are certain inter-bank transfers from the SBI Account (No. 32xxxxxx979) to the Yes Bank Account (No. 283608000001000) and ICICI Bank Account (No. 107xxxxxx311) of the noticee/FIPL amounting to Rs.23,97,160/- Accordingly, the revised total amount considered towards the unregistered investment advisory activities to be refunded by noticee is as given below: -

Sr. No.	**Bank Name**	**Account No.**	**Account in the name of**	**Total Credit as given in the SCN (Rs)**	**Amounts not be considered towards the unregistered IA activities. (Rs.)**	**Revised Amount to be refunded (Rs.)**
1.	HDFC Bank	50200011821695	FIPL	30,500.00	-	30,500.00
2.	ICICI Bank	182505000114	FIPL	3,77,453.97		3,77,453.97
3.	YES Bank	283608000001000	FIPL	9,60,410	Rs.2,03,960/- (inter bank credits from SBI Account of the noticee)	7,56,450.00
4.	SBI Bank	32xxxxxx979	Mrityunjay Kumar	92,73,278.00		92,73,278.00
5.	ICICI Bank	107xxxxxx311	Mrityunjay Kumar	72,79,709.08	21,93,200/- (inter bank credits from SBI Account of noticee)	50,86,509.08
6.	ICICI Bank	347xxxxxx079	Faresure Pvt.Ltd.	5,43,,578.79	-	5,43,578.79
	TOTAL			**1,84,64,929.84**	**23,97,160.00**	**1,60,67,769.84**

30. I note that the noticee has neither refuted these allegations nor has he provided any response during the proceedings. The noticee also has not co-operated either during the examination or during the current proceedings, despite him being given sufficient opportunities to provide his submissions. Hence, the amount of Rs. 1,60,67,769.84 is being considered as amount received by Noticee for the unregistered investment advisory activities which will have to be refunded by him.

31. W.r.t the issue whether the Noticee has acted as an unregistered investment adviser in violation of the provisions of the SEBI Act, 1992 and the IA Regulations, the definition of "Investment Adviser" as given under Regulation 2(1)(m) of the IA Regulations is relevant:-

"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;"

32. Further, Regulation 2(1)(l) of the IA Regulations defines "investment advice" as under:

"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:…."

33. For ease of reference, the provisions of the SEBI Act, 1992 and IA Regulations alleged to have been violated by the Noticee are also reproduced hereunder :-

SEBI Act, 1992

"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 [53][regulations] made under this Act:"

SEBI (Investment Adviser) Regulations, 2013

"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:"

34. From a collective reading of the complaints, the webpages of FIPL, the LinkedIn page of FIPL, the MoA of FIPL, bank transaction statements and admissions made by the noticee himself, I find that the Noticee was providing investment advice and

also received consideration in lieu of the same and hence Noticee is covered under the definition of “investment adviser” and the money received from individuals was in the nature of fees in lieu of investment advice provided by it. The definition of “investment adviser” under Regulation 2(1)(m) of the IA Regulations states that if an entity is engaged in providing 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 in lieu of consideration, including those entities which are holding themselves out as investment advisers, such entity will be covered by the definition of “Investment Adviser” as given in Regulation 2(1)(m) of the IA Regulations. Therefore, I find that the Noticee i.e., Mr. Mrityunjay Kumar, sole director of FIPL, was engaged in the business of providing investment advice to its clients, for consideration, and thus, is acting as an investment adviser, as defined under Regulation 2(1) (m) of the IA Regulations.

35. I note that in terms of Section 12 (1) of the SEBI Act and Regulation 3 (1) of the IA Regulations, no investment adviser shall act as an investment adviser or hold itself out as an investment adviser unless it has obtained a certificate of registration from SEBI.

36. I note that for seeking a certificate of registration for acting as an investment adviser, an entity is required to satisfy, *inter alia*, the following requirements, as provided under IA Regulations:

    (i) An application for seeking certificate of registration to be made to Local Office, Regional Office or Head Office, of SEBI, as the case may be, in Form A as specified in the First Schedule to IA Regulations, 2013 along with requisite non-refundable application fee;

    (ii) The applicant, in case of an individual investment adviser or its principal officer in case of a non-individual investment adviser shall be appropriately qualified and certified as under:

(a) A professional qualification or post-graduate degree or post graduate diploma (minimum two years in duration) in finance, accountancy, business management, commerce, economics, capital market, banking, insurance or actuarial science from a university or an institution recognized by the Central Government or any State Government or a recognized foreign university or institution or association or a professional qualification by completing a Post Graduate Program in the Securities Market (Investment Advisory) from NISM of a duration not less than one year or a professional qualification by obtaining a CFA Charter from the CFA Institute;

(b) An experience of at least five years in activities relating to advice in financial products or securities or fund or asset or portfolio management;

(c) Applicant in case of individual investment adviser or its principal officer in case of a non-individual investment adviser, and persons associated with investment advice shall have, at all times a certification on financial planning or fund or asset or portfolio management or investment advisory services, from (a) NISM; or (b) any other organization or institution including Financial Planning Standards Board of India or any recognized stock exchange in India provided such certification is accredited by NISM.

(iii) Individual applicant must have net worth of not less than 5 lakh rupees and non-individual applicant must have net worth of not less than 50 lakh rupees.

37. I note that the safeguards provided under IA Regulations, 2013 requires continued minimum professional qualification and net-worth requirement for investment adviser, including disclosure of all conflict of interest, prohibition on entering into transactions which are contrary to advice given for 15 days, risk profiling of investors, maintaining documented process for selecting investment for client based on client's objective and risk profile, understanding the nature and risks of

products or assets selected for clients, etc. These requirements are aimed at protection of investor interest.

38. I note that the activities of the Noticee i.e. Mr. Mrityunjay Kumar, as described in the preceding paragraphs, was that of an investment adviser. However, neither FIPL or the noticee were registered with SEBI in the capacity of Investment Adviser. I find that these activities were being carried out by the Noticee without obtaining the necessary certificate of registration as an investment adviser and therefore, the Noticee has violated Section 12(1) of the SEBI Act along with Regulation 3 of the IA Regulations. Further, the noticee has also acknowledged in his reply dated 16.03.2022 that he did not have the necessary certificate of registration to carry out the investment advisory activities.

39. The SCN also called upon the Noticee to explain as to why appropriate penalty should not be imposed upon him under Section 15HB of the SEBI Act, 1992 for acting as an Investment Advisor and carrying out such activities without obtaining a certificate of registration from SEBI in violation of the SEBI Act, 1992 and SEBI (IA) Regulations, 2013. In this regard, before going ahead with the determination of monetary penalty, it would be relevant to place hereunder the extracts of the appropriate penalty provisions for necessary reference. The relevant extract of Section 15HB of the SEBI Act, 1992, is reproduced, hereunder:

"Penalty for contravention where no separate penalty has been provided..
15HB. *Whoever fails to comply with any provision of this Act, the rules or the regulations made or directions issued by the Board thereunder for which no separate penalty has been provided, shall be 104[liable to a penalty which shall not be less than one lakh rupees but which may extend to one crore rupees.].***"**

40. I note that the allegation that the Noticee has acted as an investment adviser without obtaining a certificate of registration from SEBI has been clearly established in the preceding paragraphs and therefore, the Noticee has violated Regulation 3(1) of the IA Regulations read with Section 12 of the SEBI Act. In view of the same, I find that the penalty under Section15HB of the SEBI Act, 1992 is clearly attracted.

41. For imposition of penalties 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."*

42. I note that the SCN has not brought out the quantum of profits / gains made by the noticees by collecting such unauthorized fees nor does it quantify the loss the clients have suffered. However, as brought out in the above paras, the noticee has offered these services to a large number of gullible investors/ clients in violation of the IA Regulations.

43. As discussed in the paragraphs above, I note that a total of ₹ 1,60,67,769.84 has been received by the Noticee in the various bank accounts for the investment advisory services provided by him. Thus, in the 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 an unregistered investment adviser in addition to monetary penalties which are attracted for the said violations under Section 15HB of the SEBI Act.

DIRECTIONS

44. In view of the foregoing, I, in exercise of the powers conferred upon me in terms of Sections 11(1), 11(4) and 11B (1), 11B (2) read with of Section 19 of the SEBI Act,

and Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995, do hereby pass the following directions:

(a) The Noticee, Mr. Mrityunjay Kumar shall, within a period of three (3) months from the date of coming into force of this direction, refund the money received from any complainant/ investor/ client, as fees or consideration or in any other form, in respect of its unregistered investment advisory activities;

(b) The Noticee, Mr. Mrityunjay Kumar, 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 direction;

(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) The Noticee, Mr. Mrityunjay Kumar, is prevented 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 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 investment advisory services from the Noticee, as directed in this order, from the bank accounts of the Noticee;

(e) After completing the aforesaid repayments, the Noticee, Mr. Mrityunjay Kumar, shall file a report of such completion with SEBI addressed to the "Division Chief, Division of Post-Inspection Enforcement Action, Market Intermediaries Regulation and Supervision Department (MIRSD), SEBI Bhavan II, Plot No.

C7, G Block, Bandra Kurla Complex, Bandra (East) Mumbai –400051", within a period of 15 days, after completion of three months from the coming into force of the directions at Para 44 (a) and (b) above, duly certified by an independent Chartered Accountant and the direction at Para 44 (d) above shall cease to operate upon filing of such report on completion of refunds to complainants/ investors;

(f) 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 investment advisory services from the Noticee. Thereafter, remaining amount if any will be deposited in the 'Investors Protection and Education Fund' maintained by SEBI;

(g) In case of failure of the Noticee, Mr. Mrityunjay Kumar, to comply with the aforesaid directions in sub-paragraphs 44 (a) and (f), SEBI, on the expiry of the stipulated time period therein from the date of coming into force of this order, may recover such amounts, from the Noticee, in accordance with Section 28A of the SEBI Act, 1992 including such other provisions contained in securities laws;

(h) The Noticee, Mr. Mrityunjay Kumar, 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 two (2) years from the date of this order or till the expiry of two (2) years from the date of completion of refunds to complainants/ investors as directed in paragraph 44 (a) above, whichever is later;

(i) The Noticee, Mr. Mrityunjay Kumar, is hereby imposed with a penalty of Rs. 2,00,000/- (Rupees Two lakh only) under Section 15HB of the SEBI Act, 1992

and further directed to pay the penalty within a period of forty-five (45) days, from the date of receipt of this order;

(j) The Noticee, Mr. Mrityunjay Kumar, shall remit / pay the said amounts of penalty through online payment facility available on the website of SEBI, i.e. www.sebi.gov.in on the following path, by clicking on the payment link: ENFORCEMENT -> Orders -> Orders of EDs/CGMs -> PAY NOW. In case of any difficulties in online payment of penalties, the Noticee may contact the support at portalhelp@sebi.gov.in The details/ confirmation of e-payment should be sent to "The Division Chief, Market Intermediaries Regulation and Supervision Department (MIRSD), Division of Registration-2, SEBI Bhavan II, Plot no. C-7, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai -400 051" and also to e-mail id:-tad@sebi.gov.in in the format as given in table below:

Case Name	
Name of Payee	
Date of Payment	
Amount Paid	
Transaction No.	
Payment is made for: (like penalties/ disgorgement/ recovery/ settlement amount/ legal charges along with order details)	

(k) The Noticee, Mr. Mrityunjay Kumar, shall not undertake, either during or after the expiry of the period of debarment/restraint as mentioned in paragraph 44 (h) above, 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.

45. It is hereby clarified that if the Noticee has any open position in any exchange traded derivative contracts, as on the date of this order, he 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. The Noticee is 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.

46. The direction for refund, as given in paragraph 44(a) 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.

47. This order shall come into force with immediate effect.

48. 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.

DR. ANITHA ANOOP

Date: March 28, 2024 **CHIEF GENERAL MANAGER**

Place: Mumbai **SECURITIES AND EXCHANGE BOARD OF INDIA**