NIRMAL MEHROTRA
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Counter No:1,05/02/2022,14:20 Speed Post
To:THE APEX GLOBAL,YADUNATH SINGH
PIN:452010, Vijay Nagar S.O
From:SECURITIES ,104 105 1ST FLOO
Wt:1Gms
Amt:47.20|CashTax:7.20
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Dial 18002666868 Wear Masks, Stay Saf

प्रतिभूति
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DEPUTY GENERAL MA
INDORE LOCAL OFFIC

4868 /1/2022
February 07, 2022

To

दि एपेक्स ग्लोबल, प्रोप्राइटर: श्री यदुनाथ सिंह ठाकुर, 4-ए श्रद्धा श्री कॉलोनी, एमआर-09 रोड, इंदौर- 452010, मध्य प्रदेश	The Apex Global, Proprietor: Mr. Yadunath Singh Thakur, 4-A Shraddha Shri Colony, MR-09 Road, Indore- 452010, Madhya Pradesh
श्री यदुनाथ सिंह ठाकुर, प्रोप्राइटर: दि एपेक्स ग्लोबल 1003/9, नेहरू नगर, रोड 09, इंदौर- 452003, मध्य प्रदेश	Mr. Yadunath Singh Thakur Proprietor: The Apex Global 1003/9, Nehru Nagar, Road 09, Indore- 452003, Madhya Pradesh
दि एपेक्स ग्लोबल, प्लॉट नंबर 662, फ्लैट नंबर 301, अमीरा कैसल, ब्लॉक डी, स्कीम नंबर 114, इंदौर- 452010, मध्य प्रदेश	The Apex Global Plot no. 662, Flat No. 301, Amira Casal, Block D, Scheme No. 114, Indore- 452010, Madhya Pradesh
दि एपेक्स ग्लोबल, नंबर 202, क्लासिक स्क्वायर 86, श्रीनगर, आनंद मार्केट, इंदौर-452001, मध्य प्रदेश	The Apex Global No. 202, Classic Square 86, Shrinagar, Anand Market, Indore-452001, Madhya Pradesh

Subject: Regarding Show Cause Notice under sections 11(1), 11(4), 11B(1) of the Securities and Exchange Board of India Act, 1992 ("SEBI Act") in the matter of The Apex Global.

This letter is with reference to the Show Cause Notice (SCN) **(Annexure-1)** in the matter of The Apex Global issued to you on August 05, 2021. Further, vide this letter the said SCN dated August 05, 2021 is being sent to all your addresses, available at our records.

Your reply, if any, along with relevant documents, should reach us within 21 days of the date of receipt of this notice at the following address:

Securities and Exchange Board of India
Indore Local Office
104-105, 1st Floor, Satguru Parinay,
Opp. C-21 Mall, A.B. Road,
Indore - 452010, Madhya Pradesh

If personal hearing before the Whole Time Member, SEBI is desired, it shall be indicated in the reply accordingly. The Noticee is advised to keep SEBI informed about the change in its/his correspondence address, if any, till the proceedings in the extant matter are complete.

Yours faithfully,

Nirmal Mehrotra

Enclosures: SCN dated August 05, 2021.

भारतीय प्रतिभूति
और विनिमय बोर्ड
Securities and Exchange Board of India

DEPUTY GENERAL MANAGER
WESTERN REGIONAL OFFICE

SEBI/WRO/18297/1
August 05 , 2021

To

श्री यदुनाथ सिंह ठाकुर प्रोप्राइटर: दी अपेक्स ग्लोबल, १०१- १०५ श्रीनगर सकत आनंद मार्केट, इंदौर, मध्य प्रदेश, ४५२००१	**Shri Yadunath Singh Thakur, Proprietor: The Apex Global, 101-105 Shrinagar Sakat Anand Market , Indore, Madhya Pradesh, 452001 (PAN: ECLPS1036K)**

Sub: Show Cause Notice under sections 11(1), 11(4), 11B(1) of the Securities and Exchange Board of India Act, 1992 ("SEBI Act") in the matter of Apex Global

1. Securities and Exchange Board of India (hereinafter referred to as "***SEBI***") had received a complaint on August 25, 2017 from Ms. S. Renuka (hereinafter referred to as "**complainant**"), against Apex Global (hereinafter referred to as "Apex") which is the sole proprietorship concern of proprietor Shri Yadunath Singh Thakur (PAN: ECLPS1036K) (Apex and Shri Yadunath Singh Thakur collectively referred to as the 'Noticee'). In the complaint it was, *inter alia,* alleged that the complainant received services from Noticee on June 11, 2015 and paid Rs. 38,000 service charges to the Noticee. After that the Noticee did not provide service to the complainant. The Noticee also caused losses of Rs. 30,000 to the complainant. A copy of the complaint is placed at **Annexure-A**.

2. It has been observed that the website of Apex i.e. www.theapexglobal.co.in is not active. The archive pages of the website was downloaded from web.archive.org, the copy of which is placed at **Annexure B**. It was observed that Apex had, *inter alia,* disclosed the following in the website:

"The Apex Global is a financial advisory company which is specialized in providing equity tips and commodity tips covering almost all the major segments of equity market such as stock cash nifty futures stock futures, F&O. The calls are given on intra day and positional basis. We also provide tips in commodity market including base metals precious metals and energies along with agri tips."

पश्चिमी प्रादेशिक कार्यालय : सेबी भवन, पंचवटी पहली गली, गुलबाई टेकरा रोड, अहमदाबाद – 380 006. दूरभाष: (079) 26583633-35 फेक्स: 26583632 ई-मेल: sebiwro@sebi.gov.in
Western Regional Office : SEBI Bhavan, Panchvati 1st Lane, Gulbai Tekra Road, Ahmedabad - 380 006. Ph.: (079) 26583633-35 Fax: 26583632 E-mail: sebiwro@sebi.gov.in
बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई 400051. दूरभाष: (022) 26449000 फेक्स: 26449019 to 26449022 वेब : www.sebi.gov.in ई-मेल: sebi@sebi.gov.in
Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Ph.: (022) 26449000 Fax: 26449019 to 26449022 Web : www.sebi.gov.in E-mail : sebi@sebi.gov.in

3. Apex had also disclosed the following bank accounts in its website:

Name: The Apex Global A/C. No : 144104400268 Type of A/C : Current Branch:New Palacia Indore RTGS/NEFT IFSC Code: ICIC00014412	Name: The Apex Global A/C. No : 50200005745826 Type of A/C : Current Branch:Vijay Nagar Indore RTGS/NEFT IFSC Code: HDFC0000404	Name: The Apex Global A/C. No : 914020041585184 Type of A/C : Current Branch:AB Road Indore RTGS/NEFT IFSC Code: UTIB0001680

4. The examination of the aforesaid bank accounts of Apex revealed the following:

   a. In HDFC account opening form customer The Apex Global submitted that the account is opened for providing advisory services. In ICICI account opening form Mr. Yadunath Singh mentioned that the nature of business shall be "Stock tips and Research Advisor". As per the KYCs received from the Banks, Mr. Yadunath Singh is the sole proprietor of The Apex Global. Copies of the KYCs received from HDFC Bank, ICICI Bank and Axis Bank is placed at **Annexure C.**

   b. From the analysis of the bank account statement of ICICI Bank Account-144104400268, it is noted that credit of Rs. 55,620 have been received by Apex for the period June 29, 2013 to June 16, 2014. The said bank account is found to be closed from June 16, 2014.

   c. On perusal of the bank account statement of HDFC Bank Account-50200005745826, it is noted that credit of Rs. 51,58,895 have been received by Apex for the period August 07, 2014 to December 29, 2017. The said bank account is found to be closed from December 29, 2017.

   d. From the analysis of the bank account statement of Axis Bank Account-914020041585184, it is noted that credit of Rs. 70,92,243 have been received by Apex for the period September 30, 2014 to December 06, 2019. The said bank account is found to be closed from December 06, 2019.

   Copy of the bank statement received from Banks are placed at **Annexure D.**

5. It is, *prima facie*, observed that the amount paid by complainant, is consideration paid for availing investment advisory products and services as depicted by the Noticee in its website viz. www.theapexglobal.co.in. Further, based on examination of bank account statements of the Noticee, *prima facie*, it is observed that there are large number of credits from several other individual investors which are also paid towards availing various investment advisory products and services as depicted in the aforementioned website.

6. From the above, it is alleged that the Noticee is observed to have engaged in the activities of an 'investment adviser' as defined under regulation 2 (m) of SEBI (Investment Adviser) Regulations, 2013 (hereinafter referred to as "IA Regulations, 2013"), which reads as under:

> *"investment adviser means any person who for consideration, is engaged in the business of providing 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".*

7. It is further observed that the Noticee was indulged in providing unregistered investment advisory services without obtaining registration from SEBI as required under section 12(1) of SEBI Act 1992 (hereinafter referred to as ***SEBI Act***), read with regulation 3(1) of IA Regulations, 2013.

8. As per section 12(1) of SEBI Act, any person carrying out investment advisory activities has to necessarily obtain registration from SEBI and conduct its activities in accordance with the provisions of IA Regulations, 2013. Section 12(1) of SEBI Act is reproduced as under for reference:

> *"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"*

9. Regulation 3(1) of the IA Regulations, 2013 states, "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".

10. As per regulation 3(1) of IA Regulations, 2013 read with section 12(1) of SEBI Act, registration is mandatory for a person carrying out the activities of an investment adviser. From the above, it is, prima facie, observed that Noticee has carried out investment advisory activities without obtaining registration of SEBI.

11. The aforesaid examination reveals that the Noticee appears to have engaged in the activities of investment adviser without seeking any registration from SEBI, as required in terms of Section 12 (1) of SEBI Act read with regulation 3(1) of IA Regulations, 2013.

12. The above acts of the Noticee of holding themselves out as an investment adviser, without having any certificate of registration are alleged to be in violation of Section 12(1) of the SEBI Act read with Regulation 3(1) of the IA Regulations, 2013.

13. The Noticee is hereby called upon to show cause as to why suitable directions under sections 11(1), 11(4), and 11B(1) of the SEBI Act should not be issued against them for alleged violations.

14. Your reply, if any, along with relevant documents, should reach us within 21 days of the date of receipt of this notice at the following address:

Securities and Exchange Board of India
SEBI Bhavan,
Western Regional Office
Panchvati 1st Lane,
Gulbai Tekra Road,
Ahmedabad- 380006, Gujarat

15. If personal hearing before the Whole Time Member, SEBI is desired, it shall be indicated in the reply accordingly. The Noticee is advised to keep SEBI informed about the change in its/his correspondence address, if any, till the proceedings in the extant matter are complete.

Yours faithfully,

Rishi Barua

Enclosures: As above